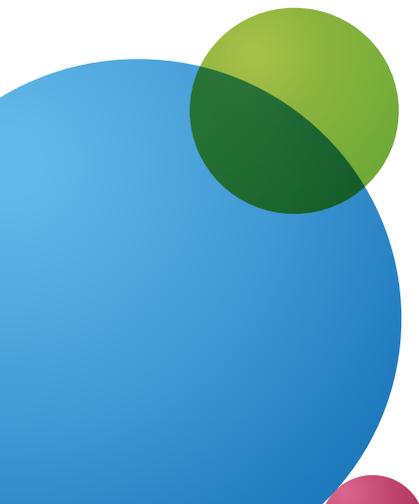


ANNUAL REPORT

2011-2012





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VISION

THE TREES, VIKHROLI - MUMBAI



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



THE YEAR THAT WAS

Substantial Growth

- FY12 consolidated total income increased by 47% to Rs. 819.8 crores from Rs. 558.9 crores in FY11
- Total bookings increased by 46% to Rs. 1,562.5 crores in FY12 from Rs. 1,071.2 crores in FY11
- Profit from operations before other income and interest increased by 52% from 101.1 crores in FY11 to 154.1 crores in FY12
- Consolidated EBITDA for FY12 is Rs. 207.7 crores compared to Rs. 212.5 crores in FY11
- Net profit for FY12 is Rs. 97.9 crores compared to Rs. 130.9 crores in FY11

Healthy Sales Momentum

- Godrej Garden City, our township project in Ahmedabad witnessed bookings of 660,000 sq. ft. in FY12 from GPL's share of the area
- Two towers of Godrej Platinum were launched in Vikhroli, Mumbai during the year. The project received an excellent response with 240,000 sq. ft. sold within a few months
- Your Company witnessed strong sales in its commercial projects with 670,000 sq. ft. sold during FY12

Robust Deal Flow

- Your Company entered into ten new projects in FY12 adding approximately 10.5 million sq. ft. of developable area to its portfolio
- Godrej Properties entered into a milestone agreement with Godrej & Boyce, wherein your Company will act as development manager for all future development of Godrej & Boyce's Vikhroli land
- Your Company entered into an agreement with Jet Airways to develop 1.2 million sq. ft. at Bandra-Kurla Complex (BKC), Mumbai
- GPL entered the redevelopment space with its first project at Sahakar Nagar, Chembur in Mumbai

Capital Raising

- Your Company successfully concluded India's first ever Institutional Placement Programme (IPP) raising Rs. 470 crores in March 2012
- ASK Property Investment Advisors bought a 49% stake in a GPL subsidiary that is developing a redevelopment project at Chembur, Mumbai
- SUN-Apollo India Real Estate Fund bought a 49% equity stake in a GPL subsidiary developing its project at Godrej Summit, Gurgaon

Sustainability

- Godrej One, Vikhroli, Mumbai received a LEED[®] Platinum pre-certification
- Godrej Platinum, Vikhroli, Mumbai received an IGBC Green Homes Platinum pre-certification
- Godrej Genesis, Kolkata received the LEED[®] Gold pre-certification
- Godrej Frontier, Gurgaon received the IGBC Green Homes Silver pre-certification

Recognitions

- Godrej Properties received 12 awards and recognitions in FY12
- Your Company was voted the 'Most Trusted Name' in the Real Estate industry and 'India's Best Marketed Real Estate Company, 2011' by 4Ps Business and Marketing in association with ICMR
- Your Company was ranked 1st in the real estate industry and featured in the Top 100 companies in the 'India's Best Companies to Work For' survey conducted by The Great Place to Work Institute, India, in association with Economic Times
- Your Company was awarded 'Best Emerging National Developer' by Zee Business at the RICS Real Estate Awards
- Your Company was chosen as 'Asia's Most Admired Brand' in the real estate category for Godrej Garden City, Ahmedabad at the Asian Leadership Awards 2011
- Your Company was included in India's top 200 Power Brands 2011-12 by ICMR
- Your Company was amongst 'India's Top 10 Builders' at the Construction World Architect and Builder Awards 2011 for the sixth consecutive year
- Your Company was awarded the 'Best Marketing Campaign of the Year' at the CMO Asia Awards
- Your Company emerged as one of the winners for the 'Tower Project of the Year' category for Planet Godrej at the inaugural Construction Week Awards 2011
- Godrej Woodsman Estate was awarded the 'Best Residential Project - South' by Zee Business at the RICS Real Estate Awards
- Godrej Waterside, Kolkata was awarded the 'Luxury Commercial Project of the year' at the Property World Awards 2011 and 'Commercial Project of the year' at the EPC World Awards 2011



COMPANY INFORMATION

- DIRECTORS** :
1. Mr. Adi B. Godrej - Chairman
 2. Mr. Jamshyd N. Godrej
 3. Mr. Nadir B. Godrej
 4. Mrs. Parmeshwar A. Godrej
 5. Mr. Pirojsha Godrej - Managing Director & Chief Executive Officer
(Appointed w.e.f April 1, 2012)
 6. Mr. Milind S. Korde - Managing Director
(up to March 31, 2012)
 7. Mr. K.T. Jithendran - Executive Director
 8. Mr. V. Srinivasan - Executive Director
(Appointed w.e.f April 1, 2012)
 9. Mr. Amit B. Choudhury
 10. Mr. Keki B. Dadiseth
 11. Mrs. Lalita D. Gupte
 12. Mr. Pranay Vakil
 13. Dr. Pritam Singh
 14. Mr. S. Narayan
 15. Mr. Amitava Mukherjee

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

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

BANKERS : State Bank of India
IDBI Bank
Central Bank of India
Canara Bank
Punjab & Sind Bank

CHAIRMAN'S STATEMENT

Dear Shareholders,

I am pleased to write to you after what has been an eventful year for Godrej Properties. In a difficult year for the Indian real estate sector, Your Company has successfully set itself up for strong long-term growth.

The year has been a challenging one for the Indian economy. High inflation, elevated interest rates, and a lack of economic reform have led to weak economic sentiment and the lowest GDP growth in the last nine years. The real estate sector has been especially impacted by these factors.

Despite the adverse environment, Your Company has been able to achieve multiple important landmarks in

FY12. The most encouraging development for FY12 has been the fact that Godrej Properties has successfully added ten new projects to its development portfolio. This is the largest number of new projects added in a single year in the Company's history. One of these new projects in particular - the Vikhroli development management agreement with our Group company Godrej & Boyce – will tremendously add to Your Company's long-term growth prospects.

In another important development, especially given the capital scarce environment in the Indian real estate sector, Godrej Properties has successfully raised capital at both the entity level through India's



first ever Institutional Placement Programme (IPP) where GPL received approximately 470 crores and at the project level for projects in Mumbai and NCR. This demonstrates investors' ongoing confidence in Your Company's ability to deliver growth.

Operationally, there have been several positive developments. Your Company's revenues for FY12 showed a robust 47% growth while bookings growth was also strong at 46%. Operational profits excluding private equity and other income grew by 52%. However, due to higher private equity in the previous year, and due to increased minority interest and lower operating margins in FY12, net profit for the year declined. This is something your management team will be working to improve in FY13.

There were also important changes to the senior management team that were announced in FY12. Milind Korde stepped down as Managing Director with effect from April 1st, 2012. I would like to sincerely thank Milind for his many contributions to Godrej Properties. We look forward to his continued advice in the upcoming months. The Board of Directors of Your Company has appointed Pirojsha Godrej as the Managing Director and Chief Executive Officer of GPL with effect from April 1st, 2012. Pirojsha has been an integral part of GPL's growth since he joined the Company in 2004 and the Board is confident that he will successfully lead the Company through its next stage of growth. The Board has also approved the addition of V. Srinivasan as an Executive Director at GPL, with effect from April 1st, 2012. Srinivasan has played several leadership roles across various Group companies, including, most recently, as CFO and Company Secretary at Godrej Industries. He will be a valuable addition to GPL's senior leadership team.

I am pleased to note that the strong performance of Your Company was recognized through twelve awards the Company received this year including once again being ranked as the number one real estate developer in the annual study of the 'Best Companies to Work For' by The Economic Times.

Our commitment to creating sustainable developments that benefit the residents living and working in them as well as society as a whole has seen several notable advancements during the year. We have furthered our commitment to ensuring that every single new Godrej Properties development will be planned in a manner that enables it to receive a LEED green building certification. We look forward to continuing to be at the forefront of sustainable development in the coming years.

India has gone through a difficult year in FY12 and numerous challenges both in the global economic outlook and India's own economic situation persist. Nevertheless, given India's demographics, potential, and trajectory, we firmly believe that the decade ahead will be one of tremendous opportunity. We expect Your Company to show increased momentum in terms of launches, deliveries, and new business development in the year ahead.

I would like to thank all the many employees who have contributed to Godrej Properties' successful performance in FY11. I would also like to thank our business partners, vendors, and other business associates. Finally, I would like to thank all our shareholders for their encouragement and support.

Best wishes,

Adi B. Godrej
Chairman, The Godrej Group

MANAGING DIRECTOR'S STATEMENT

Dear Shareholders,

It is great to have the opportunity to write to you after an exciting year for Godrej Properties. Despite a difficult operating environment for real estate companies in FY12, your company has witnessed important progress on many parameters.

While the fundamental long-term strengths of the Indian economy and India's real estate sector remain robust, the past year has been a difficult one on many fronts. The challenges and their causes are both well known. Due to the inflationary environment and rising interest rates, materials like steel and cement, construction labour, and financing, which comprise the

major costs for real estate projects, have all sharply increased in FY12. At the same time, the weak macroeconomic environment driven by poor GDP growth globally and here in India has dampened demand for real estate and limited the upward movement in real estate prices.

We believe that such periods of difficulty throw up both challenges and opportunities. The challenges are in the form of operating margin pressure due to the significant cost escalations and the lower demand for real estate due to poor economic sentiment. Your Company will be very focused this year on meeting these challenges through improved operational efficiency to lower costs and bookings growth through robust project launches.



The weak environment also creates opportunities to add new projects to our development portfolio at attractive valuations and we will seek to ensure we are able to capture this opportunity.

F12 was your company's best ever year for new project additions; we were able to add nine residential projects and one commercial project, thereby increasing our portfolio by over 10 million sq. ft. By far the most important new project for Godrej Properties has been the landmark deal we concluded in October with our Group Company, Godrej & Boyce, for all future development of their land in Vikhroli. We believe this deal will be hugely value accretive for Godrej Properties. The major benefit of this deal is that it gives Godrej Properties a very large and risk-free cash flow for a long period of time, which will give your company the financial strength to continue rapid growth externally. We launched two of the four towers in our first residential project in Vikhroli - Godrej Platinum - in FY12 and were very pleased with the response. We are confident that our Vikhroli project will grow from strength to strength as the development picks up pace. In March, we successfully concluded our first deal in the redevelopment space with the addition of the Sahakar Nagar project in Chembur. The redevelopment and development management model are both models we believe offer a huge opportunity while also fitting perfectly with your company's strategy of capital efficient land sourcing. We will endeavor to continue to add projects under these models in addition to our joint venture business model. We have also seen success this year in adding projects in the most lucrative real estate markets in the country - Mumbai, NCR, Bengaluru, and Pune - and we hope to build on this success in the year ahead. In FY13, from a new project perspective, we will focus entirely on residential projects and primarily on adding projects in our target markets with deal structures that offer us attractive margins.

Operationally, while we'd hoped for an even better year in FY12, we were pleased we were able to launch projects in multiple cities, including new cities like Chennai and Nagpur. This led to robust growth in revenue, bookings, and profit from operations. We've also seen momentum in monetizing our commercial portfolio and that will remain an important focus in FY13. We have plans to launch a large number of projects in the current financial year, which we expect will allow us to see strong growth in operating performance in the year ahead. Despite the continued macroeconomic headwinds currently facing the sector, given our plans for new launches, and new business development deals, we expect strong annual growth in FY13.

All of us at Godrej Properties are working hard towards an important and noble goal: giving our customers across India homes they love, and doing it in a trustworthy manner. Our passion and belief in that goal, and in our ability to achieve it, is what will drive the future of Your Company. If we succeed in providing our customers the best possible experience, financial success will be a natural outcome of our efforts.

I would like to take this opportunity to thank the entire management team at Godrej Properties for their energy and tireless work throughout the year. I would also like to sincerely thank our joint venture partners, customers, and business associates for their support. Finally, a big thank you to all our investors for the continued confidence they have shown in Godrej Properties.

All the best,

Pirojsha Godrej
Managing Director & CEO, Godrej Properties

GODREJ HORIZON, PUNE

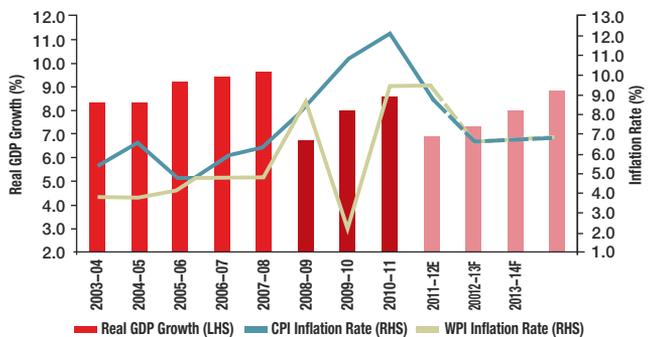


MANAGEMENT DISCUSSION & ANALYSIS

ECONOMIC OUTLOOK

The Indian economy had a challenging year in FY12; GDP growth was at the lowest level witnessed in the past nine years. The global economic slowdown combined with domestic policy inaction and high interest rates were the key factors that led to weak growth. Given the economic situation in Europe and signals of slowing growth in China and the US, global economic growth remains a concern.

Real GDP Growth and Inflation Rate



Source: RBI, IHS Global Insight, April 2012

A slight moderation in headline WPI inflation in Q1 CY12 allowed the Reserve Bank of India (RBI) to ease liquidity in the system. At end of Q1 CY12, WPI inflation was 6.9%, having remained above 9% in the April-November 2011 period. Similarly, average inflation based on CPI also moderated to 6.4% in Q1 CY12 compared to 8.4% in the previous quarter. In its annual policy announcement on 17th April 2012, the RBI projected GDP growth of 7.3% in FY13.

The RBI hiked interest rates 13 times between March 2010 and October 2011 to contain inflation. With the moderation of inflation, the RBI slashed the cash reserve ratio (CRR) by 125 bps in two phases followed by a 50 bps reduction in the repo rate in April 2012. The bank rate of RBI was also reduced from 9.5% to 9.0%. These credit relaxations are likely to enhance the lending power of commercial banks and bring interest rates down for both corporates and homebuyers in the medium term.

According to the United Nations, India will have the highest growth in urban population among all BRIC nations, a rate many expect to remain above 2% per annum for the next three decades. An estimated 854 million people will live in Indian cities by 2050, a figure equal to the combined population of present day USA, Brazil, Russia, Japan and Germany. This rapid urbanisation will offer large-scale opportunities for real estate development in Indian cities.

GODREJ PLATINUM, VIKHROLI-MUMBAI



REAL ESTATE SECTOR OVERVIEW

The real estate industry continued to remain subdued in FY12. Numerous interest rate hikes, lack of political reform, and the unfolding European debt crisis were among the significant macroeconomic headwinds faced by the sector. The sector witnessed slowing demand due to reduction in affordability, increase in asset prices and cumbersome government regulations leading to delays in project execution and new launches.



Demand for housing in India remains strong. Post the surprise CRR cut of 1.25%, RBI has begun the year by cutting the Repo rate by 0.5%. Thus, FY13 is expected to witness a falling interest rate regime and a moderate inflation scenario. This should lead to a considerable change in sentiment amongst home buyers. The improvement in housing demand will be the major catalyst for the overall performance of the sector.

Outlook: Residential Real Estate

The performance of the residential real estate market in India was sluggish in FY12 with a decline in absorption rate. Chennai, Kolkata, Pune and NCR recorded relatively high absorption rates and were the best performing markets. Mumbai witnessed one of the lowest absorption rates in FY12. The sentiment of home buyers during the year was cautious, primarily due to rising interest rates, lower affordability and concerns about short term macroeconomic fundamentals.

New launches moderated during the year due to lower demand and regulatory hurdles. The National Capital Region (NCR) accounted for approximately 40% of new residential launches in India. The launch of premium projects priced above INR 10,000 per sq. ft. increased significantly in the second half of the financial year. Around 35% of new launches across India were in the price range of Rs. 2,000 – 4,000 per sq.ft. Real estate prices remained stable and increased marginally. NCR and Bengaluru were the best performers in FY12 with strong sales growth. The Mumbai market saw steady pricing despite the dearth of new launches. Regulatory clarity in the Mumbai region will bring in much needed transparency and should lead to a recovery of volumes in the market.

In the coming year, the sector should see improved execution of projects and sales bookings across markets due to expected lowering of interest rates, improving affordability and faster pace of new launches.



Outlook: Commercial Real Estate

Commercial leasing activity was healthy across all major cities in FY12 along with pre-leasing activities in under-construction sites. Demand for commercial properties is primarily driven by seven major cities—Mumbai, NCR, Bengaluru, Kolkata, Hyderabad, Pune, and Chennai. Demand from Bengaluru and NCR has been healthy. CY11 witnessed high levels of commercial leasing with demand at approximately 38 million sq. ft. outstripping fresh supply of approximately 31 million sq. ft.

Occupancy levels in Gurgaon and Noida remained stable at 86% and 72% respectively. Mumbai's performance suffered particularly because of the slowdown witnessed in the Banking and Finance sector. Vacancy levels in Mumbai stood at 20% in CY11 due to high supply levels placing additional pressure on rentals. Bengaluru recorded the highest

demand across all Indian cities with demand of approximately 15 million sq. ft. in CY11 compared to 12 million sq. ft. in CY10. Vacancy levels also reduced to 12% in CY11 from 17% in CY10.

In CY12, IT companies are expected to pre-lease office spaces while corporate expansion is likely to decrease due to the unfavourable global economic situation affecting various businesses.

OPPORTUNITIES

1. Housing Demand

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

The number of residential units launched across Indian cities in the range of Rs. 2,000 – 5,000 per sq. ft. has been gradually increasing every year.

To meet the housing shortage in major cities, several announcements were made in the Union Budget, which are likely to create further demand in the mid-income housing sector. These include:

- a. Allowing External Commercial Borrowing (ECB) for affordable housing projects.
- b. Setting up a Credit Guarantee Trust Fund to ensure improved flow of institutional credit for housing loans.
- c. Enhancing allocation for Rural Housing Fund from Rs. 3,000 crores to Rs. 4,000 crores.

- d. Extending the scheme of interest subvention of 1 percent on housing loans up to 15 lakh where the cost of the house does not exceed 25 lakh for an additional year.
- e. Increasing the limit of indirect finance under the priority sector from Rs. 5 lakh to 10 lakh.
- f. Reducing the rate of withholding tax on interest payments on external commercial borrowings from 20 percent to 5 percent for three years, to provide low cost funds to the stressed infrastructure sector.

2. Redevelopment in Mumbai

Redevelopment in Mumbai offers a tremendous opportunity with at least 16,000 buildings to be redeveloped in the next decade. Land is a scarce

PLANET GODREJ, MAHALAXMI



commodity in Mumbai and redevelopment is a way to ease the pressures of housing in the city. The government has sensible policies in place to attract private investment in this space.

3. Monetary easing a major sentiment booster

RBI began the year by cutting key lending rates, which could signal a lower interest rate cycle with a moderation in inflation. We expect further rate cuts in the coming year to facilitate an operational recovery for the sector in FY13.

High borrowing costs coupled with rising price levels due to rapid inflation in input costs impacted affordability for buyers across markets. As inflationary pressures soften, RBI's impending rate cut and the resulting moderation in home loan rates is expected to be a sentiment booster for property buyers. The lower cost of borrowing would also help improve developer profitability.

4. Subsiding Regulatory challenges

The growth of the real estate sector has been impacted on account of several adverse regulatory/political developments. Meaningful progress in some much-awaited regulatory reforms (e.g. Mumbai Development Control Rules (DCR) amendment, draft regulator bill, etc.) could revive investor confidence. New amendments in the Mumbai DCR that determine FSI utilization has created a level playing field for all developers.

5. Increased private equity (PE) funding

Real estate in India, over the last decade, has seen tremendous growth and transformation. A wider participation of institutional private equity (PE) in the capital intensive business in addition to traditional debt finance has played a critical part in this change.

The entry of PE participants has also brought in a more disciplined approach towards construction and delivery of projects along with better transparency to the market. With PE players' understanding of the Indian market now increasing, and limited global real estate investment opportunities, PE investments into Indian real estate are set to continue to grow.



THREATS

1. Economic environment

The real estate sector will be significantly affected if there is a slowdown in India's economic growth. Sustained economic growth is crucial to stable growth in demand for real estate. The

sector's demand is inversely proportional to high interest rates, thus any increase in interest rates for home loans has a direct impact on the performance of the sector.

2. Regulatory hurdles

Unfavorable changes in government policies and the regulatory environment can adversely impact



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

3. Commercial oversupply and muted rental growth

The subdued economic scenario and continuing high vacancies have resulted in tenants being locked in at existing rents rather than being pushed for incremental rents.

Slower growth in the economy, oversupply and slowdown in the BFSI sector reduces the need for office space expansion and will continue to impact commercial real estate.

4. Slowdown in residential sales

Residential sales have slowed across markets due to weak buyer sentiment. Sharp price appreciation over the last several years has impacted investor-led demand and depressed absorption volumes.

5. Liquidity concerns

Tighter lending norms, longer approval processes, and lower absorption has resulted in a liquidity crunch for the sector as a whole. Managing liquidity is an important challenge in FY13 given huge scheduled loan repayment for developers over the next 3-4 years. As operational support dries up, developers are trying to service debt through asset divestment. Cash flow management will continue to be a challenging task for developers with falling operating cash flows, rising interest costs and impending debt repayment schedules.

6. Intensifying construction spends

The domestic construction industry has been impacted with a steep rise in prices of inputs including cement, steel, and bricks, the cost of

which has risen by over 30% since 2009. Labour costs have also increased by more than 30% over the past two years due to increasing locally-generated employment opportunities through government welfare schemes such as the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) that are discouraging migrant labourers from moving away from their homes. The increased costs and a labour crunch has been a major hurdle for developers.

GODREJ PROPERTIES LIMITED

Godrej Properties Limited (GPL) is the real estate development arm of the Godrej Group. The Godrej Group was started in 1897 and is today one of India's most successful conglomerates. GPL brings the Group's philosophy of innovation and excellence to the real estate industry while aspiring to continue to be the most trusted name in the industry. Your Company has completed several landmark projects and is currently developing 77 million sq. ft. of real estate through projects in twelve cities across India. GPL aims to deliver superior value to all its stakeholders through extraordinary and imaginative spaces created out of deep customer focus and insight.

Your Company has received several recognitions for its processes and performance both at the entity and project level, which include being awarded with 'Most Trusted Names' in the Real Estate industry and 'India's Best Marketed Real Estate Company, 2011' by 4Ps Business and Marketing in association with India Council for Market Research. Your Company was included in 'India's Top 10 Builders' at the Construction World Architect and Builder Awards 2011 for the sixth consecutive year. Your Company was also awarded 'Asia's Most Admired Brand' award in the real estate sector for Godrej Garden City, Ahmedabad at the Asian Leadership Awards 2011. Godrej Waterside, Kolkata was awarded the 'Luxury Commercial Project of the year' at the Property World Awards 2011 and 'Commercial Project of the year' at the EPC World Awards 2011. Your Company has won 12 awards and recognition during FY12.

OUR BUSINESS STRATEGIES

The following are the key elements of our business strategy:

1. Enhance and leverage the “Godrej” brand and group resources

One of our key strengths is our relationship with the Godrej Group and the strong brand equity generated from the “Godrej” brand name. We believe that our customers, vendors and members of the financial community perceive the “Godrej” brand to be a trusted provider of quality products and services.

In addition, our association with the Godrej Group helps us leverage group resources including the land owned by other Godrej Group companies.

2. Focus on residential projects in high growth urban areas

We believe that the growth opportunity for real estate development in India will be focused primarily on residential developments aimed at India's rapidly growing middle class. Our residential developments are typically located in high growth urban areas located in or near prominent or growing cities across India. We have also incorporated a wholly-owned subsidiary, Godrej Projects Development Private Limited, and have established a dedicated internal team that is focused on undertaking residential redevelopment projects in Mumbai, which we expect will allow us to increase and diversify our market presence in Mumbai.

GODREJ FRONTIER, GURGAON



KEY PROJECT UPDATES

Name	Location	Project type	Est. Saleable Area (mn sq ft)*	Current Status
Godrej Garden City	Ahmedabad	Residential	23.0	Ongoing
Tumkur Road	Bangalore	Residential	0.8	Forthcoming
Godrej Platinum	Bangalore	Residential	0.6	Ongoing
Godrej Gold County	Bangalore	Residential	0.4	Forthcoming
Electronic City	Bangalore	Residential	0.4	Forthcoming
Godrej Crest	Bangalore	Residential	0.1	Ongoing
Godrej Eternia	Chandigarh	Commercial	0.5	Ongoing
Godrej Palm Grove	Chennai	Residential	2.5	Ongoing
Godrej Summit	Gurgaon	Residential	2.0	Forthcoming
Godrej Frontier	Gurgaon	Residential	0.8	Ongoing
Godrej Oasis	Hyderabad	Residential	5.3	Forthcoming
G&B Moosapet	Hyderabad	Residential	2.2	Forthcoming
Kochi Project	Kochi	Residential	2.2	Forthcoming
Godrej Prakriti	Kolkata	Residential	3.1	Ongoing
Godrej Waterside	Kolkata	Commercial	1.8	Ongoing
Godrej Genesis	Kolkata	Commercial	1.3	Ongoing
Godrej Alpine	Mangalore	Mix - use	0.9	Ongoing
The Trees	Mumbai	Mix - use	3.5	Ongoing
GPL BKC Project	Mumbai	Commercial	1.0	Forthcoming
Godrej Platinum	Mumbai	Residential	0.6	Ongoing
Sahakar Nagar	Mumbai	Residential	0.6	Forthcoming
Kalyan Township	Mumbai	Residential	0.5	Forthcoming
G&B Lawkim, Thane	Mumbai	Residential	0.3	Forthcoming
Godrej Serenity	Mumbai	Residential	0.2	Forthcoming
Godrej Palm Springs	Mumbai	Residential	0.1	Forthcoming
Godrej Edenwoods	Mumbai	Residential	0.0	Ongoing
Godrej Anandam	Nagpur	Residential	2.8	Ongoing
Bhugaon Township	Pune	Mix - use	11.8	Forthcoming
Godrej Horizon	Pune	Residential	0.5	Forthcoming
Godrej Genesis	Pune	Commercial	0.5	Forthcoming

3. Build upon extensive portfolio of joint development projects and other innovative structures to optimize resources

We intend to leverage our established track record and existing relationships with landowners to pursue projects across high growth markets through innovative structures and maintain an asset-light portfolio. We intend to continue to develop most of our projects through joint development agreements with land owners and by partnering with long-term investors in project-specific companies. We believe this allows us to remain asset light while enabling us to focus on our key functions of land sourcing, project execution and marketing as we expand our operations. In addition, we have diversified our business model to include the development of projects as a project development manager on a fee basis.

4. Focus on execution

We continue to scale up our operations and project management capabilities as we fully

recognize the importance of delivering quality projects on a timely basis. Selective outsourcing of the development process enables us to undertake more projects and source best-in-class development partners, while optimally utilizing our resources. We intend to continue to outsource activities such as architecture and construction to skilled partners.

5. Focus on sustainable development

We have maintained a strong focus on sustainable development by meeting environmental parameters in site selection and planning, water efficiency, energy efficiency, material and indoor environmental quality. We are a founding member of the Indian Green Building Council, which is actively involved in promoting sustainable design in India.

We have implemented sustainable design concepts in many of our projects in line with leading global sustainability practices. We are committed to ensuring that each of our Ongoing Projects and



Forthcoming Projects will be planned in a manner that enables it to receive a Leadership in Energy and Environmental Design (“LEED”) green building certification.

OPPORTUNITIES

1. New Business Development

Your Company has a large development portfolio with projects in 12 cities across India. We remain focused on expanding coverage in high growth cities. FY12 has been a landmark year where we have concluded 10 new deals, which is the highest number in Your Company's history. This demonstrates our ability to attract deals across markets in varied economic conditions. Your Company has a robust land sourcing pipeline and will aspire to continue to add projects meeting our investment guidelines.

2. Mumbai Redevelopment

Your Company has created a 100% subsidiary, Godrej Projects Development Private Limited

(GPDPL) that is focused on capturing opportunities in the Mumbai redevelopment space. We believe the Godrej brand is a huge advantage in attracting tenants in the redevelopment space and we also feel that these projects fit in well with our strategy of focusing on asset-light developments. The size of opportunity, given the number and condition of residential dwellings in Mumbai, is truly enormous. Our effort in the redevelopment space has begun to show results. We have recently concluded two redevelopment deals in Chembur and Byculla, which are both promising residential neighborhoods. We will endeavor to continue to grow our presence in the redevelopment space in the coming years.

3. Development Manager (DM) Projects

The Development Manager model, which we've introduced as a new business development model this year, facilitates steady cash flow with minimal investment. Under this model we control the conceptualization, design, construction, sales, marketing, and cash flows in the project, while also ensuring strict quality control. This is a low risk model and your Company will pursue it on a selective basis.

GODREJ ETERNIA, CHANDIGARH





4. Godrej Group Land

During the year GPL entered into a landmark alliance with Godrej & Boyce for all future development of Godrej & Boyce owned land in Vikhroli, Mumbai. This is a hugely value accretive deal for GPL which will provide significant risk free cash flows to your Company for a long period of time.

Your Company has access to the numerous land parcels owned by Godrej Group companies and has already signed development agreements and MOUs for several such land parcels.

5. Private Equity Deals

PE investments allow Godrej Properties to unlock capital from projects at a very early stage and reinvest the money in newer deals, adding to the total scope of our development. A strong brand and proven business model have enabled us to tie up new equity deals at favorable valuations in a capital scarce environment.

THREATS, RISKS AND CONCERNS

1. Industry cyclicality

GPL is confident of the real estate sector's prospects over the long term; however, real

estate will remain a cyclical business that does go through difficult periods such as the one that is currently ongoing. Your Company has attempted to de-risk its business through its joint venture business model and its pan-India presence.

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 Indian 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. GPL meticulously

prepares all documentation required for statutory approvals to mitigate any risk arising out of regulatory approval policies.

COMPANY HIGHLIGHTS

1. FY12 registered steady sales with total bookings of 2.4 million sqft.* as compared to 3.2 million sqft.* in FY11.
2. Your Company added 10 new projects to its development portfolio. We have concluded deals across the nation including in NCR, Bengaluru, Pune, Hyderabad, Nagpur, and key areas in Mumbai like Vikhroli, Chembur, Thane and Bandra-Kurla Complex.
3. Your Company entered into a milestone agreement with Godrej & Boyce where GPL will act as development manager for all future

GODREJ PRAKRITI, KOLKATA





development of Godrej & Boyce owned land in Vikhroli, Mumbai.

4. Your Company became the first company in India to conduct an equity dilution through the new Institutional Placement Programme (IPP) route, successfully raising Rs. 470 crores in March 2012.
5. In March 2012, GPL entered the redevelopment space with its project in Sahakar Nagar, Chembur.
6. In FY12 GPL launched new projects in Mumbai, Bengaluru, Chennai, Nagpur and Mangalore.
7. Your Company continues to attract new private equity deals at favorable valuations. During the

year we concluded two such deals, one with SUN-Apollo for our Godrej Summit, Gurgaon project and the other with ASK Property Investment Advisors for our redevelopment project at Sahakar Nagar, Mumbai.

*GPL Area share

FINANCIAL PERFORMANCE FOR THE YEAR

Consolidated total income for the year amounted to Rs. 819.8 crores as compared to Rs. 558.9 crores in FY11, marking a growth of 47%. EBITDA reduced from Rs. 212.5 crores in FY11 to Rs. 207.7 crores in FY12. Net profit reduced from Rs. 130.9 crores in FY11 to Rs. 97.9 crores in FY12.

COMPANY OUTLOOK

The current market environment calls for increased dynamism. GPL is reinforcing the advantages of its differentiated business proposition and competitive strengths by focusing on remaining capital efficient while adding substantial new business to ensure strong and sustainable growth.

Our key areas of focus for new business development will be the high growth markets of Mumbai, NCR, Chennai, Bengaluru and Pune in FY13. In Mumbai, we will seek to strengthen our presence through joint ventures and redevelopment projects. We have a strong track record in Bengaluru and Pune, and have already launched

projects in NCR and Chennai. We look forward to expanding our presence in these metropolitan cities.

Strategically, Your Company will reduce focus on commercial projects and increase its overall emphasis on residential developments entailing lower investments and better return on capital.

HUMAN RESOURCES

Your Company firmly believes that a motivated and empowered workforce is the key to sustained competitive advantage. The total number of persons employed in your Company as on March 31, 2012 was 330. Your Company's employee





value proposition is based on strong focus on employee development, an exciting work culture, performance and empowerment. Processes such as performance improvement, talent management and competency management are platforms for individual development. Technology is leveraged to ensure availability of information to employees at all times and also serves as the medium for ongoing communication. Godrej Properties Limited was the highest ranked real estate developer in the 'India's Best Companies to Work For' study 2011 conducted by the Great Places To Work Institute and Economic Times. Your Company believes that the skills and diversity of our employees would give

us the flexibility to adapt to the future needs of our business.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an adequate system of Internal Controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal and to ensure all transactions are authorized, recorded and reported correctly. Your Company's Corporate Audit and Assurance Department is ISO 9001 certified so that issues are well documented and operating procedures and





authorities have adequate built-in controls at the beginning of any activity and at any time if there is any major change. The internal controls are supplemented by an extensive program of internal and external audits and periodic review by the management. The system is designed to adequately ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets. During the year the Corporate Audit & Assurance Department carried out various reviews and provided assurance on compliances in line with the laid down policies, process and internal controls.

INFORMATION SECURITY

Your Company accords great importance to the security of its information assets. To ensure that this gets the required focus and attention, a Chief Information Security Officer, who is attached to the Corporate Audit and Assurance Department, is entrusted with the task of ensuring that your Company has the requisite security systems. Your Company has put in place all the procedures and practices that are in line with the ISO Security Standards.

CAUTIONARY STATEMENT

Some of the statements in this Management Discussion and Analysis Report may be forward looking statements within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Such statements reflect the Company's current views with respect to the future events and are subject to risk and uncertainties. Important

developments that could affect the Company's operations include changes in industry structure, significant changes in political and economic environment in India and overseas, tax laws, litigations and labor relations.

GODREJ GENESIS, KOLKATA



DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2012

TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the 27th Annual Report of your Company along with the audited accounts for the financial year ended March 31, 2012.

1. OPERATING RESULTS:

Your Company's performance during the financial year ended March 31, 2012 as compared to the previous period is summarised below:

	Financial year 2011 – 2012 (₹ in Lacs)	Financial year 2010 – 2011 (₹ in Lacs)
Profit before Taxation	10,439.95	15,507.46
Tax Expenses	(2,303.48)	(4,892.10)
Profit after Taxation	8,136.47	10,615.36
Add: Surplus brought forward	21,087.59	15,195.39
AMOUNT AVAILABLE FOR APPROPRIATION	29,224.06	25,810.75
Appropriations:		
Your Directors recommend appropriations as under:		
Proposed Dividend	2,341.42	3,143.25
Dividend Distribution Tax	379.84	509.91
Transfer to General Reserve	820.00	1,070.00
Surplus carried forward	25,682.80	21,087.59
TOTAL APPROPRIATIONS	29,224.06	25,810.75

2. RAISING OF FUNDS PURSUANT TO INSTITUTIONAL PLACEMENT PROGRAMME (IPP):

During the financial year ended March 31, 2012, your Company issued and allotted 81,86,810 equity shares of ₹ 10/- each at a premium of ₹ 565/- per equity share, aggregating to ₹ 470.74 Crores, to the eligible qualified institutional buyers pursuant to an Institutional Placement Programme ("IPP") in terms of Chapter VIII-A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended. The public shareholding in your Company has increased to 25% of its issued and paid up equity share capital pursuant

to the IPP. The equity shares allotted pursuant to the IPP were admitted for listing and trading on BSE Limited and The National Stock Exchange of India Limited with effect from March 29, 2012. Your Company shall use the proceeds of the IPP towards prepayment and repayment of existing debt of your Company and its subsidiaries, acquisition of land development rights and general corporate purposes.

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

3. DIVIDEND:

Your Directors recommend for approval of the members at the ensuing Annual General Meeting payment of final dividend of 30% per equity share (₹ 3/- per equity share) for the financial year ended March 31, 2012.

4. REVIEW OF OPERATIONS:

Your Company posted a total income of ₹ 46,386.77 Lacs during the financial year ended March 31, 2012.

One major highlight for the year was the successful completion of the IPP undertaken by your Company in March 2012. In difficult market conditions, where recent fund-raising activities of certain other companies witnessed difficulties, your Company's offering was oversubscribed, enabling it to raise ₹ 470.74 Crores. Your Company is the first company in India to do an IPP and the first real estate developer to successfully complete an entity level fund-raising exercise in the last 18 months.

In the current real estate environment facing various uncertainties and challenges, your Company successfully demonstrated strong value addition to its development portfolio. During the year under review, your Company added 10 new joint development deals, totaling approximately 10.4 million sq. ft. of saleable area. One of the key deals undertaken during the year under review was the memorandum of understanding and the development manager agreement with Godrej & Boyce Manufacturing Company Limited ("**G&B**"), to appoint your Company as the "Development Manager" for the development of G&B's land in Vikhroli and the development of two of G&B's residential towers in Vikhroli, respectively. As a result of the same, your Company will be responsible for conceptualisation, design, sales and marketing of all future projects on G&B's land in Vikhroli; and will receive 10% of the total money received from the sales of units as development manager fees.

During the year under review, your Company also made significant progress in the Mumbai redevelopment space. Your Company signed a Development Agreement to undertake a residential redevelopment project in Sahakar Nagar in Chembur with a total projected saleable area of approximately 6 Lac sq. ft.

The financial year 2011-12 also marked the entry of your Company into the Nagpur region, with the signing of an agreement for, and launch of, its residential project, Godrej Anandam. The project with a total developable area of 2.76 million sq. ft., was launched in October 2011, and has received a good response from customers thereafter. Your Company also launched new residential projects in other key cities across the country, including Mumbai, Bengaluru, Chennai and Mangalore, and continued to witness strong demand for its new phases in its ongoing residential projects in Ahmedabad and Kolkata. During the year under review, the total area sold by your Company stood at approximately 2.42 million sq. ft.

Continuing with the strategy of efficient capital management, your Company transferred 49% equity stake in its subsidiary, Godrej Premium Builders Private Limited to SUN-Apollo India Real Estate Fund, LLC, acting through Madhavi SA Investments LLC and Madhavi Ventures Limited. Further, Godrej Project Development Private Limited ("**GPDPL**"), a wholly owned subsidiary of your Company, entered into an agreement with ASK Property Investment Advisors to sell 49% stake of Godrej Landmark Redevelopers Private Limited, a subsidiary of GPDPL.

In line with its vision of being the most trusted name in the real estate industry, your Company has intensified its efforts with regards to customer-centricity initiatives, and is continuously incorporating customer feedback in its projects. Your Company has made good progress in its customer management and marketing abilities through numerous targeted customer engagement programs and innovative digital campaigns.

Your Company has intensified its efforts to be at the forefront of sustainable development. 67% of the inventory launched in the financial year 2011-2012 was registered or certified as green, as compared to 26% in the financial year 2010-2011. Key achievements in this direction include numerous sustainable design certifications your Company received during the year. These include a LEED-Platinum pre-certification for Godrej One in Vikhroli, an IGBC Green Homes Platinum pre-certification for Godrej Platinum in Vikhroli, a LEED-Gold pre-certification for Godrej Genesis in Kolkata, an IGBC Green Homes Gold pre-certification for Godrej Platinum in Bengaluru and an IGBC Green Homes Silver pre-certification for Godrej Frontier in Gurgaon.

5. FUTURE PROSPECTS AND OUTLOOK OF THE COMPANY:

Your Company will continue to focus on building scale through sourcing land in a capital efficient manner. The primary areas of focus of your Company for new business development will be major cities like Mumbai, NCR, Bengaluru, Pune, and Chennai. In the financial year 2010-2011, your Company formed Godrej Project Development Private Limited (“GPDPL”) to focus on the opportunities available for redevelopment projects across Mumbai. GPDPL has signed two development agreements and will continue to actively explore suitable re-development opportunities which will be value accretive to your Company. Through strategic partnerships with leading construction firms, your Company is further strengthening its project execution capabilities across regions, and thereby endeavoring to ensure on-time delivery and high quality.

6. FIXED DEPOSITS:

Your Company has accepted fixed deposits for 12, 24 and 36 months’ tenure, respectively. During the financial year ended March 31, 2012, fixed deposits aggregating to ₹14,912.84 Lacs have been mobilised.

7. 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, 2012, 99.38% of the equity shares of your Company were held in demat form.

8. CORPORATE GOVERNANCE:

As required by Clause 49 of the Listing Agreements entered into by your Company with the BSE Limited and The National Stock Exchange of India Limited, a detailed Report on Corporate Governance together with a report on Management Discussion & Analysis is included in the Annual Report. The Auditors have certified the Company’s compliance with the requirements of Corporate Governance in terms of Clause 49 of the Listing Agreement and the same is annexed to the Report on Corporate Governance.

9. AWARDS & RECOGNITIONS:

Your Directors take pleasure in informing you that your Company was acknowledged with the following awards during the financial year ended March 31, 2012:

- Won the ‘Best Emerging National Developer’ and ‘Best Residential Project- South’ awards for the residential project ‘Godrej Woodsman Estate’ in Bangalore, at the ‘Zee Business - RICS Real Estate Awards’.
- Voted amongst the ‘Most Trusted Names’ in the Real Estate Industry
- India’s Best Marketed Real Estate Company 2011’ by 4Ps Business & Marketing (4Ps B&M) in association with ICMR.
- Selected amongst the ‘Top Indian real estate companies’ by STAR REALTY, 2011-12.
- ‘Corporate Governance of the Year’, 2011 award by Accommodation Times at the 26th National Real Estate Awards.
- Won the award for ‘Asia’s Most Admired Brand’ in the Real Estate Sector at the Asian Leadership Awards 2011 for the marketing and branding initiatives carried out for its township project ‘Godrej Garden City’ in Ahmedabad.
- Selected amongst ‘India’s Top 10 Builders’ at the 6th Construction World Architect and Builder Awards 2011 for the 6th consecutive year.
- Won award for the ‘Best Marketing Campaign of the Year’ for Excellence in Branding and Marketing at the recently held 2nd CMO Asia awards in Singapore for an environmental awareness drive carried out at Godrej Prakriti, a residential project in Kolkata
- Emerged as one of the winners in the ‘Tower Project of the Year’ category at the inaugural Construction Week Awards 2011 for the residential projects in Mumbai.
- Selected as one of the top 200 Power Brands 2011-12 of India after an extensive PAN India research conducted by ICMR.

- Won the 'Luxury Commercial Project of the year' award at the Property World Awards 2011 for its commercial project 'Godrej Waterside' located in Kolkata.
- Won the 'Commercial Project of the year' award at the EPC World Awards 2011 for its commercial project 'Godrej Waterside' located in Kolkata.

10. EMPLOYEES STOCK OPTION SCHEME:

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

11. SUBSIDIARY COMPANIES:

A. Subsidiaries' Accounts

During the year under review, Godrej Landmark Redevelopers Private Limited has been incorporated as subsidiary company of GPDPL, a wholly owned subsidiary of your Company. Accordingly, as at March 31, 2012, your Company had 14 subsidiaries, namely, Godrej Realty Private Limited, Godrej Waterside Properties Private Limited, Godrej Developers Private Limited, Godrej Real Estate Private Limited, Godrej Sea View Properties Private Limited, Happy Highrises Limited, Godrej Premium Builders Private Limited, Godrej Buildcon Private Limited, Godrej Garden City Properties Private Limited, Godrej Projects Development Private Limited, Godrej Nandhi Hills Project Private Limited, Godrej Buildwell Private Limited, Godrej Landmark Redevelopers Private Limited and Godrej Estate Developers Private Limited.

Pursuant to the General Circular No. 2/2011 dated February 8, 2011 issued by the Ministry of Corporate Affairs, Government of India, the Board of Directors of your Company have given their consent for not attaching the balance sheets of all the subsidiaries of the Company along with the Annual

Report of the Company. The Audited Consolidated Financial Statements of your Company along with the Auditors' Report have been annexed to this Annual Report.

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

B. Transfer of Stake

1. During the year under review, pursuant to the agreements entered into by your Company with SUN-Apollo India Real Estate Fund LLC acting through Madhavi SA Investments LLC and Madhavi Ventures Limited (the "Investors"), your Company transferred 49% of the equity share capital of Godrej Premium Builders Private Limited to the Investors for a consideration of ₹ 18.30 Crores.
2. During the year under review, GPDPL, a wholly owned subsidiary of your Company, transferred 49% equity stake of its subsidiary Godrej Landmark Redevelopers Private Limited (a step down subsidiary of your Company) to ASK Trusteeship Services Private Limited (acting in its capacity as a trustee of ASK Real Estate Special Opportunities Fund) and ASK Investment Managers Private Limited (acting in its capacity as portfolio manager of its product called ASK PMS Real Estate Special Opportunities Portfolio I and on behalf of its clients in such product), in the ratio of 20:80 for a consideration of ₹ 20.02 Crores.

C. Limited Liability Partnerships (LLPs)

During the year under review, your Company has executed an Admission Deed on December 16, 2011, for entering into as a partner in a limited liability partnership, namely, M/s. Mosiac Landmarks LLP, for development of a project located at Undri, Pune. The Company has made a capital contribution of ₹ 11.00 Lacs in M/s. Mosiac Landmarks LLP.

Accordingly, as of March 31, 2012, your Company is a partner in the following LLPs:

1. Godrej Buildcorp LLP for the project located at Hyderabad.
2. Godrej Property Developers LLP for the project located at Thane (Mumbai).
3. Godrej Vikhroli Properties LLP for the project located at Vikhroli.
4. Mosaic Landmarks LLP for the project located at Undri, Pune.

D. Material Non-Listed Indian Subsidiary

Pursuant to Clause 49 of the Listing Agreement, if the turnover or net worth (i.e. paid up capital and free reserves) of any unlisted Indian subsidiary company exceeds 20% of the consolidated turnover or net worth respectively of the listed holding company and its subsidiaries in the immediately preceding accounting year; that subsidiary is termed as a 'Material Non-Listed Indian Subsidiary'. There is no material non-listed Indian subsidiary of your Company for the financial year 2011-2012.

12. AMENDMENTS IN THE OBJECTS OF THE INITIAL PUBLIC OFFERING IN RELATION TO UTILISATION OF ISSUE PROCEEDS:

In the last Annual General Meeting of your Company held on July 22, 2011, the Members had approved certain deviations/ amendments to the objects of the initial public offering, as disclosed on page 43 of the prospectus of your Company dated December 16, 2009 (the "**Prospectus**"). Your Company received ₹ 468.85 Crores as the issue proceeds (the "**Issue Proceeds**"). The net Issue Proceeds, after deduction of the issue related expenses, were ₹ 428.17 crores (the "**Net Proceeds**").

However there are further deviations in the utilisation of the issue proceeds from the last approved schedule of deployment, and the details of the same are provided below:

a) Acquisition of land development rights for our forthcoming Projects:

As per the approval received from the Members in the Annual General Meeting held on July 22, 2011, your Company was required to utilise ₹ 75 Crores in the financial year 2011-2012. Your Company has utilised ₹65.91 Crores out of ₹ 75 crores in the financial year 2011-2012 for its project located at Ahmedabad.

In relation to the property located at Kalyan, your Company was required to pay an amount of ₹ 20.00 Crores from the Net Proceeds, subject to the aggregation of the entire 160 acres of land at Kalyan. Whilst your Company had paid ₹ 10.91 Crores in the financial year 2010-2011, it was required to utilise the balance amount of ₹ 9.09 Crores during the financial year 2011-2012, subject to the aggregation of the balance land area. However, the said aggregation has not been completed during the financial year 2011-2012. Accordingly, it is now proposed to pay the balance amount of ₹ 9.09 Crores in the financial year 2012-2013, once the aggregation of such balance land is completed.

b) Construction of Forthcoming Project

In relation to the construction of commercial project located in Chandigarh, your Company was required to utilise an amount of ₹ 12.70 Crores during the financial year 2011-2012. This amount has been utilised by your Company during the financial year 2011-2012.

c) Repayment of Loans

In terms of the approval of the Members in the Annual General Meeting held on July 22, 2011, an amount aggregating to ₹ 51 Crores out of the Net Proceeds has been utilised by your Company for repayment of the working capital loan to State Bank of India.

In light of the abovementioned reasons, the approval of the Members of the Company is sought in the ensuing Annual General Meeting for amending the schedule of deployment and utilisation of the Net Proceeds, as provided hereunder:

(₹ in Crores)

Sr. No.	Expenditure Items	Total Estimated Cost	Amount deployed till November 15, 2009 (as mentioned in the Prospectus)	Balance Payable as on November 15, 2009 (as mentioned in the Prospectus)	Proposed to be funded by internal accruals	Amount upto which will be financed from Net Proceeds	Estimated schedule of deployment of Net Proceeds for			
							FY 2010	FY 2011	FY 2012	FY2013
1.	Acquisition of land development rights for our Forthcoming Projects	444.82	152.50	292.32	Nil	152.00	25.00	52.00	65.91*	9.09**
2.	Construction of our Forthcoming project	100.84	22.82	78.02	Nil	75.00	0.00	62.30	12.70	-
3.	Repayment of loans	201.17	Nil	172.00	Nil	201.17	150.17	0.00	51.00	-
	Total	746.83	175.32	542.34	Nil	428.17	175.17	114.3	129.61	9.09

* It was stated that an amount of ₹ 75.00 Crores shall be utilised in the fiscal year 2012. Now amended to state that ₹ 65.91 Crores was utilised in fiscal year 2012.

** The amount of ₹ 9.09 Crores which was not utilised during the fiscal year 2012 is proposed to be utilised during the fiscal year 2013.

Accordingly, the approval of the Members of the Company is also sought in the ensuing Annual General Meeting to amend the schedule of implementation of the Net Proceeds, as provided in the Prospectus (on page 43) as follows:

(₹ in Crores)

Sr. No.	Objects	FY 2010	FY 2011	FY 2012	FY 2013
1.	Acquisition of land development rights for our Forthcoming Projects	25.00	52.00	65.91	9.09
2.	Construction of our Forthcoming Project	0.00	62.30	12.70	-
3.	Repayment of loans	150.17	0.00	51.00	-
	Total	175.17	114.3	129.61	9.09

13. DIRECTORS:

a) Cessation

Mr. Milind S. Korde resigned as Managing Director of the Company and ceased to be the Managing Director with effect from April 1, 2012. Consequently, he also ceased to be a Director of the Company with effect from the said date. The Board places on record its appreciation for the valuable services and guidance given by Mr. Milind S. Korde to the Company during his tenure as the Managing Director of the Company.

b) Appointment

The Board of Directors at the meeting held on January 19, 2012, appointed, subject to approval of the Members of the Company, Mr. Pirojsha Godrej as the Managing Director & Chief Executive Officer of the Company with effect from April 1, 2012.

Further, the Board of Directors at the meeting held on January 19, 2012, appointed Mr. V. Srinivasan

as an Additional Director of the Company with effect from April 1, 2012 and also as an Executive Director of the Company with effect from the said date. The appointment of Mr. V. Srinivasan as an Executive Director of the Company is subject to approval of the Members of the Company at the ensuing Annual General Meeting.

c) Re-appointment

In accordance with the Articles of Association of the Company and the provisions of the Companies Act, 1956, Mrs. Lalita D. Gupte, Mr. S. Narayan, Mr. Pranay D. Vakil and Dr. Pritam Singh, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

14. APPOINTMENT OF AUDITORS:

M/s. Kalyaniwalla & Mistry, Chartered Accountants, the Statutory Auditors of the Company, retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointed.

The Company has received a letter from M/s. Kalyaniwalla & Mistry to the effect that their re-appointment, if made, would be within the limits specified under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified within the meaning of Section 226 of the Companies Act, 1956 for such re-appointment.

15. COMMITTEES OF DIRECTORS:

a) Reconstitution of Investors' Grievance cum Share Transfer Committee:

During the year under review, the Investors' Grievance cum Share Transfer Committee was reconstituted on January 19, 2012 by appointing Mr. Pirojsha Godrej as a member in the said Committee. Mr. Milind S. Korde ceased to be a member of the Committee with effect from April 1, 2012. The Committee comprises of Mr. Adi B. Godrej – Chairman, Mr. Pirojsha Godrej – Managing Director & Chief Executive Officer and Mr. Amit B. Choudhury, Independent Director.

b) Securities Issuance Committee:

The Board of Directors through a circular resolution dated February 8, 2012 had formed the Securities

Issuance Committee for issuance, allotment and listing of the equity shares of the Company pursuant to an IPP in terms of Chapter VIII-A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended and for all other matters relating to the same.

The Committee comprises of Mr. Adi B. Godrej – Chairman, Mr. Pirojsha Godrej – Managing Director & Chief Executive Officer and Mr. Amit B. Choudhury, Independent Director.

16. ADDITIONAL INFORMATION:

- a) In terms of the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Directors' Report and Accounts are being sent to all the Members of the Company, excluding the statement of particulars of the employee under Section 217(2A) of the Companies Act, 1956. In accordance with the provisions of Section 217(2A) of the Companies Act, 1956 and the rules framed thereunder i.e. the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of employees as required to be set out in the annexure to the Directors' Report is available for inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary at the Registered Office of the Company.
- b) Information in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is provided hereunder:
 - (i) Conservation of Energy:
Expenses on account of energy are negligible.
 - (ii) Technology Absorption:
It is an on-going process.
 - (iii) Foreign Exchange Earnings and Outgo:
During the financial year 2011-12, expenditure in foreign currencies amounted to ₹ 943.30 Lacs (Previous Year ₹ 1,001.41 Lacs) on account of

professional & consultation fees and expenses incurred for business promotion.

The Company has not earned any foreign exchange during the year.

- c) Your Company has devised proper systems to ensure compliance with all applicable laws.

17. GREEN INITIATIVES IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs, Government of India, has permitted companies to send electronic copies of Annual Report, notices etc., to the e-mail ids of shareholders. We have accordingly arranged to send the soft copies of these documents to the e-mail ids of shareholders, wherever applicable. In case any of the shareholders would like to receive physical copies of these documents, the same shall be forwarded on written request to the Registrars M/s. Karyv Computershare Private Limited.

18. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors, based on the representation received from the Management and after due enquiry, confirm:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made

judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2012 and of the profits of the Company for that year;

- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the annual accounts on a going concern basis.

19. ACKNOWLEDGEMENT:

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

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

Place: Mumbai
Date: May 5, 2012

Adi B. Godrej
Chairman

ANNEXURE A (PART I)

DISCLOSURE RELATING TO GODREJ PROPERTIES LIMITED EMPLOYEES STOCK OPTION PLAN (GPL ESOP)

Particulars	Details
Options granted	442,700
Exercise price of options	₹ 620 per equity share plus interest at a compounding rate of 10% per annum or at such other rate as may be defined by the Remuneration Committee and intimated to the option grantees. In addition to it, such other amount as intimated by the Remuneration Committee from time to time viz. amount of stamp duty and trusteeship fees will be recoverable from the employees.
Total options vested	60,000
Options exercised	Nil
Total number of equity shares that would arise as a result of full exercise of options already granted	442,700
Options forfeited/lapsed/cancelled	125,000 - will be available for re-issue
Variations in terms of options	Please see Note No. 1
Money realised by exercise of options	Nil
Options outstanding (in force)	317,700
Vesting schedule	The Remuneration Committee of the Company on December 24, 2010, had decided to increase the vesting period of options granted under the GPL ESOP from three years from the date of grant to five years from the date of grant. However in the event that during the 4th and 5th year of the vesting period that is in the year 2011 and 2012, the average of the closing market prices of the shares of the Company on the BSE Limited and The National Stock Exchange of India Limited on each day exceeds the exercise price by not less than ₹ 50 for a consecutive period of 30 days, the option shall be deemed to have vested on the day immediately following the 30th day, as determined by the Remuneration Committee. This amendment has been approved by the shareholders of the Company pursuant to a postal ballot resolution, the result of which were announced on March 18, 2011.
Person wise details of options granted to	
i) Directors and key management employees	Please see Note 2 below
ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Nil
iii) Identified employees who are granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil

Particulars	Details
Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'.	There is no fresh issue of shares on exercise of option. Therefore, the same is not applicable.
Difference between employee compensation cost using the intrinsic value method and the employee compensation cost that shall have been recognised if the Company has used fair value of options and impact of this difference on profits and EPS of the Company	Nil
Weighted average exercise prices and weighted average fair values of options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise price is ₹ 620 per share plus interest
Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option	N.A.
Lock-in	Five years from the date of grant i.e., December 28, 2007 as may be decided by the Remuneration Committee. However, in the event during the 4th and 5th year of the vesting period that is in the year 2011 and 2012, the average of the closing market prices of the shares of the Company on the BSE Limited and The National Stock Exchange of India Limited on each day exceeds the exercise price by not less than ₹ 50 for a consecutive period of 30 days, the option shall be deemed to have vested on the day immediately following the 30th day, as determined by the Remuneration Committee. Lock-in period after exercise:- Nil
Impact on profits of the last three years and on the EPS of the last three years if the issuer had followed the accounting policies specified in Clause 13 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended, in respect of options granted in the last three years.	Nil

Notes

1. The Remuneration Committee by its circular resolution dated April 18, 2012 and the Board of Directors by its circular resolution dated April 20, 2012 have approved the following:
 - a) Vesting of 60,000 stock options granted under the GPL ESOP to Mr. Milind S. Korde with effect from March 31, 2012; and
 - b) Extension of exercise period of options vested in Mr. Milind S. Korde, such that the aforesaid vested options can be exercised by Mr. Milind S. Korde within a period of three years from the date of vesting i.e. March 31, 2012.

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

Name	Position	Number of options granted under GPL ESOP
Mr. Milind S. Korde	Managing Director*	60,000
Mr. K. T. Jithendran	Executive Director	30,000
Mr. Nitin Wagle	Vice President (Operations)	10,000
Mr. Shodhan A. Kembhavi	Vice President (Legal) and Company Secretary	10,000
Mr. Rajendra Khetawat	Vice President (Finance and Accounts)	10,000
Mr. Santosh Tamhane	Vice President (Projects)	10,000
Ms. Aylona D'Souza	Vice President (Human Resources and Administration)	7,000

*Mr. Milind S. Korde has ceased to be the Managing Director with effect from April 1, 2012.

ANNEXURE A (PART II)

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

Particulars	Details
Options granted	43,081
Exercise price of options	₹ 10 per equity share
Total options vested	Nil
Options exercised	Nil
Total number of equity shares that would arise as a result of full exercise of options already granted	43,081
Options forfeited/lapsed/cancelled	13,438
Variations in terms of options	NA
Money realised by exercise of options	Nil
Options outstanding (in force)	29,643
Vesting schedule	<p>Except as mentioned in the GPL ESGS,</p> <ul style="list-style-type: none"> ➤ 1/3 of the stock grants granted and outstanding, shall vest at the end of one year from the date of grant; ➤ 1/3 of the stock grants granted and outstanding, shall vest at the end of second year from the date of grant; and ➤ 1/3 of the stock grants granted and outstanding, shall vest at the end of third year from the date of grant.
Person wise details of options granted to	
i) Directors and key management employees	Please see Note 1 below
ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Nil
iii) Identified employees who are granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil
Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'.	₹ 11.63 per share
Difference between employee compensation cost using the intrinsic value method and the employee compensation cost that shall have been recognised if the Company has used fair value of options and impact of this difference on profits and EPS of the Company	Refer Note 32 (c) of Financial

Particulars	Details
Weighted average exercise prices and weighted average fair values of options whose exercise price either equals or exceeds or is less than the market price of the stock	Since the shares under ESGS are issued at Face Value therefore Face Value of the share is Weighted Average Exercise Price and in this case exercise price is less than the market price of share. Weighted average fair values of options are ₹ 653.37 per option.
Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option	<ol style="list-style-type: none"> 1. Method: Black-Scholes Options pricing formula 2. Risk – free interest Rate: Year 1 – 7.79%, Year 2 – 7.82%, Year 3 – 7.97% (for options granted on May 7, 2011) Year 1 – 8.26%, Year 2 – 8.49%, Year 3 – 8.54% (for options granted on October 1, 2011) 3. Expected life: 3 years 4. Expected volatility: Year 1 – 34.70%, Year 2 – 54.83%, Year 3 – 70.64% (for options granted on May 7, 2011) Year 1 – 32.50%, Year 2 – 41.51%, Year 3 – 66.31% (for options granted on October 1, 2011) 5. Expected dividend: ₹ 3.00 per share 6. Market price of the underlying share at the time of grant: ₹ 669.85 (for options granted on May 7, 2011) and ₹ 639.45 (for options granted on October 1, 2011)
Lock-in	<p>Lock-in period between grant and vesting:- Except in case of demise or permanent incapacity of the eligible employee, stock grants shall vest in the following manner:</p> <ul style="list-style-type: none"> ➤ 1/3 of the stock grants granted and outstanding, shall vest at the end of one year from the date of grant; ➤ 1/3 of the stock grants granted and outstanding, shall vest at the end of second year from the date of grant; and ➤ 1/3 of the stock grants granted and outstanding, shall vest at the end of third year from the date of grant. <p>Lock-in period after exercise:- Nil</p>
Impact on profits of the last three years and on the EPS of the last three years if the issuer had followed the accounting policies specified in Clause 13 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended, in respect of options granted in the last three years	Not applicable as options are granted during the FY 2011-12.

Note:

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

Name	Position	Number of options granted under GPL ESGS
Mr. Milind S. Korde	Managing Director*	10,751
Mr. K. T. Jithendran	Executive Director	8,064
Mr. K. P. Sudheer	Vice President (Mumbai Region)**	1,791
Mr. Nitin Wagle	Vice President (Operations)	1,791
Mr. Shodhan A. Kembhavi	Vice President (Legal) & Company Secretary	1,791
Mr. Rajendra Khetawat	Vice President (Finance & Accounts)	1,791
Mr. Santosh Tamhane	Vice President (Projects)	1,791
Ms. Aylona D'Souza	Vice President (Human Resources & Administration)	1,791
Mr. Sriram Iyer	Vice President (Chennai & Kochi)	1,791
Ms. Mamta Bakshi	Vice President (Chief Customer Officer)	1,791
Mr. Mohit Malhotra	Vice President (Business Development)	1,791
Mr. Girish Shah	Vice President (Marketing & Sales)	1,791
Mr. Milind Apte	Vice President (Human Resources & Administration)	1,791
Mr. Shailesh Joshi	Vice President (Information Technology)	939
Mr. Royden Braganza	Vice President (Commercial Sales)	939

* Mr. Milind S. Korde has ceased to be a Managing Director with effect from April 1, 2012 and therefore the stock grants granted to him lapsed.

** Consequent to the death of Mr. K. P. Sudheer on August 17, 2011, the stock grants granted to him under the GPL ESGS will vest in his legal heir/nominee on May 6, 2012, in terms of the provisions of the GPL ESGS.

REPORT ON CORPORATE GOVERNANCE

THE COMPANY'S PHILOSOPHY ON GOVERNANCE

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

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

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

The operations of the Company are managed under the directions of the Board within the framework set by the Companies Act, 1956, the Listing Agreement with BSE Limited and The National Stock Exchange of India Limited and the Articles of Association of the Company.

Your Company received the 'Corporate Governance of the Year', 2011 award by Accommodation Times at the 26th National Real Estate Awards.

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

THE GOVERNANCE STRUCTURE

1) BOARD OF DIRECTORS

a) Board Structure

The policy of the Company is to induct an appropriate combination of executive, non-executive and independent directors to maintain the independence of the Board from the management. As of March 31, 2012, the Board of Directors of the Company consisted of 14 Directors, which includes one Managing Director, two Executive Directors and 11 Non-Executive Directors, with seven of such Non-Executive Directors being Independent Directors.

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

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

The details of the Board are given in Table 1 below:

b) Board meetings held and Directors' attendance record

The Board meets at least once in a quarter to consider, among other business, the quarterly performance and financial results of the Company. To enable the Board to discharge its responsibilities effectively and take informed decisions, necessary information is made available to the Board. During the financial year 2011-2012, the meetings of the Board were held on May 7, 2011, July 22, 2011, October 21, 2011, and January 19, 2012. The number of meetings attended by each of the Directors is given in Table 1 below.

Table 1: Details about the Company's Directors and meetings attended by the Directors during the financial year 2011-12

Name of Director	Category	Board meetings held during the financial year 2011-2012	Board meetings attended during the financial year 2011-2012 ⁽¹⁾	Whether attended last AGM (held on July 22, 2011)	Directorships held in public companies incorporated in India as at March 31, 2012 ⁽²⁾⁽³⁾	Number of Chairmanship/ membership in Board Committees as at March 31, 2012	
						Chairmanship	Membership
Mr. Adi B. Godrej	Chairman – Non-Executive	4	4	Yes	10(3)	3	4
Mr. Jamshyd N. Godrej	Non-Executive Director	4	1	No	9(5)	1	3
Mr. Nadir B. Godrej	Non-Executive Director	4	4	Yes	15(6)	1	2
Mrs. Parmeshwar A. Godrej	Non-Executive Director	4	3	Yes	1(1)	-	-
Mr. Milind S. Korde ⁽⁴⁾	Managing Director	4	3	Yes	1(1)	-	1
Mr. Pirojsha Godrej ⁽⁵⁾	Executive Director	4	4	Yes	1(1)	-	-
Mr. Amit B. Choudhury	Independent Director	4	4	Yes	6(3)	-	4
Mr. Keki B. Dadiseth	Independent Director	4	4	Yes	7(5)	3	7
Mrs. Lalita D. Gupte	Independent Director	4	4	Yes	5(3)	1	2
Mr. Pranay D. Vakil	Independent Director	4	4	Yes	2(2)	-	1
Dr. Pritam Singh	Independent Director	4	3	Yes	5(5)	1	4
Mr. S. Narayan	Independent Director	4	3	No	6(4)	-	4
Mr. K. T. Jithendran	Executive Director	4	4	Yes	1(1)	-	-
Mr. Amitava Mukherjee	Independent Director	4	3	Yes	2(2)	-	2
Mr. V. Srinivasan ⁽⁵⁾	Executive Director	-	-	-	1(1)	-	-

Notes:

⁽¹⁾ Board Meetings held during the financial year 2011-2012 represents the number of meetings held during the tenure of that director.

⁽²⁾ Alternate directorships and directorships in private companies, foreign companies and associations are excluded.

⁽³⁾ Figures in () denote listed companies.

⁽⁴⁾ Mr. Milind S. Korde resigned with effect from April 1, 2012.

⁽⁵⁾ Mr. Pirojsha Godrej and Mr. V. Srinivasan were appointed as the Managing Director & Chief Executive Officer and an Executive Director, respectively, with effect from April 1, 2012, subject to approval of the members of the Company at the ensuing Annual General Meeting.

As required under Clause 49 of the Listing Agreement, none of the Directors is (i) member of more than 10 committees; and (ii) chairman of more than five committees. In terms of explanations to Clause 49(1)(C)(2) of the Listing Agreement, chairmanship or membership of the Audit Committee and the Investors' Grievance cum Share Transfer Committee of Indian public limited companies has been considered for the aforesaid purpose.

c) Information supplied to the Board

The information provided to the Board includes:

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

shareholder services such as non-payment of dividend and delays in share transfer.

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

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

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

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

The Company pays to its Non-Executive Directors sitting fees of ₹ 20,000 for every meeting of its Board, and ₹ 5,000 for attending every meeting of the Audit Committee and the Remuneration Committee.

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

Each of the Non-Executive Directors is also entitled to a commission of ₹ 500,000 per annum and out of pocket expenses (including travel expenses).

The details of remuneration package of the Directors and their relationships with each other, if any, are given in Table 2 below:

Table 2: Remuneration paid or payable to Directors for the financial year ended March 31, 2012

(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 & Spouse of Mrs. Parmeshwar A. Godrej	80,000	500,000	Nil	Nil	Nil	Nil	580,000
Mr. Jamshyd N. Godrej	-	20,000	500,000	Nil	Nil	Nil	Nil	520,000
Mr. Nadir B. Godrej	Brother of Mr.AdiB.Godrej	80,000	500,000	Nil	Nil	Nil	Nil	580,000
Mrs. Parmeshwar A. Godrej	Wife of Mr.Adi B Godrej and mother of Mr.Pirojsha Godrej	60,000	500,000	Nil	Nil	Nil	Nil	560,000
Mr.Amit B. Chodhury	-	110,000	500,000	Nil	Nil	Nil	Nil	610,000
Mr. Keki. B. Dadiseth	-	110,000	500,000	Nil	Nil	Nil	Nil	610,000
Mrs. Lalita D. Gupte	-	110,000	500,000	Nil	Nil	Nil	Nil	610,000
Mr. Pranay D.Vakil	-	110,000	500,000	Nil	Nil	Nil	Nil	610,000
Dr. Pritam Singh	-	80,000	500,000	Nil	Nil	Nil	Nil	580,000
Mr. S. Narayan	-	85,000	500,000	Nil	Nil	Nil	Nil	585,000
Mr. Amitava Mukherjee	-	80,000	500,000	Nil	Nil	Nil	Nil	580,000
Mr. Milind S. Korde	-	-	-	17,315,182	433,731	1,012,608	17,728,649*	36,490,170
Mr. Pirojsha Godrej	Son of Mr.Adi B. Godrej and Mrs.Parmeshwar A.Godrej	-	-	9,420,000	11,214,675	576,000	350,000*	21,560,675
Mr. K.T. Jithendran	-	-	-	12,921,325	308,986	616,500	3,414,883	17,261,694

Notes:

*It includes a provision made for Performance Bonus of ₹ 2,323,094 for Mr. Milind S. Korde and ₹ 350,000 for Mr.Pirojsha Godrej for the financial year ended March 31, 2012.

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

The details of number of equity shares held and dividend paid to each of the Directors are given in Table 3 below:

Table 3: Number of equity shares held by each of the Directors, options granted and dividend paid

Name of Director	Equity shares held as on March 31, 2012	Dividend paid during the financial year 2011-12 (In ₹)	Number of options Granted Under	
			GPL ESOP	GPL ESGS
Mr. Adi B. Godrej	-	-	-	-
Mr. Nadir B. Godrej	1,562,250	7,030,125.00	-	-
Mr. Jamshyd N. Godrej	-	-	-	-
Mrs. Parmeshwar A. Godrej	-	-	-	-
Mr. Amit B. Choudhury	1,500	6,750.00	-	-
Mr. Keki B. Dadiseth	-	-	-	-
Mrs. Lalita D. Gupte	7,000	31,500.00	-	-
Mr. Pranay D. Vakil	8,000	36,000.00	-	-
Dr. Pritam Singh	1,000	4,500.00	-	-
Mr. S. Narayan	-	-	-	-
Mr. Amitava Mukherjee	-	-	-	-
Mr. Milind S. Korde	10,000	45,000.00	60,000	10,751
Mr. Pirojsha Godrej	520,747	2,343,361.50	-	-
Mr. K. T. Jithendran	2,445	11,002.50	30,000	8,064

2) COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

The Company's Audit Committee comprises of seven Independent Directors. They are

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

The composition of the Audit Committee is in compliance with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

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 shareholders' queries. Minutes of each of the meeting of the Audit Committee are placed before the Board in its meetings. The representatives of the Statutory Auditors are invited to attend meetings of the Audit Committee. The Audit Committee also invites such executives viz., Managing Director, Head (Finance), Head (Internal Audit), as it considers appropriate to be present at the meetings. Mr. Shodhan A. Kembhavi, Vice President (Legal) & Company Secretary acts as a Secretary to the Audit Committee. The Audit Committee met four times during the financial year ended March 31, 2012, i.e. on May 7, 2011, July 22, 2011, October 21, 2011, and January 19, 2012. Table 4 below gives the attendance record for the aforesaid meetings of the Audit Committee:

Table 4: Attendance record of Audit Committee members

Name of Director	No. of meetings held during the financial year ended March 31, 2012	No. of meetings attended during the financial year ended March 31, 2012
Mr. Keki B. Dadiseth	4	4
Mrs. Lalita D. Gupte	4	4
Mr. Amit B. Choudhury	4	4
Mr. Pranay D. Vakil	4	4
Dr. Pritam Singh	4	3
Mr. S. Narayan	4	3
Mr. Amitava Mukherjee	4	3

The Audit Committee of the Company performs the following functions:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956,
 - b. Changes, if any, in accounting policies and practices and reasons for the same,
 - c. Major accounting entries involving estimates based on the exercise of judgment by management,
 - d. Significant adjustments made in the financial statements arising out of audit findings,
 - e. Compliance with listing and other legal requirements relating to financial statements,
 - f. Disclosure of any related party transactions, and
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
7. 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.

8. 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 utilised 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 of Directors to take up steps in this matter.
9. Discussion with internal auditors any significant findings and follow up thereon.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
14. 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 & 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; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

B. REMUNERATION COMMITTEE

Setting up of a Remuneration Committee is not a mandatory requirement in terms of Clause 49 of the Listing Agreement. The Remuneration Committee looks in all matters pertaining to remuneration of the Managing Director, the Executive Directors and administration of the employee stock option schemes of the Company i.e. the Godrej Properties Limited Employee Stock Option Plan and the Godrej Properties Limited Employee Stock Grant Scheme.

The Remuneration Committee consists of seven Independent Directors. They are:

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

During the financial year ended March 31, 2012, the Committee met on May 7, 2011 and January 19, 2012. The attendance details are given in Table 5 below:

Table 5: Attendance record of Remuneration Committee members

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

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

C. INVESTORS' GRIEVANCE CUM SHARE TRANSFER COMMITTEE

The Investors' Grievance cum Share Transfer Committee was re-constituted on January 19, 2012 by appointing Mr. Pirojsha Godrej as a member in the Committee. Mr. Milind S. Korde, ceased to be a member of the Committee with effect from April 1, 2012. The current members of the Committee are:

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

Mr. Shodhan A. Kembhavi, Vice President (Legal) & Company Secretary, is the Secretary of the Investors' Grievance cum Share Transfer Committee.

This Committee is responsible for redressal of shareholders' and investors' complaints relating to transfer of shares, issue of duplicate/consolidated share certificates, allotment and listing of shares, review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet and non-receipt of dividends declared etc. It is also responsible for reviewing the process and mechanism of redressal of investor complaints and suggesting measures of improving the existing system of redressal of investor grievances. This Committee is also responsible for approval of transfer of shares including power to delegate the same to the Registrar and Transfer Agents.

Name and designation of Compliance Officer:

Mr. Shodhan A. Kembhavi

Vice President (Legal) & Company Secretary.

Number of complaints for the financial year ended March 31, 2012

Complaints outstanding as on April 1, 2011	0
Complaints received during the financial year ended March 31, 2012	28
Complaints resolved during the financial year ended March 31, 2012	28
Complaints outstanding as on March 31, 2012	0

There are no pending share transfers as on March 31, 2012.

3) SUBSIDIARY COMPANIES

The Company does not have any material non-listed Indian subsidiary company as of March 31, 2012 and hence, it is not required to appoint an Independent Director of the Company on the Board of any of its non-listed Indian subsidiary.

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

4) MANAGEMENT

i) Management Discussion & Analysis

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

ii) Disclosures by Management to the Board

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

5) DISCLOSURES

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

During the financial year 2011-2012, there were no materially significant related party transactions, i.e. transactions of the Company of material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. Attention of Members is drawn to the disclosures of transactions with related parties set out in Notes to Accounts – Note No. 37 forming part of the Annual Report.

ii) Whistle Blower Policy

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

Further, during the financial year 2011-2012, no person has been denied access to the Audit Committee.

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

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

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

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

iv) Details of Non-compliance

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

v) Declaration by the Managing Director

A declaration by the Managing Director stating that all the Board Members and senior management personnel have affirmed their compliance with the Code of Conduct for the financial year ended March 31, 2012, is annexed to the Corporate Governance Report.

6) GENERAL BODY MEETINGS

i) Details of last three Annual General Meetings of Godrej Properties Limited

Financial year	Venue	Date	Time
2008-09	Godrej Bhavan, 4 th Floor, 4A, Home Street, Fort, Mumbai – 400 001	July 27, 2009	12.30 P.M.
2009-10	Y. B. Chavan Pratishthan, Gen. Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400 021	July 17, 2010	3.30 P.M.
2010-11	Y. B. Chavan Pratishthan, Gen. Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400 021	July 22, 2011	3.30 P.M.

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

Date of AGM	Number of Special Resolution passed	Details of Special Resolution passed
July 27, 2009	5	<ol style="list-style-type: none"> 1) Re-appointment of Mr. Milind S. Korde as Managing Director of the Company with effect from April 1, 2009 for a period of 3 years. 2) To make loan(s) and/or give guarantee(s)/provide any security(ies) in connection with loan(s) made to and/or acquire by way of subscription, purchase or otherwise the securities of Godrej Waterside Properties Private Limited to a limit not exceeding ₹ 250 Crores (Two Hundred Fifty Crores only), u/s 372A of the Companies Act, 1956. 3) To make loan(s) and/or give guarantee(s)/ provide any security(ies) in connection with loan(s) made to and/or acquire by way of subscription, purchase or otherwise the securities of Godrej Developers Private Limited to a limit not exceeding ₹ 250 Crores (Two Hundred Fifty Crores only) u/s 372A of the Companies Act, 1956. 4) To make loan(s) and/or give guarantee(s)/provide any security(ies) in connection with loan(s) made to and/or acquire by way of subscription, purchase or otherwise the securities of Godrej Realty Private Limited to a limit not exceeding ₹ 50 Crores (Fifty Crores only) u/s 372A of the Companies Act, 1956. 5) To give Corporate Guarantee to Mjunction Services Ltd. Kolkata for an amount not more than ₹ 3.5 Crores (Rupees Three Crores Fifty Lacs only) in the event of failure on the part of Godrej Waterside Properties Private Limited to deliver the possession of the office space on the third floor of Tower – I in Godrej Waterside IT Park, situated at Kolkata completed in all respects by July 31, 2009.

Date of AGM	Number of Special Resolution passed	Details of Special Resolution passed
July 17, 2010	5	<ol style="list-style-type: none"> 1) To make investment in and/or acquire by way of subscription, purchase or otherwise the securities of the Body Corporate(s)/Limited Liability Partnership(s)/or any such form of organisation(s) formed or incorporated as per the terms of Memorandum of Understanding dated October 8, 2009 and extension letter dated June 3, 2010, to a limit not exceeding ₹ 100 Crore (Rupees One Hundred Crores only) 2) To make investment in and/or acquire by way of subscription, purchase or otherwise the securities of Udhay-GK Realty Private Limited, to a limit not exceeding ₹ 30 Crores (Thirty Crores only) 3) To make investment in and/or acquire by way of subscription, purchase or otherwise the securities of Kakade Estate Developers Private Limited or any other Body Corporate formed as per the terms of Agreement dated March 31, 2010 for the Project located at Bhugaon, Pune , from time to time up to a limit not exceeding ₹ 54 Crores (Fifty Four Crores only) 4) To make investment in and/or acquire by way of subscription, purchase or otherwise the securities of M/s. Lucifer Engineering (P) Limited or any other Body Corporate formed for the Project located at Bhugaon, Pune, from time to time up to a limit not exceeding ₹ 54 Crores (Fifty Four Crores only) 5) To make investment in and/or acquire by way of subscription, purchase or otherwise the securities of Body Corporate(s) or for promotion and incorporation of subsidiaries of the Company, up to a limit not exceeding ₹ 5 Lac (Rupees Five Lac only) for each such entity, which shall not exceed in aggregate ₹ 10 Lac (Rupees Ten Lac only) for all of them together, for the real estate development of projects of the Company located at Ahmedabad and Kochi.
July 22, 2011	-	-

iii) Postal Ballot

During the financial year 2011-2012, pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, two postal ballots were conducted. The notices of the postal ballot were mailed to all the shareholders of the Company along with postage prepaid envelopes. Mr. S. Anand S. S. Rao, a practicing Company Secretary was appointed as Scrutinizer for the postal ballots, who had submitted his report to the Chairman, Mr. Adi B. Godrej. The details of the postal ballots conducted during the financial year 2011-2012 are provided herein below:-

S r . No.	Date of announcement of results	Nature of resolution	Item	Total no. of votes polled	No. of votes in favour %	No. of votes against %	No. of invalid votes %
1.	September 30, 2011	Special	1. To make investment(s) in any security(ies) of and/or to make loan(s) to or place inter-corporate deposit(s) with and/or provide any other form of debt to and/or to provide any security(ies) in connection with loan(s) and/or give guarantee(s) in connection with loan(s) given by any other person to Godrej Estate Developers Private Limited, a subsidiary of the Company, in addition to the limits already sanctioned by the members of the Company for an amount not exceeding ₹100 Crores (Rupees One Hundred Crores). The total amount of loan(s)/guarantee(s)/security(ies)/investment(s) by the Company in Godrej Estate Developers Private Limited shall not exceed an amount aggregating to ₹200 Crores (Rupees Two Hundred Crores).	591	99.9999	0.001	0.00
			2. To make investment(s) in any security(ies) of and/or to make loan(s) to or place inter-corporate deposit(s) with and/or provide any other form of debt to and/or to provide any security(ies) in connection with loan(s) and/or give guarantee(s) in connection with loan(s) given by any other person to Godrej Waterside Properties Private Limited, a subsidiary of the Company, in addition to the limits already sanctioned by the members of the Company for an amount not exceeding ₹ 150 Crores (Rupees One Hundred Fifty Crores). The total amount of loan(s)/guarantee(s)/security(ies)/investment(s) by the Company in Godrej Waterside Properties Private Limited shall not exceed an amount aggregating to ₹ 400 Crores (Rupees Four Hundred Crores).	591	99.99873	0.00127	0.00
			3. To make investment(s) in any security(ies) of and/or to make loan(s) to or place inter-corporate deposit(s) with and/or provide any other form of debt and/or to provide any security(ies) in connection with loan(s) and/or give guarantee(s) in connection with loan(s) given by any other person to and/or to make capital contribution in the Limited Liability Partnership(s) and/or any such permissible form of organisation(s) to be formed or incorporated for the forthcoming project of the Company, located at Undri, Pune, for an amount not exceeding ₹ 20 Crores (Rupees Twenty Crores).	591	99.99876	0.00124	0.00

S r . No.	Date of announcement of results	Nature of resolution	Item	Total no. of votes polled	No. of votes in favour %	No. of votes against %	No. of invalid votes %
2.	December 28, 2011	Special	1. Issuance of further equity shares by way of various means such as a public issue, rights issue, private placement or a combination thereof, including a qualified institutions placement in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, in one or more offerings/tranches, such that the total amount raised, including premium, shall not exceed ₹ 750 Crores (Rupees Seven Hundred and Fifty Crores).	841	99.2552	0.7448	0.00
		Ordinary	2. Increasing the borrowing powers of the Board of Directors in excess of the paid-up capital and free reserves pursuant to the provisions of Section 293(1)(d) of the Companies Act, 1956 such that the total borrowings outstanding at any given point of time shall not exceed the sum of ₹ 2,250 Crores (Rupees Two Thousand Two Hundred and Fifty Crores only).	841	99.2533	0.7467	0.00
		Ordinary	3. Increasing the powers of the Board of Directors for creation of mortgage and/or charge on all or any of the Companies movable and/or immovable assets pursuant to the provisions of Section 293(1)(a) of the Companies Act, 1956 for the purpose of securing the borrowings of the Company, the aggregate nominal value of which will not exceed the sum of ₹ 2,250 Crores (Rupees Two Thousand Two Hundred and Fifty Crores only).	841	99.2531	0.7469	0.00

iv) Procedure adopted for Postal Ballot

- i. The Board at its meeting or through circular resolutions approves the items to be passed through postal ballot and authorizes the Managing Director and the Company Secretary to be responsible for the entire process of postal ballot.
- ii. A professional such as a Chartered Accountant/ Company Secretary, who is not in employment of the Company, is appointed as the Scrutinizer for the poll process.
- iii. Notice of postal ballot along with the ballot papers are sent to the shareholders of the Company along with a self-addressed envelope addressed to the Scrutinizer.
- iv. An advertisement is published in a national newspaper about the dispatch of ballot papers and notice of postal ballot.

- v. The duly completed postal ballot papers are received by the Scrutinizer.
- vi. The Scrutinizer gives his report to the Chairman.
- vii. The Chairman announces the results of the postal ballot.
- viii. Results are intimated to the stock exchanges i.e. BSE Limited and The National Stock Exchange of India Limited and are put up on the Company's website.

7) SHAREHOLDERS AND MEANS OF COMMUNICATION

a) Disclosures regarding appointment or re-appointment of Directors

According to the Articles of Association of the Company, one-third of the Directors are liable to retire by rotation at every Annual General Meeting of the Company. Mrs. Lalita D. Gupte, Mr. S. Narayan,

Mr. Pranay D. Vakil and Dr. Pritam Singh shall retire at this Annual General Meeting of the Company and being eligible, offer themselves for re-election.

Further, the Board of Directors of the Company in their meeting held on January 19, 2012 appointed Mr. Pirojsha Godrej as the Managing Director & Chief Executive Officer of the Company and Mr. V. Srinivasan as an Executive Director of the Company with effect from April 1, 2012, subject to the approval of shareholders.

Information about the Directors who are being appointed/re-appointed is given as an annexure to the Notice of the Annual General Meeting.

b) Communication to shareholders

All vital information relating to the Company and its performance, including annual reports, quarterly results, official press releases are posted on the website of the Company. The Company's website address is www.godrejproperties.com. The quarterly and annual results of the Company's performance are published in leading English dailies like Economic Times and Maharashtra Times. The Company has also posted information relating to its financial results and shareholding pattern on Corporate Filing and Dissemination System at www.corpfiling.co.in in terms of Clause 52 of Listing Agreement. Further, the annual reports containing audited standalone and consolidated financial statements of the Company together with Directors' Report, Auditors' Report and other important information are circulated to the members and others entitled thereto.

c) Investor grievances

As mentioned before, the Company has constituted an Investors' Grievance cum Share Transfer Committee to look into and redress complaints from shareholders and investors. Mr. Shodhan A. Kembhavi, Vice President (Legal) & Company Secretary is the Compliance Officer.

d) Share transfer

The Company has outsourced its share transfer function to M/s. Karvy Computershare Private Limited, which is registered with SEBI having Registration No. INR000000221.

e) Details of non-compliance

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

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

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

- a) Tenure of independent Directors: No maximum tenure for independent directors has been specifically determined.
- b) Remuneration Committee: The Board has set up a Remuneration Committee details of which have been provided in this Report.
- c) 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.
- d) Audit Qualifications: The Company's financial statement for the year 2011-12 does not contain any audit qualification.
- e) Training of Board members: The Board members are fully updated on all the new initiatives proposed by the Company, industry scenario, changes in the statutes/ legislations and critical business issues. The Company engages outside consultants for presentation and discussion with the Board members on matters of specialised nature.
- f) Whistle Blower Policy: The Audit Committee has laid down a Whistle Blower Policy, the details of which are given in this report.

DECLARATION BY MANAGING DIRECTOR

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

The Board of Directors of Godrej Properties Limited has laid down a Code of Conduct for all Board members and senior management 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, 2012.

Pirojsha Godrej
Managing Director & Chief Executive Officer

Mumbai
May 5, 2012

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, 2012, as stipulated in Clause 49 of the Listing Agreements of the Company with Stock Exchanges.

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

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

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

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

For and on Behalf of
Kalyaniwalla and Mistry
Chartered Accountants
Firm Registration No. 104607W

Ermin K. Irani
Partner
Membership No.35646

Place: Mumbai
Date: May 5, 2012

GENERAL SHAREHOLDERS' INFORMATION

i) Annual General Meeting

Date : July 28, 2012

Time : 3.30 p.m.

Venue : Y. B. Chavan Pratishthan, Gen. Jagannathrao
Bhonsle Marg, Nariman Point, Mumbai 400 021.

ii) Financial Calendar

Financial Year: April 1 to March 31

For the financial year ended March 31, 2012, the financial results were announced on:-

- July 22, 2011: First Quarter
- October 21, 2011: Second Quarter
- January 19, 2012: Third Quarter
- May 5, 2012: Annual

iii) Date of Book Closure

A dividend of ₹ 3/- per equity share (30% per equity share) has been recommended by the Board of Directors of the Company. For payment of dividend, the book closure is from July 23, 2012 to July 28, 2012 (both days inclusive).

iv) Dividend Payment Date

The dividend, if declared, will be paid on or before August 27, 2012

v) Listing information

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

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

The ISIN No. of the Company's equity shares on both National Securities Depository Limited and Central Depository Services (India) Limited is INE484J01019

vi) Stock Data

Table 1 and Table 2 respectively gives the monthly high and low prices and volumes of equity shares of the Company at BSE Limited ("BSE") and The National Stock Exchange of India Limited ("NSE") for the financial year ended March 31, 2012.

Table 1: Monthly high & low prices and volumes of equity shares of Godrej Properties Limited at BSE for the financial year ended March 31, 2012

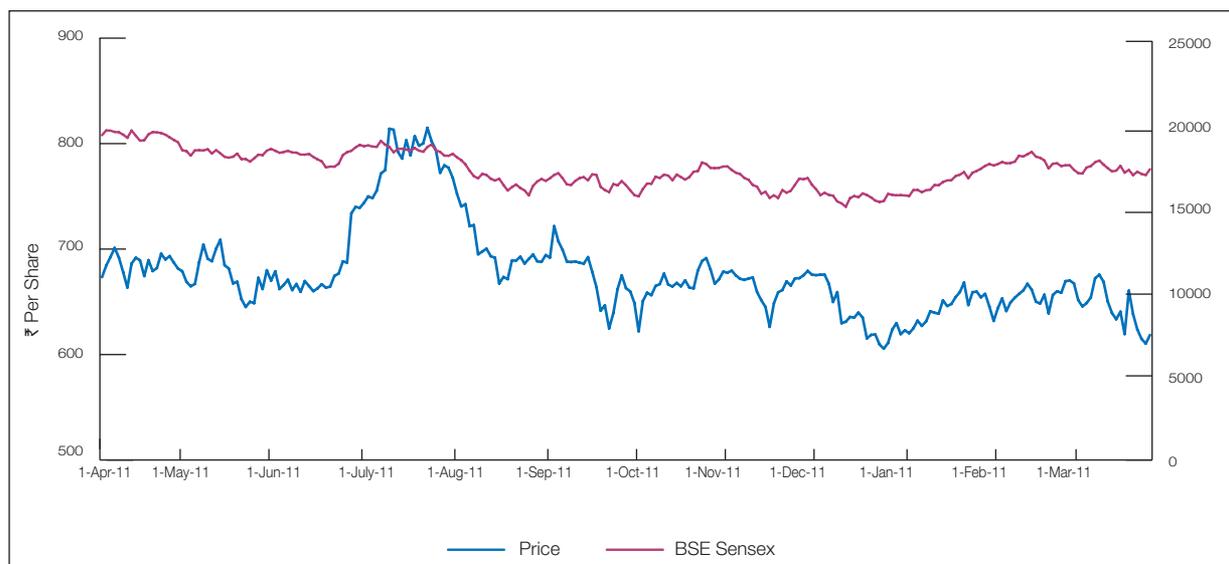
Month	High (₹)	Low (₹)	Volumes traded (No. of equity shares)
April	701.10	663.45	104,497
May	708.80	645.05	159,820
June	739.95	659.40	73,205
July	814.95	743.85	568,289
August	767.60	667.30	81,642
September	721.75	624.80	918,067
October	691.40	622.00	119,884
November	680.65	626.20	66,152
December	679.35	609.40	638,222
January	668.25	605.55	74,762
February	667.05	631.85	151,208
March	675.70	610.40	293,362

Table 2: Monthly high & low prices and volumes of equity shares of Godrej Properties Limited at NSE for the financial year ended March 31, 2012

Month	High (₹)	Low (₹)	Volumes traded (No. of equity shares)
April	702.95	666.05	138,137
May	706.10	649.90	224,325
June	740.60	655.75	301,724
July	814.80	739.65	1,142,449
August	762.00	669.00	355,424
September	719.90	627.75	340,977
October	688.85	625.45	589,288
November	684.50	625.50	346,759
December	678.85	609.85	157,440
January	665.10	606.55	356,906
February	665.65	629.85	491,942
March	673.65	611.05	595,546

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

The Company's share performance compared to BSE Sensex



The Company's equity share performance compared to BSE Sensex

vii) Distribution of shareholding as on March 31, 2012

DISTRIBUTION SCHEDULE AS ON March 31, 2012

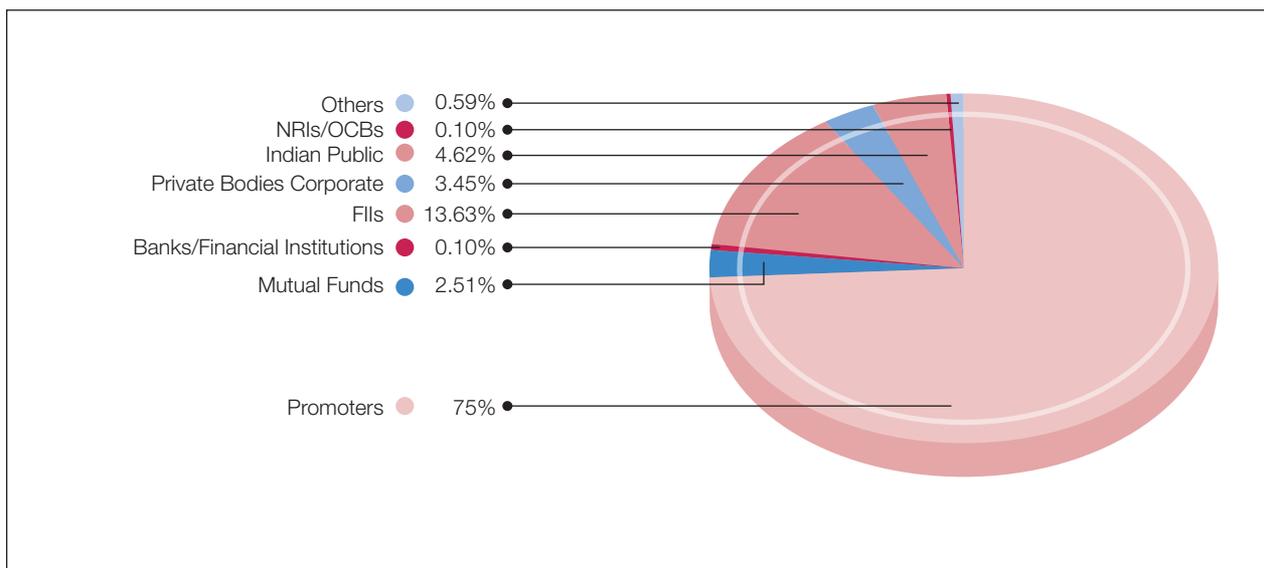
Sr. No.	Category	No. of shareholders	% of shareholders	No. of equity shares	Amount (₹)	% Amount
1.	1 - 5000	18,477	99.37	1,790,332	17,903,320	2.29
2.	5001 - 10000	25	0.13	180,903	1,809,030	0.23
3.	10001 - 20000	15	0.08	201,741	2,017,410	0.26
4.	20001 - 30000	9	0.05	226,526	2,265,260	0.29
5.	30001 - 40000	5	0.03	175,033	1,750,330	0.23
6.	40001 - 50000	3	0.02	137,821	1,378,210	0.18
7.	50001 - 100000	10	0.05	710,201	7,102,010	0.91
8.	100001 & Above	50	0.27	74,614,262	746,142,620	95.61
Total		18,594	100.00	78,036,819	780,368,190	100.00

viii) Shareholding pattern as on March 31, 2012

SHARE HOLDING PATTERN AS ON MARCH 31, 2012

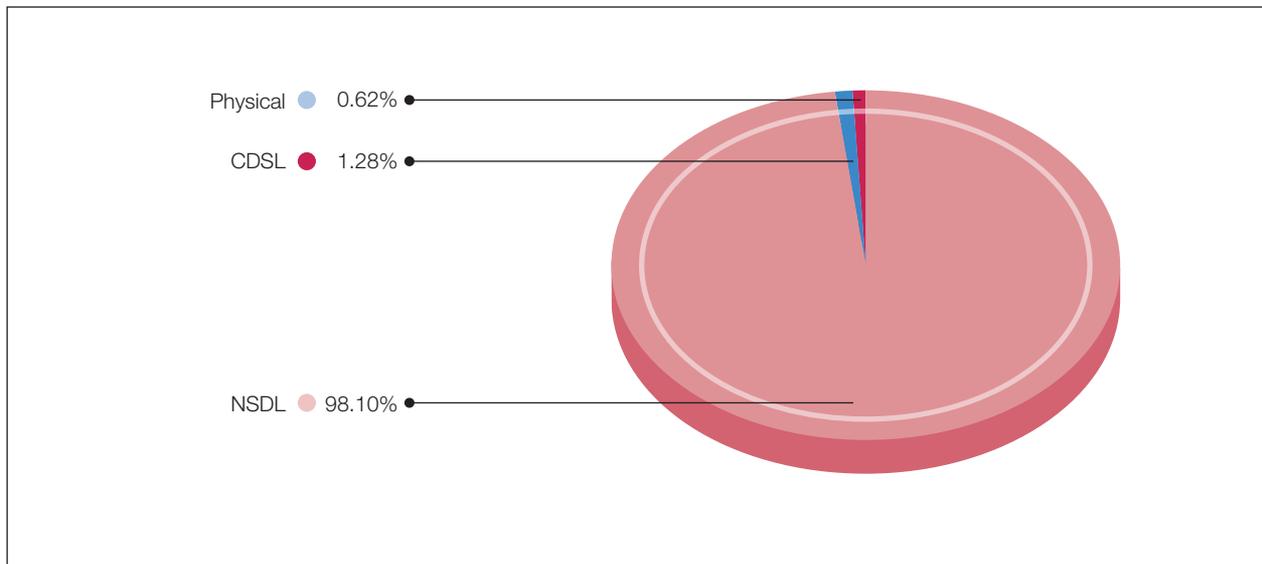
Sr. No.	Category	No. of shareholders	No. of equity shares held	% of shareholding
1.	Promoters and Promoter Group	16	58,527,614	75.00
2.	Mutual Funds	6	1,959,098	2.51
3.	Banks/Financial Institutions	4	76,526	0.10
4.	Fills	42	10,634,610	13.63
5.	Private Bodies Corporate	434	2,693,189	3.45
6.	Indian Public	17,617	3,605,351	4.62
7.	NRIs/OCBs	431	80,380	0.10
8.	Others	44	460,051	0.59
Total		18,594	78,036,819	100.00

Note: The details of outstanding employee stock options as on March 31, 2012 are provided in Annexures to the Directors' Report.



ix) Shares held in physical and dematerialised form

Category	Number of shareholders	Shareholders %	Number of equity shares held	Shareholding %
Physical	111	0.60	485,637	0.62
NSDL	12,297	66.13	76,554,116	98.10
CDSL	6,186	33.27	997,066	1.28
Total	18,594	100.00	78,036,819	100.00



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

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

xi) Share Transfer

Share transfer and related operations for Godrej Properties Limited are conducted by M/s. Karvy Computershare Private Limited. Share transfer is normally affected within a period of 30 days from the date of receipt, if all the required documentation is submitted.

xii) Investor correspondence should be addressed to:

Karvy Computershare Private Limited

(Unit: Godrej Properties Limited)
Plot No. 17-24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500 081
Tel.: 040 – 4465 5000
Fax No.: 040 – 23420814
Email ID: einward.ris@karvy.com
Toll Free No.: 1800 3454001
Contact Person: Mr. K. S. Reddy

- xiii) Compliance Officer: **Mr. Shodhan A. Kembhavi**
Vice President (Legal) & Company Secretary.
Godrej Bhavan, 4th Floor, 4A, Home Street,
Fort, Mumbai – 400 001

xiv) Details of Demat Suspense Account:

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

Sr. No.	Particulars (for the financial year 2011-2012)	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	52
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	52

Note:

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

FINANCIALS

AUDITORS' REPORT

TO THE MEMBERS OF GODREJ PROPERTIES LIMITED

1. We have audited the attached Balance Sheet of **GODREJ PROPERTIES LIMITED**, as at 31st March, 2012, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph (3) above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of such books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e) Without qualifying our opinion, we draw attention to the fact that as referred to in Note 1(f) of Notes to Accounts, in respect of projects under long-term contracts undertaken and/or financed by the Company, we have relied upon the management's estimates of the percentage of completion, costs to completion and on the projections of revenues expected from projects owing to the technical nature of such estimates, on the basis of which profits/losses have been accounted, interest income accrued and realizability of the construction work-in-progress and project advances determined.
5. Without qualifying our opinion, we draw attention to the fact that as referred to in Note 31(a) of Notes to Accounts, regarding a loan of ₹ 443,911,462/- to the GPL ESOP Trust for purchase of the Company's shares from Godrej Industries Ltd. equivalent to options granted under an Employee Stock Option Plan. As at 31st March, 2012, the market value of the shares held by the GPL ESOP Trust is lower than the holding cost of acquisition of these shares by ₹ 82,347,882/- (net of provision of ₹ 58,923,028/- on account of options lapsed). The repayment of the loans granted to the GPL ESOP Trust is dependant on the exercise of the options by the employees and the market price of the underlying equity shares of the unexercised options at the end of the exercise period. In the opinion of the management, the fall in value of the underlying equity shares is on account of current market volatility and the loss, if any, can be determined only at the end of the exercise period, in view of which provision for the diminution is not considered necessary in the financial statements.

6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - ii) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
 - iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
7. On the basis of the written representations received from the directors as on 31st March, 2012, and taken on record by the Board of Directors, we report that, none of the directors is disqualified as on 31st March, 2012, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For and on behalf of
KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration No: 104607W

ERMIN K. IRANI
Partner
Membership No. 35646

Place: Mumbai
Dated: May 05, 2012

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph (3) of our report of even date.

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) As explained to us, the Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets.
(c) In our opinion, the disposal of fixed assets during the year does not affect the going concern assumption.
- 2) (a) The inventory includes construction work-in-progress, and cost of development rights in identified land. Physical verification of inventory have been conducted at reasonable intervals by the management.
(b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- 3) (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
(b) Consequently the question of commenting on the rates of interest, terms and conditions of the loans granted being prejudicial to the interests of the Company, receipt of regular principal and interest and reasonable steps for the recovery of the same does not arise.
(c) The Company has not taken any loan secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
(d) Consequently, the question of commenting on the rates of interest and other terms and conditions of the loans taken being prejudicial to the interests of the Company, payment of regular principal and the interest does not arise.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods. There are no sales of service. During the course of our audit, we have not observed a continuing failure to correct major weaknesses in internal controls.
- 5) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts and arrangements referred to in Section 301 of the Companies Act, 1956, have been entered into the register required to be maintained under that section.
(b) The transactions made in pursuance of such contracts or arrangements, were made at prices which are reasonable having regard to prevailing market prices at the relevant time, where comparable market price exist.
- 6) In our opinion and according to the information and explanations given to us, the Company has complied with directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder, in respect of the deposits accepted from the public.
- 7) The Company has an internal audit system, which in our opinion is commensurate with the size of the Company and nature of its business.
- 8) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records under section 209(1)(d) of the Act, and are of the opinion that prima facie the prescribed accounts and records have generally been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 9) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, during the year, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Value Added Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, there are no undisputed dues, payable in respect of above as at 31st March, 2012, for a period of more than six months from the date they became payable.

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

Sr. No.	Name of the Statute	Amount	Forum where dispute is pending
1	Income Tax Act, 1961	₹ 14,825,232/-	Commissioner of Income Tax (Appeals)
2	KVAT Act, 2003	₹ 12,130,007/-	Jt. Commissioner of Commercial Taxes (Appeals)

- 10) The Company does not have accumulated losses at the end of the financial year and has not incurred any cash losses in the current and immediately preceding financial years.
- 11) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to banks. The Company does not have dues to financial institutions or outstanding debentures.
- 12) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund/societies.
- 14) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of the transactions and contracts in respect of investments purchased and sold during the year and timely entries have been made therein. The investments made by the Company are held in its own name.
- 15) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and other financial institutions.
- 16) According to the information and explanations given to us and based on the documents and records examined by us, on an overall basis, the term loan has been applied for the purpose for which the loans were obtained.
- 17) According to the information and explanations given to us and on an overall examination of the Balance Sheet and Cash Flows of the Company, we report that the Company has not utilised funds raised on short-term basis for long-term investment.
- 18) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- 19) The Company did not issue any debentures during the year.
- 20) We have verified the end use of money raised by Initial Public Offer (IPO) as disclosed in Note 28(a) and Institutional Placement Programme (IPP) as disclosed in Note 28(b) forming an integral part of financial statements. Pending utilisation of the funds raised through these public issues, a sum of ₹ 4,342,311,157/- has been temporarily invested in Mutual Funds and Bank Deposits.
- 21) During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given and representations made by the Management, no major fraud on or by the Company, has been noticed or reported during the year.

For and on behalf of

KALYANIWALLA & MISTRY

Chartered Accountants

Firm Registration No: 104607W

ERMIN K. IRANI

Partner

Membership No. 35646

Place: Mumbai

Dated: May 05, 2012

BALANCE SHEET AS AT MARCH 31, 2012

	Note No.	As at 31.03.2012 ₹	As at 31.03.2011 ₹
I. EQUITY AND LIABILITIES			
1) Shareholders' Fund			
a) Share Capital	2	780,368,190	698,500,090
b) Reserves and Surplus	3	13,215,463,829	8,151,938,424
Total Shareholders' Funds		13,995,832,019	8,850,438,514
2) Non-Current Liabilities			
a) Long-Term Borrowing	4	1,602,104,000	810,206,000
b) Other Long-Term Liabilities	5	120,000	120,000
c) Long-Term Provisions	6	22,955,760	26,157,285
Total Non-Current Liabilities		1,625,179,760	836,483,285
3) Current Liabilities			
a) Short-Term Borrowing	7	9,586,646,757	7,319,583,493
b) Trade Payables (Refer Note 29)		1,436,430,890	1,495,316,271
c) Other Current Liabilities	8	1,831,469,790	941,341,109
d) Short-Term Provisions	9	319,772,771	475,089,229
Total Current Liabilities		13,174,320,208	10,231,330,102
Total Equity and Liabilities		28,795,331,987	19,918,251,901
II. ASSETS			
1) Non-Current Assets			
a) Fixed Assets	10		
(i) Tangible Assets		89,679,197	93,752,041
(ii) Intangible Assets		22,840,864	30,129,056
(iii) Capital work-in-progress		222,133,587	5,718,612
(iv) Intangible Assets under Development		16,911,132	8,090,282
Total Fixed Assets		351,564,780	137,689,991
b) Non-Current Investments	11	995,243,978	647,410,407
c) Deferred Tax Asset (Net)	12	29,860,000	8,190,000
d) Long Term Loans and Advances	13	97,379,525	543,858,748
e) Other Non Current Assets	14	9,052,104	3,978,112
Total Non-Current Assets		1,483,100,387	1,341,127,258
2) Current Assets			
a) Current Investment	15	58,650,000	-
b) Inventories	16	2,573,566,712	1,924,303,584
c) Trade Receivables	17	1,063,779,424	411,331,767
d) Cash and Bank Balances	18	4,414,529,918	1,550,962,753
e) Short-Term Loans and Advances	19	17,406,956,813	13,100,051,125
f) Other Current Assets	20	1,794,748,733	1,590,475,414
Total Current Assets		27,312,231,600	18,577,124,643
Total Assets		28,795,331,987	19,918,251,901
ACCOUNTING POLICIES	1		

The accompanying notes form an integral part of financial statements

As per our Report of even date.

For and on behalf of

KALYANIWALLA & MISTRY

Chartered Accountants

ERMIN K. IRANI

Partner

Mumbai, Dated: May 5, 2012

A. B. GODREJ

Chairman

Signatures to the Balance Sheet and Notes 1 to 42

PIROJSHA GODREJ

Managing Director & CEO

SHODHAN A. KEMHAVI

Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

	Note No.	For the year ended 31.03.2012 ₹	For the year ended 31.03.2011 ₹
INCOME			
Revenue from Operations	21	3,689,406,161	2,946,137,876
Other Income	22	949,270,944	1,492,015,541
TOTAL REVENUE		4,638,677,105	4,438,153,417
EXPENDITURE			
Cost of Sales	23	2,541,297,007	2,164,746,853
Employee Benefits Expense	24	60,209,729	72,011,433
Finance Costs	25	688,430,901	464,859,697
Depreciation		31,805,549	35,403,270
Other Expenses	26	272,938,670	150,386,152
TOTAL EXPENSES		3,594,681,856	2,887,407,405
PROFIT BEFORE TAX		1,043,995,249	1,550,746,012
Tax Expense			
Current Tax		251,290,000	493,772,272
Deferred Tax		(21,670,000)	(5,395,500)
Adjustment for Tax of Previous Years (net)		727,993	832,981
		230,347,993	489,209,753
PROFIT AFTER TAX		813,647,256	1,061,536,259
Earnings per share (Refer Note 39)			
Basic in ₹		11.63	15.20
Diluted in ₹		11.63	15.20
ACCOUNTING POLICIES	1		

The accompanying notes form an integral part of financial statements

As per our Report of even date.

For and on behalf of

KALYANIWALLA & MISTRY

Chartered Accountants

ERMIN K. IRANI

Partner

Mumbai, Dated: May 5, 2012

A. B. GODREJ

Chairman

Signatures to the Statement of Profit and Loss and Notes 1 to 42

PIROJSHA GODREJ

Managing Director & CEO

SHODHAN A. KEMBHAVI

Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	For the year ended 31.03.2012 ₹	For the year ended 31.03.2011 ₹
Cash Flow from Operating Activities		
Profit for the Year before Taxation	1,043,995,249	1,550,746,012
Adjustment for:		
Depreciation	31,805,549	35,403,270
Interest Paid	688,430,901	464,859,697
Loss on sale of Fixed Asset	102,815	424,922
Provision for Doubtful Advances	63,558,848	-
ESGS Compensation	10,455,958	-
Interest Income	(751,507,406)	(504,089,883)
Dividend Received	(10,821,453)	(87,120,788)
Profit on Sale of Long-Term and Current Investment	(182,755,000)	(898,782,703)
Operating Profit before working capital changes	893,265,461	561,440,525
Adjustment for:		
Increase/(decrease) in Non-Current Liabilities	(3,201,525)	8,311,731
Increase/(decrease) in Current Liabilities	150,146,791	1,133,499,087
(Increase)/decrease in Non-Current Assets	447,429,146	(5,707,178)
(Increase)/decrease in Current Assets	(5,682,671,494)	(6,734,348,874)
	(4,195,031,621)	(5,036,804,709)
Taxes Paid (Net)	(333,078,519)	(436,010,024)
Net Cash Flow from Operating activities	(4,528,110,140)	(5,472,814,733)
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(248,998,971)	(69,618,140)
Sale of Fixed Assets	3,215,819	1,160,075
Purchase of Investments	-	(248,122,510)
Sale of stake in Subsidiary	183,000,000	899,175,839
Investments in Limited Liability Partnership	(406,728,571)	-
Interest Received	758,134,129	482,415,969
Dividend Received	10,821,453	87,120,788
Net Cash Flow from Investing Activities	299,443,859	1,152,132,021

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	For the year ended 31.03.2012 ₹	For the year ended 31.03.2011 ₹
Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital (net of issue expenses)	4,593,415,750	-
Proceeds from Long-Term Borrowings (net)	791,898,000	101,456,000
Proceeds from Short-Term Borrowings (net)	2,920,221,264	3,509,117,706
Interest Paid	(661,165,147)	(464,859,697)
Payment of Dividend	(314,325,041)	(279,400,036)
Tax on Distributed Profits	(50,991,380)	(46,404,854)
Net Cash Flow from Financing Activities	7,279,053,446	2,819,909,119
Net Increase in Cash and Cash Equivalent	3,050,387,165	(1,500,773,593)
Cash and Cash Equivalent - Opening Balance	1,300,762,753	2,801,536,346
Cash and Cash Equivalent - Closing Balance	4,351,149,918	1,300,762,753

Notes :

- The cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on 'Cash Flow Statement', and presents cash flows by operating, investing and financing activities.
- Figures for the previous year have been regrouped/restated wherever necessary to conform to this year's classification.

As per our Report of even date.

For and on behalf of

KALYANIWALLA & MISTRY

Chartered Accountants

ERMIN K. IRANI

Partner

Mumbai, Dated: May 5, 2012

A. B. GODREJ

Chairman

PIROJSHA GODREJ

Managing Director & CEO

SHODHAN A. KEMBHAVI

Company Secretary

NOTES TO ACCOUNTS

NOTE 1 : ACCOUNTING POLICIES:**a) General**

The financial statements are prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards issued by The Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

b) Fixed Assets

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

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

c) Depreciation/Amortization

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

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

Leasehold improvements are amortized over a period of lease.

Intangible Assets are amortized over a period of six years.

d) Investments

Investments are classified into long-term and current investments.

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

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

e) Inventories

Inventories are valued as under:

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

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

f) Revenue Recognition

The Company is following the "Percentage of Completion Method" of accounting. As per this method, revenue from sale of properties is recognized in the Statement of Profit and 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. If the actual project cost incurred is less than 20% of the total estimated project cost, no income is recognized in respect of that project in the relevant period. Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognized in the financial statements for the period in which such changes are determined. Losses, if any, are fully provided for immediately.

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

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

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

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

NOTES TO ACCOUNTS

g) Development Manager Fees

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

h) Employee Benefits

a) Short-term employee benefits:

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

b) Post-employment benefits:

(i) Defined Contribution Plans:

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

(ii) Defined Benefit Plans:

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

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

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

(iii) Other long-term employee benefits:

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

i) Borrowing Cost

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

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

j) Earnings Per Share

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

k) Provision For Taxation

Tax expense comprises both current and deferred tax.

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

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

NOTES TO ACCOUNTS

l) Foreign Currency Transactions

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

m) Allocation of Expenses

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

n) Provisions and Contingent Liabilities

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

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

NOTES FORMING PART OF THE ACCOUNTS

NOTE 2

SHARE CAPITAL

AUTHORISED

100,000,000 Equity Shares of ₹ 10/- each

As at 31.03.2012 ₹	As at 31.03.2011 ₹
1,000,000,000	1,000,000,000
1,000,000,000	1,000,000,000
780,368,190	698,500,090
780,368,190	698,500,090

ISSUED, SUBSCRIBED and PAID-UP

78,036,819 (Previous Year 69,850,009) Equity Shares of ₹ 10/- each fully paid-up.

(a) Reconciliation of number of shares:

	31.03.2012		31.03.2011	
	No. of Shares	₹	No. of Shares	₹
Number of Shares outstanding at the beginning of the year	69,850,009	698,500,090	69,850,009	698,500,090
Addition during the year	8,186,810	81,868,100	-	-
Number of Shares outstanding at the end of the year	78,036,819	780,368,190	69,850,009	698,500,090

(b) Shareholding information:

Equity Shares are held by:

Godrej Industries Limited (Holding Company)

47,965,209

49,335,209

Godrej & Boyce Manufacturing Company Limited (Ultimate Holding Company)

1,270,000

690,000

Ensemble Holdings & Finance Limited (Subsidiary of Holding Company)

691,155

691,155

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

	31.03.2012		31.03.2011	
	No. of Shares	%	No. of Shares	%
Godrej Industries Limited	47,965,209	61.46%	49,335,209	70.63%

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

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

(e) Equity Shares allotted as fully paid-up Bonus shares by capitalising Securities Premium, General Reserve and Profit & Loss Account during the last five years:

31-03-2011	-	-
31-03-2010	-	-
31-03-2009	-	-
31-03-2008	51,556,360	51,556,360
31-03-2007	-	-
31-03-2006	-	-

NOTES FORMING PART OF THE ACCOUNTS

	As at 31.03.2012 ₹	As at 31.03.2011 ₹
NOTE 3		
RESERVES AND SURPLUS		
Securities Premium		
As per last Balance Sheet	5,663,179,740	5,663,179,740
Addition during the year	4,625,547,650	-
Utilisation during the year (Refer Note 3 (a))	114,000,000	-
Closing Balance	10,174,727,390	5,663,179,740
General Reserve		
As per last Balance Sheet	380,000,000	273,000,000
Addition during the year	82,000,000	107,000,000
Closing Balance	462,000,000	380,000,000
Employee Stock Grant Scheme Reserve		
Addition during the year	10,455,958	-
Closing Balance	10,455,958	-
Surplus in Statement of Profit and Loss		
As per last Balance Sheet	2,108,758,684	1,519,538,846
Profit for the year	813,647,256	1,061,536,259
Appropriations during the year		
- Proposed Dividend - Final (Refer Note 3(b))	234,141,804	314,325,041
- Tax on Distributed Profit	37,983,655	50,991,380
- Transfer to General Reserve	82,000,000	107,000,000
Closing Balance	2,568,280,481	2,108,758,684
Total Reserves and Surplus	13,215,463,829	8,151,938,424
a) Securities Premium amount has been utilized towards the share issue expenses incurred for the purpose of Institutional Placement Programme.		
b) The Board of Directors of the Company has proposed dividend of ₹ 3/- (30%) per equity share for the year 2011-12 amounting to ₹ 234,141,804/- (Previous Year ₹ 4.50/- (45%) amounting to ₹ 314,325,041/-)		
NOTE 4		
LONG-TERM BORROWINGS		
Deposits (Unsecured) (Refer Note 4(a))		
From Directors	-	6,200,000
From Shareholders	71,858,000	12,670,000
From Public	1,530,246,000	791,336,000
	1,602,104,000	810,206,000
a) Deposit (unsecured) having maturity of two years and three years bearing interest rate @ 8.50 % to 10.50% payable half yearly.		

NOTES FORMING PART OF THE ACCOUNTS

	As at 31.03.2012 ₹	As at 31.03.2011 ₹
NOTE 5		
OTHER LONG-TERM LIABILITIES		
Deposits - Lease	120,000	120,000
	120,000	120,000
NOTE 6		
LONG-TERM PROVISIONS		
Provision for Employee Benefits		
Gratuity (Refer Note 35 (b))	12,666,226	12,109,863
Unavailed Leave	10,289,534	14,047,422
	22,955,760	26,157,285
NOTE 7		
SHORT-TERM BORROWINGS		
From Banks		
Secured Loan (Refer Note 7 (a))		
Cash Credit	447,348,798	2,688,897,023
Working Capital Demand Loan	3,100,000,000	1,500,000,000
Unsecured Loan		
Cash Credit (Refer Note 7(b))	39,297,959	630,686,470
Other Loans (Refer Note 7(c))	6,000,000,000	2,500,000,000
	9,586,646,757	7,319,583,493

- a) Secured Loans availed from State Bank of India is secured by Equitable Mortgage of immovable property of the Company's Project at Juhu, Mumbai and by exclusive First Charge by way of hypothecation of the current assets of Company and of Godrej Real Estate Pvt. Ltd. (wholly owned subsidiary) and carries interest at Base Rate + 4.75% p.a. in case of Cash Credit and @11.25% to 11.30% for Working Capital Demand Loan.
- b) Unsecured Cash Credit facility availed from IDBI Bank Ltd. carries interest at Base Rate + 4.75% p.a.
- c) Other loans include: i) ₹ 2,500,000,000/- availed from Central Bank of India carries interest at Base Rate + 0.50% p.a. Repayable in 364 days from the date of each drawdown.
- ii) ₹ 2,000,000,000/- availed from Canara Bank Ltd. carries interest at Base Rate + 1.25% p.a. Repayable in 12 months from the date of each drawdown.
- iii) ₹ 1,500,000,000/- availed from Punjab & Sind Bank carries interest at Base Rate + 0.50% p.a. Repayable in 12 months from the date of drawdown.

NOTES FORMING PART OF THE ACCOUNTS

	As at 31.03.2012 ₹	As at 31.03.2011 ₹
NOTE 8		
OTHER CURRENT LIABILITIES		
Current maturities of long-term debt		
Unsecured Deposit (Refer Note 4(a))		
From - Directors	4,700,000	-
From - Shareholders	12,172,000	100,000
From - Public	666,088,000	29,702,000
Advances from Related Parties (Refer Note 8 (a))	334,159,586	326,358,108
Investor Education and Protection Fund	-	-
Advances received against sale of flats	345,479,957	79,326,082
Other Deposits	130,590	130,590
Unclaimed Fixed Deposits and Interest	475,166	511,918
Unclaimed Dividend	213,721	154,652
Statutory Dues	75,864,962	76,709,259
Other liabilities	294,722,008	215,250,508
Due to Management Projects	67,801,471	210,701,417
Interest accrued but not due on Loans	29,662,329	2,396,575
	1,831,469,790	941,341,109
a) Loans and Advances from Related Parties		
From Subsidiaries		
Godrej Realty Pvt. Ltd.	119,726,986	113,608,791
Godrej Nandhi Hills Projects Pvt. Ltd.	214,432,600	212,749,317
	334,159,586	326,358,108
NOTE 9		
SHORT-TERM PROVISIONS		
Provision for Employee Benefits		
Gratuity (Refer Note 35 (b))	228,599	231,199
Unavailed Leave	874,226	1,544,381
Other Provision		
For Taxation	46,544,487	107,997,228
(Net of Advance Tax and Tax deducted at source ₹ 452,521,903/- Previous Year ₹ 795,577,626/-)		
Proposed Dividend	234,141,804	314,325,041
Tax on Dividend	37,983,655	50,991,380
	319,772,771	475,089,229

NOTES FORMING PART OF THE ACCOUNTS

NOTE 10 : FIXED ASSETS

₹

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2011	Additions	Deductions	As at March 31, 2012	As at April 1, 2011	For the Year	Deductions	Up to March 31, 2012	As at March 31, 2012	As at March 31, 2011
Tangible Assets										
Building	17,031,600	-	-	17,031,600	851,580	809,001	-	1,660,581	15,371,019	16,180,020
Leasehold Improvement	40,042,189	4,951,963	-	44,994,152	28,207,212	5,249,013	-	33,456,225	11,537,927	11,834,977
Office Equipment	24,368,016	5,254,981	2,622,231	27,000,766	7,170,055	2,941,748	481,931	9,629,872	17,370,894	17,197,961
Site Equipments	-	244,203	-	244,203	-	19,769	-	19,769	224,434	-
Furniture and Fixtures	27,931,256	3,476,979	113,859	31,294,376	10,143,900	3,558,015	74,850	13,627,065	17,667,311	17,787,356
Computer	31,758,707	5,323,609	1,785,217	35,297,099	20,010,287	5,802,425	877,537	24,935,175	10,361,924	11,748,420
Motor Vehicle	26,190,070	3,604,860	555,627	29,239,303	7,186,763	5,230,834	323,982	12,093,615	17,145,688	19,003,307
Intangible Assets										
Licenses and Software	48,459,182	906,551	-	49,365,733	18,330,126	8,194,743	-	26,524,869	22,840,864	30,129,056
Total	215,781,020	23,763,146	5,076,934	234,467,232	91,899,923	31,805,549	1,758,300	121,947,171	112,520,061	123,881,097
Previous Year	165,480,100	55,809,246	5,508,326	215,781,020	60,419,981	35,403,270	3,923,328	91,899,923	123,881,097	
Capital Work-in-progress									222,133,587	5,718,612
Intangible Assets under Development									16,911,132	8,090,282
							TOTAL		351,564,780	137,689,991

NOTE 11 NON-CURRENT INVESTMENTS

At Cost

I. Non-trade Investments

(a) Investment in Fully paid-up Equity Instruments

Quoted Investments

100 Equity Shares of ₹10/- each of

Alacrity Housing Limited

742

742

100 Equity Shares of ₹10/- each of

Ansal Buildwell Limited

1,066

1,066

100 Equity Shares of ₹10/- each of

Ansal Housing & Construction Limited

1,366

1,366

600 Equity Shares of ₹5/- each of

Ansal Properties & Infrastructure Limited

3,081

3,081

100 Equity Shares of ₹10/- each of

Lok Housing & Construction Limited

1,241

1,241

100 Equity Shares of ₹10/- each of

Global Infrastructure & Technologies Limited

1,641

1,641

100 Equity Shares of ₹10/- each of

Premier Energy & Infrastructure Limited

1,516

1,516

100 Equity Shares of ₹10/- each of

D.S. Kulkarni Developers

891

891

As at
31.03.2012
₹

As at
31.03.2011
₹

NOTES FORMING PART OF THE ACCOUNTS

	As at 31.03.2012 ₹	As at 31.03.2011 ₹
NOTE 11		
NON-CURRENT INVESTMENTS (Contd.)		
13,000 Equity Shares of ₹2/- each of Unitech Limited	6,366	6,366
72 Equity Shares of ₹10/- each of The Great Eastern Shipping Company Limited	2,485	2,485
18 Equity Shares of ₹10/- each of The Great Offshore Limited	621	621
1,000 Equity Shares of ₹1/- each of Radhe Developers Limited	266	266
23,700 Equity Shares of ₹10/- each of United Textiles Limited	2,370	2,370
Cost of Quoted Investments	23,652	23,652
Less: Provision for Diminution in Value	7,564	7,564
	16,088	16,088
Market Value of Quoted Investments	494,071	671,014
Unquoted Investments		
1,000 Equity Shares of ₹10/- each of Saraswat Co-operative Bank Limited	10,000	10,000
25,000 Equity Shares of ₹10/- each of Amitabh Bachchan Corporation Limited	2,500	2,500
	12,500	12,500
II. Trade Investments		
Investments in Subsidiary Companies		
Unquoted Investments		
510,000 Equity Shares of ₹10/- each of Godrej Realty Pvt. Ltd.	5,100,000	5,100,000
510,000 Equity Shares of ₹10/- each of Godrej Waterside Properties Pvt. Ltd.	5,100,000	5,100,000
250,500 Equity Shares of ₹1/- each of Godrej Seaview Properties Pvt. Ltd.	250,500	250,500
50,000 Equity Shares of ₹10/- each of Godrej Real Estate Pvt. Ltd.	500,000	500,000
34,032 Equity Shares of ₹10/- each of Godrej Developers Pvt. Ltd.	340,320	340,320
103,592 Equity Shares of ₹ 10/- each of Happy Highrises Limited	163,568,489	163,568,489
255,500 Equity Shares of ₹1/- each of Godrej Estate Developers Pvt. Ltd.	255,000	255,000
24,500 Equity Shares (Class-A) of ₹10/- each of Godrej Buildwell Pvt. Ltd.	245,000	245,000
1,000 Equity Shares (Class-D) of ₹10/- each of Godrej Buildwell Pvt. Ltd.	10,000	10,000

NOTES FORMING PART OF THE ACCOUNTS

	As at 31.03.2012 ₹	As at 31.03.2011 ₹
NOTE 11		
NON-CURRENT INVESTMENTS (Contd.)		
50,000 Equity Shares of ₹10/- each of Godrej Buildcon Pvt. Ltd.	500,000	500,000
50,000 Equity Shares of ₹10/- each of Godrej Projects Development Private Limited	500,000	500,000
25,500 (Previous Year 50,000) Equity Shares of ₹10/- each of Godrej Premium Builders Private Limited	255,000	500,000
50,000 Equity Shares of ₹10/- each of Godrej Garden City Properties Private Limited	500,000	500,000
100,000 Equity Shares of ₹10/- each of Godrej Nandhi Hills Projects Pvt. Ltd. (formerly known as Udhay-GK Realty Private Limited)	245,612,510	245,612,510
	422,736,819	422,981,819
III. Investment in Debentures (Fully paid)		
Investments in Subsidiary Companies		
1% Secured Redeemable optionally Convertible Debentures of ₹ 10 each of Godrej Realty Pvt. Ltd.	17,850,000	76,500,000
1% Secured Redeemable optionally Convertible Debentures of ₹ 10 each of Godrej Waterside Properties Pvt. Ltd.	147,900,000	147,900,000
	165,750,000	224,400,000
IV. Investments In Limited Liability Partnerships		
Unquoted Investments		
Partners Capital A/c - Mosaic Landmarks LLP	1,100,000	-
Partners Capital A/c - Godrej Vikhroli Properties LLP	405,628,571	-
	406,728,571	-
Total Non-Current Investments	995,243,978	647,410,407
NOTE 12		
DEFERRED TAX ASSET (NET)		
On Fixed Asset	1,431,000	(880,000)
On Others	28,429,000	9,070,000
	29,860,000	8,190,000
NOTE 13		
LONG-TERM LOANS AND ADVANCES		
Unsecured Considered good		
Loan to GIL ESOP Trust (Refer Note 31 (b))	-	82,884,089
Loan to GPL ESOP Trust (Refer Note 31(a))	-	368,916,600
Deposits	23,027,178	23,729,627
Interest Accrued	24,250,488	37,834,358
Advance Tax and Tax deducted at source (Net of Provision for tax ₹ 933,049,657/- (Previous Year ₹ 965,870,433/-)	50,101,859	30,494,074
	97,379,525	543,858,748

NOTES FORMING PART OF THE ACCOUNTS

	As at 31.03.2012 ₹	As at 31.03.2011 ₹
NOTE 14		
OTHER NON-CURRENT ASSETS		
Expenses Recoverable	4,452,104	3,978,112
Others - Deposit with Banks (Deposit with Bank is held as Margin Money)	4,600,000	-
	9,052,104	3,978,112
NOTE 15		
CURRENT INVESTMENTS		
Investments in Subsidiary Company		
5,865,000 1% Secured Redeemable optionally Convertible Debentures of ₹10 each of Godrej Realty Pvt. Ltd.	58,650,000	-
	58,650,000	-
NOTE 16		
INVENTORIES		
Finished Goods (Refer Note 16(a))	1,964,441	3,652,160
Construction Work-in-progress	2,571,602,271	1,920,651,424
	2,573,566,712	1,924,303,584
a) Finished goods includes shares of Tahir Properties Limited - at cost or market value (whichever is lower):		
a) 70 Equity shares of ₹ 100/- each, ₹ 20/- paid-up		
b) 75 Redeemable Preference Class A shares of ₹100/- each, ₹70/- paid-up		
NOTE 17		
TRADE RECEIVABLES		
Unsecured Considered good		
Outstanding for a period exceeding six months from the date they are due for payment		
Due over Six months	139,920,941	47,636,077
Others	923,858,483	363,695,690
	1,063,779,424	411,331,767

NOTES FORMING PART OF THE ACCOUNTS

	As at 31.03.2012 ₹	As at 31.03.2011 ₹
NOTE 18		
CASH and BANK BALANCES		
Cash and Cash Equivalents		
Cash-on-Hand	167,732	60,469
Cheques-on-Hand	518,419	9,656,814
Balance with Banks		
on Current Accounts (Refer Note 18 (a))	37,074,047	116,544,578
on Fixed Deposit Accounts (Refer Note 18 (a & b))	2,532,150,580	1,033,121,449
Investments in Mutual Funds (Refer Note 18 (c))	1,781,239,140	141,379,443
Other Bank Balances		
on Fixed Deposit Accounts (Long-term deposits with maturity more than 3 months but less than 12 months) (Refer Note 18 (b))	63,380,000	250,200,000
	4,414,529,918	1,550,962,753
a) Current account balance of ₹ 213,721/- Previous Year ₹ 133,152/- is earmarked balance for unclaimed dividend.		
b) i) Fixed Deposit of ₹ 6,065,003/- held as margin money.		
ii) Unutilized IPP Proceeds temporarily invested in Fixed Deposit of ₹ 2,500,000,000/- (Previous Year Nil/-)		
iii) Unutilized IPO Proceeds temporarily invested in Fixed Deposit of ₹ 63,380,000/- (Previous Year ₹ 1,250,000,000/-)		
iv) Balances with scheduled banks on deposit accounts include ₹ 26,069,837/- (Previous Year ₹ 26,907,709/-) received from flat buyers and held in trust on their behalf in a corpus fund.		
c) Investment in Mutual Funds :		
(In Debt Mutual Funds)		
Kotak Floater - LT - Daily Dividend Reinvest	27,225,782	-
ICICI Prudential Floating Rate Plan D - Daily Dividend Reinvest	3,031,437	141,379,443
SBI Premier Liquid Fund Super IP Daily Dividend Reinvest	250,168,657	-
Birla Sun Life Cash Plus - Instl Prem - Daily Dividend	250,116,915	-
J P Morgan India Liquid Fund-Super IP - Daily Dividend	250,108,254	-
ICICI Prudential Liquid - Super IP - Daily Dividend	250,110,919	-
Religare Liquid Fund - Super IP - Daily Div - Reinvest	250,117,631	-
HDFC Cash Management Fund -Savings Plan - Daily Div	250,181,016	-
JM High Liquidity Super IP - Daily Div - Reinvest	250,178,529	-
	1,781,239,140	141,379,443

NOTES FORMING PART OF THE ACCOUNTS

	As at 31.03.2012 ₹	As at 31.03.2011 ₹
NOTE 19		
SHORT-TERM LOANS AND ADVANCES		
Secured Advances		
Other Advances (Refer Note 19 (a))	59,822,521	-
Unsecured Considered good		
Loan to GIL ESOP Trust (Refer Note 31 (b)) (Net of provision for doubtful loan of ₹ 4,635,820/- Previous Year ₹ Nil)	85,167,769	-
Loan to GPL ESOP Trust (Refer Note 31 (a)) (Net of provision for doubtful loan of ₹ 58,923,028/- Previous Year ₹ Nil)	344,731,305	-
Advances to Related Parties (Refer Note 19 (b))	11,560,860,536	8,201,380,071
Loans and Advances to Others	253,462,077	318,693,050
Due on Management Projects (Refer Note 19 (c))	482,103,042	799,092,785
Development Management Fees Accrued but not due (Refer Note 19 (d))	44,456,901	44,456,901
Interest Accrued	66,032,898	59,075,750
Secured Deposits - Projects (Refer Note 19 (e))	4,497,746,316	3,650,235,735
Deposits - Others	12,573,448	27,116,833
	17,406,956,813	13,100,051,125
a) Secured Loan and Advances Others are secured against Bank Guarantee received from Vendors		
b) Advances to Related Parties:		
<i>To Ultimate Holding Company:</i>		
Godrej & Boyce Manufacturing Company Limited	622,136	11,824,375
<i>To Holding Company:</i>		
Godrej Industries Ltd.	24,136	4,349,136
<i>To Subsidiary, Sub-Subsidiary and Fellow Subsidiary Companies</i>		
Godrej Waterside Properties Private Limited	3,355,134,462	2,775,253,749
Godrej Real Estate Private Limited	1,308,581,817	1,163,444,033
Godrej Sea View Properties Private Limited	519,919,812	318,087,514
Happy Highrises Limited	1,628,445,874	1,523,994,154
Godrej Developers Private Limited	601,956,129	433,759,985
Godrej Estate Developers Private Limited	1,309,540,733	1,150,593,024
Godrej Buildwell Private Limited	879,613,626	791,240,393
Godrej Buildcon Private Limited	4,849,785	38,900
Godrej Projects Development Private Limited	25,981,555	16,301,238
Godrej Premium Builders Private Limited	610,900,000	33,208
Godrej Garden City Properties Private Limited	49,442	33,208
Godrej Nandhi Hills Projects Private Limited	6,525,843	5,000,300
Godrej Landmark Redevelopers Private Limited	1,500,180	-
Godrej Consumer Products Limited	-	7,426,854
<i>To Limited Liability Partnership</i>		
Godrej Buildcorp LLP	1,374,381	-
Godrej Property Developers LLP	130,590	-
Mosaic Landmarks LLP	150,676,723	-
Godrej Vikhroli Properties LLP	1,155,033,312	-
	11,560,860,536	8,201,380,071

NOTES FORMING PART OF THE ACCOUNTS

NOTE 19

SHORT-TERM LOANS AND ADVANCES (Contd.)

- c) Due on Management Projects include a sum of ₹21,565,250/- (Previous Year ₹ 21,565,250/-) on account of a project, where the matter is sub-judice with arbitrators.
- d) The Company has been entered into Development Agreements with landlords. Development Management Fee amounting to ₹ 44,456,901/- (Previous Year ₹ 44,456,901/-) accrued as per terms of the Agreement are receivable by the Company based upon progress milestones specified in the respective Agreements and have been disclosed as Development Management Fee accrued but not due.
- e) Secured Deposits - Projects are Secured against Terms of Development Agreement.

NOTE 20

OTHER CURRENT ASSETS

Unbilled Revenue

	As at 31.03.2012 ₹	As at 31.03.2011 ₹
	1,794,748,733	1,590,475,414
	1,794,748,733	1,590,475,414

NOTES FORMING PART OF THE ACCOUNTS

	For the year ended 31.03.2012 ₹	For the year ended 31.03.2011 ₹
NOTE 21		
REVENUE FROM OPERATIONS		
Sales	3,135,635,289	2,843,410,248
Other Operating Revenues		
Income From Development Projects	201,711,994	8,264,574
Compensation Received from Project	-	50,000,000
Other Income from Customers	24,721,939	44,436,654
Share of Profit in Limited Liability Partnership	327,310,539	-
Lease Rent	14,400	14,400
License Fees	12,000	12,000
	3,689,406,161	2,946,137,876
NOTE 22		
OTHER INCOME		
Interest Income		
Projects and landlords	665,328,326	426,740,202
Others	86,179,080	77,349,681
Dividends	10,821,453	87,120,788
Profit on sale of Long-Term Investments	182,755,000	898,612,344
Miscellaneous Income	4,187,085	2,192,526
	949,270,944	1,492,015,541
NOTE 23		
COST OF SALES		
Own Projects		
Opening Stock:	1,924,303,584	1,435,939,077
Add: Expenditure/Transfers from Advances during the year		
Development Rights	-	89,026,707
Construction, Material and Labour	3,428,346,328	1,558,042,000
Architect Fees	97,722,068	151,647,431
Advertisement Expenses	151,356,977	119,210,754
Overheads	857,892,919	679,557,802
Interest (Net of Recovery from Landlord ₹ 66,192,304/- (Previous Year ₹ 62,386,254/-))	424,347,683	61,024,562
	4,959,665,975	2,658,509,256
Less: Project transferred to Subsidiaries	1,769,105,841	5,397,896
Less: Closing Stock:	2,573,566,712	1,924,303,584
	2,541,297,007	2,164,746,853

NOTES FORMING PART OF THE ACCOUNTS

	For the year ended 31.03.2012 ₹	For the year ended 31.03.2011 ₹
NOTE 24		
EMPLOYEE BENEFIT EXPENSES		
Salaries, Bonus, Gratuity and Allowances	34,144,356	60,399,203
Contribution to Provident and other funds	15,609,415	11,612,230
Expense on Employee Stock Option Scheme (Refer Note 32)	10,455,958	-
	60,209,729	72,011,433
NOTE 25		
FINANCE COST		
Interest Expense		
Banks	962,253,128	448,419,955
Inter Corporate Deposits	36,809,369	6,739,726
Projects and landlords	10,335,084	35,961,458
Others	143,781,152	74,844,951
Interest on Income Tax	-	4,627,247
Total Interest Expenses	1,153,178,733	570,593,337
Other Borrowing cost (Refer Note 33)	35,344,513	15,229,057
Total Finance Cost	1,188,523,246	585,822,394
Less: Capitalized to Projects	500,092,345	120,962,697
NET FINANCE COST	688,430,901	464,859,697
NOTE 26		
OTHER EXPENSES		
Consultancy Charges	2,461,896	11,223,167
Rent	27,106,174	22,692,061
Insurance	1,612,557	1,191,169
Rates and Taxes	586,494	456,915
Service Charges	57,907	115,813
Loss on sale of Fixed Assets (Net)	102,815	424,922
Other Operating Expenses	177,451,979	114,282,105
Provision for Doubtful Advances	63,558,848	-
	272,938,670	150,386,152

NOTES TO ACCOUNTS

Note 27

a) Contingent Liabilities:

Matters	Current year ₹	Previous Year ₹
I) Claims against Company not Acknowledged as debts;		
i) Claims against the Company not acknowledged as debts represent cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Company as advised by our advocates. In the opinion of the management the claims are not sustainable.	30,144,189/-	30,144,189/-
ii) Claims against the Company under the Labour Laws for disputed cases	1,989,240/-	1,989,240/-
iii) Claims against the Company under Bombay Stamp Act, 1958	14,850,000/-	14,850,000/-
iv) Other Claims against the Company not acknowledged as debts	3,925,000/-	3,925,000/-
v) Claims against the Company under Income Tax Act, Appeal preferred to Commissioner of Income Tax (Appeals)	14,825,232/-	558,587/-
vi) Claims against the Company under Sales Tax Act, Appeal preferred to The Joint Commissioner of Commercial Taxes (Appeals)	12,130,007/-	-
II) Guarantees;		
i) Guarantees given by Bank, counter guaranteed by the Company	260,237,003/-	122,734,000/-
III) Other Money for which Company is contingently liable		
i) Letter of credit opened by Bank on behalf of the Company	49,330,213/-	-

b) Commitments

Particulars	Current year ₹	Previous Year ₹
I) Capital Commitment	115,197/-	7,157,288/-
II) Uncalled amount of ₹ 80/- & ₹ 30/- on 70 & 75 partly paid shares respectively of Tahir Properties Limited	7,850/-	7,850/-
III) Major Contracts Commitment Outstanding for Civil, Elevator, External Development, MEP work etc	4,965,971,805/-	4,227,866,086/-

Note 28

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

Particulars	(Amount in ₹)
Amount Received from IPO	4,688,471,300
<u>*Utilization of Funds up to the reporting date:</u>	
Funding to part finance the acquisition of land developments rights and construction costs	2,179,110,000
Repayment of Loans	2,011,700,000
Issue Expenses	405,350,143
<u>Balance unutilized amount temporarily invested in</u>	
Mutual Funds	28,931,157
Fixed Deposit/Bank Balance	63,380,000
TOTAL	4,688,471,300

NOTES TO ACCOUNTS

As on March 31, 2012, unutilized funds have been temporarily invested in mutual funds schemes and fixed deposit with banks as mentioned in the prospectus of the Company.

*Revised amount proposed to utilized as approved by Shareholders in AGM held on July 22, 2011.

- b) The Institutional Placement Programme (IPP) proceeds have been utilized as per objects of the issue as stated in the offer document as under:

Particulars	(Amount in ₹) March 31, 2012
Amount Received from IPP	4,707,415,750
Utilization of Funds up to the reporting date :	
Repayment of Loans	343,415,750
Issue Expenses	114,000,000
Balance unutilized amount temporarily invested in	
Mutual Funds	1,750,000,000
Fixed Deposit	2,500,000,000
TOTAL	4,707,415,750

As on March 31, 2012, unutilized funds have been temporarily invested in mutual funds schemes and fixed deposit with banks as mentioned in the offer document of the Company.

Note 29

Dues to Micro, Small And Medium Industries

Disclosure of Trade Payable and other liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act 2006". There is no amount overdue as on 31st March, 2012 to Micro, Small and Medium Enterprises on account of principal amount together with interest and also during the previous year.

Note 30

Amounts paid to Auditors

(Amount in ₹)

Particulars	Current Year	Previous Year
Audit Fees	5,365,190	4,278,537
Audit Under Other Statues	3,958,816	1,224,330
Consultancy Charges	1,389,780	2,089,634
Other Certificates	296,320	183,999
Reimbursement of Expenses	4,060	8,022

Note 31

Employee Stock Option Plan:

- a) 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 442,700 options convertible into 442,700 Equity Shares of ₹ 10/- 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.

NOTES TO ACCOUNTS

Particulars	No. of Options		Weighted Average Exercise Price (₹)
	As on March 31, 2012	As on March 31, 2011	
Options Outstanding at the beginning of the year	372,700	403,700	620.00 (plus interest)
Options granted	-	-	-
Options exercised	-	-	-
Less : Forfeited/ Expired/ Lapsed/ Idle/ Available for reissue	55,000	31,000	-
Options Outstanding at the year end	317,700	372,700	620.00 (plus interest)

The Option granted shall vest after five years from the date of grant of option, provided the employee continues to be in employment and the options are exercisable within three years after vesting. Out of the total 317,700 options outstanding as on March 31, 2012, 60,000 have vested.

However in the event that during the 5th year of the vesting period that is in the year 2012, the average of the closing market prices of the shares of the Company on the Bombay Stock Exchange Limited and The National Stock Exchange of India Limited on each day exceeds the exercise price by not less than ₹50 for a consecutive period of 30 days, the option shall be deemed to have vested on the day immediately following the 30th day, as determined by the Remuneration Committee.

The employee share based payment plans have been accounted based on the intrinsic value method and no compensation expense has been recognized since the price of the underlying equity shares on the grant date is same /less than exercise price of the option, the intrinsic value of option, therefore being determined as Nil.

The Company has provided loan of ₹ 443,911,462/- (Previous Year ₹ 405,711,234/-) to GPL ESOP, which is administered by an independent ESOP Trust which has purchased shares of GPL from Godrej Industries Limited equivalent to the number of stock options granted from time to time to eligible employees. The Market Value as on March 31, 2012, of the shares held by the ESOP trust is lower than the holding cost of these shares by ₹ 82,347,882/- (Net of Provision of ₹ 58,923,028/- on account of options lapsed), Previous year ₹ 81,549,135/- (Net of Provision ₹ Nil). The repayment of the loans granted by the Company to ESOP Trust is dependent on the exercise of the options by the employees and the market price of the underlying shares of the unexercised options at the end of the exercise period. The fall in value of the underlying equity shares is on account of market volatility and the loss, if any, can be determined only at the end of the exercise period.

- b) The Company has provided loan of ₹ 89,803,589/- (Previous Year ₹ 82,884,089/-) to Godrej Industries Limited Employee Stock Option Scheme (GIL ESOP), which is administered by an independent ESOP Trust which purchases shares of GIL from the market equivalent to the number of stock options granted from time to time to eligible employees. The repayment of the loans granted by the Company to ESOP trust is dependent on the exercise of the options by the employees and the market price of the underlying shares of the unexercised options at the end of the exercise period. The fall in value of the underlying equity shares is on account of market volatility and the loss, if any, can be determined only at the end of the exercise period. In view of the aforesaid, provision for diminution of ₹ 4,635,820/- is provided in the financial statements.

Note 32**Employee Stock Grant Scheme**

- a) During the period April 1, 2011 to March 31, 2012, the Company instituted an Employee Stock Grant Scheme (GPL ESGS) approved by the Board of Directors, shareholders and the Remuneration Committee, which provided allotment of 43,081 options convertible into 43,081 Equity Shares of ₹ 10/- each to eligible employees of Godrej Properties Limited, its Holding and its Subsidiary Companies (the Participating Companies) 41,203 options with effect from May 7, 2011 and 1,878 options with effect from October 1, 2011. Out of the total 41,203 stock grants of first tranche, 13,438 stock grants have lapsed on account of employees leaving the service of the company before the vesting date and hence 27,765 stock grants of first tranche and 1,878 stock grants of second tranche are outstanding as at March 31, 2012.

NOTES TO ACCOUNTS

Particulars	No. of Options		Exercise Price (₹)
	As on March 31, 2012	As on March 31, 2011	
Options granted	43,081	-	10.00
Options exercised	NIL	-	-
Less: Forfeited/ Expired/ Lapsed/ Idle/ Available for reissue	13,438	-	-
Options Outstanding at the year end	29,643	-	10.00

Out of 27,765 stock grants of first tranche, 10,449 stock grants shall vest on May 6, 2012, 8,658 stock grants shall vest on May 6, 2013 and 8,658 stock grants shall vest on May 6, 2014 and out of 1,878 stock grants of second tranche 1/3rd of outstanding stock grants shall vest each year on September 30, 2012, September 30, 2013 and September 30, 2014. Upon such vesting, as per the schedule, equivalent number of equity shares of nominal value of ₹ 10 each in the company shall be issued to the eligible employees.

Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of option is ₹ 11.63 per share as on March 31, 2012.

- b) Employee compensation cost using the intrinsic value method recognized by the company in the Statement of Profit and Loss as on March 31, 2012 is ₹ 10,455,958/-
- c) The Fair Value of the share options has been determined using the Black – Scholes Option Pricing Model. Had the fair value method of accounting been used, the net profit earnings per share would have been as per the pro forma amounts indicated below.

(Amount in ₹)

Particulars	Current Year
Net Profit (as reported)	813,647,256/-
Add: Stock based compensation expense determined under Intrinsic Value method recognized in the Statement of Profit and Loss	10,455,958/-
Less: Stock based compensation expense determined under fair value based method (Pro Forma)	10,396,846/-
Net Profit (Pro Forma)	813,706,368/-
Basic and Diluted Earnings per share (as reported)	11.63/-
Basic and Diluted Earnings per share (Pro Forma)	11.63/-

Note 33

The amount of exchange difference included in the Statement of Profit and Loss, under the head Borrowing Cost is ₹ 640,397/- (Previous Year ₹ (337,174/-)).

Note 34

Expenditure in Foreign Currency

(Amount in ₹)

Particulars	Current Year	Previous Year
Professional and Consultation fees	76,166,607	88,904,703
Other Matters	18,163,860	11,236,638
Total	94,330,467	100,141,341

NOTES TO ACCOUNTS

Note 35

Employee Benefits

(a) Defined Contribution Plans:

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

(Amount in ₹)

Particulars	Current Year	Previous Year
Employers' Contribution to Provident Fund	15,492,339	11,541,377
Employers' Contribution to ESIC	117,076	70,853

(b) Defined Benefit Plans:

Contribution to Gratuity Fund

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

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

(Amount in ₹)

Particulars	Current Year	Previous Year
Change in present value of obligation		
Present value of obligation as at beginning of the year	12,341,062	7,625,984
Interest Cost	1,018,138	610,079
Service Cost	2,324,546	2,816,472
Benefits Paid	(9,739,104)	(738,901)
Effect of Liability Transfer in	329,724	-
Effect of Liability Transfer out	(40,803)	-
Actuarial (gain)/loss on obligation	6,661,262	2,027,428
Present value of obligation, as at end of the year	12,894,825	12,341,062
Amount recognized in the Balance Sheet		
Present value of obligation, as at end of the year	12,894,825	12,341,062
Fair value of plan assets as at end of the year	-	-
Net obligation as at end of the year	12,894,825	12,341,062
Net gratuity cost for the year ended		
Current Service Cost	2,324,546	1,343,752
Interest Cost	1,018,138	610,079
Expected return on plan assets	-	-
Past Service Cost (Vested Benefit)	-	1,472,720
Net Actuarial (gain)/loss to be recognized	6,661,262	2,027,428
Net gratuity cost	10,003,946	5,453,979
Assumptions used in accounting for the gratuity plan		
	(In %)	(In %)
Discount Rate	8.50	8.00
Salary escalation rate	5.00	5.00
Attrition Rate	1.00	1.00

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

NOTES TO ACCOUNTS

Note 36

Segment Information: As the Company has only one business segment, disclosure under Accounting Standard 17 on “Segment Reporting” issued by the Institute of Chartered Accountants of India is not applicable.

Note 37

Related Party Disclosures:

<p>1. Related party disclosures as required by AS - 18, “Related Party Disclosures”, are given below:</p>
<p>(i) Relationships: Shareholders (Holding Company) Godrej Industries Limited (GIL) holds 61.46% (Previous Year - 70.63%) shares in the Company. GIL is the subsidiary of Godrej & Boyce Mfg. Co. Limited, the Ultimate Holding Company.</p>
<p>(ii) Subsidiaries: Godrej Realty Private Limited (51%) Godrej Waterside Properties Private Limited (51%) Godrej Real Estate Private Limited (100%) Godrej Developers Private Limited (51%) Godrej Sea View Properties Private Limited (50.10%) Happy Highrises Limited (51%) Godrej Estate Developers Private Limited (51%) Godrej Buildwell Private Limited (49%) (Subsidiary due to control over composition of Board of Directors) Godrej Buildcon Private Limited (100%) Godrej Projects Development Private Limited (100%) Godrej Premium Builders Private Limited (51%) Godrej Garden City Properties Private Limited (100%) Godrej Nandhi Hills Project Private Limited (Formerly known as Udhay GK-Realty Private Limited (100%) Godrej Landmark Redevelopers Private Limited (51%) (Sub-Subsidiary w.e.f. March 14, 2012)</p>
<p>(iii) Limited Liability Partnership: Godrej Buildcorp LLP Godrej Property Developers LLP Godrej Vikhroli Properties LLP Mosaic Landmarks LLP</p>
<p>(iv) Other Related Parties in Godrej Group, where common control exists : Vora Soaps Limited Bahar Agrochem & Feeds Private Limited Ensemble Holdings & Finance Limited Cartini India Limited Godrej Agrovet Limited Godrej Consumer Products Limited Godrej Hygiene Product Limited (Formerly known as Godrej SCA Hygiene Limited) Godrej Infotech Limited Godrej Hershey Limited Natures Basket Limited</p>
<p>(v) Key Management Personnel: Mr. Milind Surendra Korde Mr. Pirojsha Godrej Mr. K.T. Jithendran</p>
<p>(vi) Individuals exercising Significant Influence: Mr. A. B. Godrej Mr. N. B. Godrej</p>

NOTES TO ACCOUNTS

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

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

(Amount in ₹)

Sr. No.	Description	Godrej & Boyce Mfg. Co. Ltd. (i)	Godrej Industries Ltd. (i)	Subsidiaries & Limited Liability Partnership (ii) & (iii)	Other Related Parties in Godrej Group (iv)
1.	Investment in Equity Share Capital/ Capital Account	- -	- -	13,100,000 <i>25,10,000</i>	- -
2.	Purchase of fixed assets	2,647,514 <i>2,915,497</i>	- -	- -	- -
3.	Advances given	- <i>2,500,000</i>	- -	6,763,516,842 <i>4,158,870,866</i>	- -
4.	Sale of Fixed Assets	- -	- -	- <i>90,398</i>	- -
5.	Advance received against sale of flats	- -	- <i>18,070,120</i>	- -	- -
6.	Loans and Advances repaid	- -	- -	4,472,010,203 <i>1,428,844,105</i>	- -
7.	Deposit given	- -	2,700,000 <i>1,750,000</i>	- -	- -
8.	Deposit repaid	- -	800,000 <i>650,000</i>	- -	- -
9.	Construction and other expenses incurred on behalf of others	41,628,353 -	110,031 <i>5,639,464</i>	1,164,396,394 <i>594,289,826</i>	- <i>7,426,854</i>
10.	Expenses charged by other companies	148,747,119 <i>67,113,623</i>	55,190,404 <i>51,845,477</i>	10,335,084 -	4,975,031 <i>750,825</i>
11.	Share of Profit in LLP	- -	- -	327,310,539 -	- -
12.	Purchase of Units	- -	- -	232,915,782 -	- -
13.	Dividend Paid / Received	3,105,000 <i>2,760,000</i>	222,008,441 <i>193,980,836</i>	(10,163) -	8,630,326 <i>7,871,400</i>
14.	Outstanding receivables, net of (payables)	2,144,778 <i>(1,799,504)</i>	(9,088,025) <i>(1,777,112)</i>	11,576,755,174 <i>7,852,090,101</i>	- -
15.	Deposits Receivable	- -	6,225,000 <i>4,325,000</i>	- -	- -

Figures in italics are for previous year.

NOTES TO ACCOUNTS

(ii) Details relating to persons referred to in items 1 (v) & (vi) above

(Amount in ₹)

S r. No.	Key Management Personnel (KMP)	Current Year	Previous Year
1.	Remuneration	75,312,539	56,996,336
2.	Dividend Paid	2,390,364	2,354,988
3.	Deposit accepted from KMP	1,000,000	-
4.	Repayment of Deposit	1,500,000	-
5.	Interest paid on Deposit	209,004	268,126
6.	Deposit Outstanding	2,250,000	2,750,000
	Individuals exercising significant Influence :		
	Dividend paid – Mr. N. B. Godrej	7,030,125	6,921,000

3. Significant Related Party Transactions.

Nature of Transactions	Subsidiaries & Other Related Parties in the Godrej Group	Amount (₹)
Investment in Equity Share Capital/ Capital Account	Mosaic Landmarks LLP	1,100,000
	Godrej Vikhroli Properties LLP	-
	Godrej Buildwell Private Limited	12,000,000
	Godrej Buildcon Private Limited	-
	Godrej Projects Development Private Limited	510,000
	Godrej Premium Builders Private Limited	-
	Godrej Garden City Properties Private Limited	500,000
	Godrej Garden City Properties Private Limited	-
Purchase of fixed assets	Godrej & Boyce Mfg Co. Limited	2,647,514
		2,915,497
Advances given	Godrej Waterside Properties Private Limited	681,895,250
	Godrej Developers Private Limited	2,091,110,215
	Godrej Estate Developers Private Limited	1,391,831,619
	Godrej Buildwell Private Limited	510,967,916
	Godrej Buildcon Private Limited	513,154,169
	Happy Highrises Limited	533,828,735
	Godrej Vikhroli Properties LLP	166,541,000
	Godrej Vikhroli Properties LLP	751,625,000
	Godrej Buildcon Private Limited	568,764,392
	Happy Highrises Limited	-
	Godrej Vikhroli Properties LLP	499,325,000
	Godrej Vikhroli Properties LLP	395,200,000
	Godrej Vikhroli Properties LLP	1870,335,382
		-

NOTES TO ACCOUNTS

Nature of Transactions	Subsidiaries & Other Related Parties in the Godrej Group	Amount (₹)
Advances Repaid	Godrej Waterside Properties Private Limited	348,152,000
		444,672,773
	Godrej Developers Private Limited	1,267,995,495
		629,500,000
	Godrej Estate Developers Private Limited	473,369,198
		51,828,812
	Godrej Buildcon Private Limited	818,491,250
	-	
	Happy Highrises Limited	554,540,000
		232,890,000
	Godrej Vikhroli Properties LLP	715,213,000
		-
Advance received against sale of flats	Godrej Industries Limited	-
		18,070,120
Deposit Given	Godrej Industries Limited	2,700,000
		1,750,000
Deposit Repaid	Godrej Industries Limited	800,000
		650,000
Construction and other expenses incurred on behalf of other companies	Happy Highrises Limited	171,275,359
		145,181,159
	Godrej Waterside Properties Private Limited	274,204,376
		159,501,846
	Godrej Real Estate Private Limited	129,133,844
		59,043,666
	Godrej Developers Private Limited	48,884,605
	55,415,917	
	Godrej Estate Developers Private Limited	129,076,305
		85,561,685
	Godrej Buildcon Private Limited	254,761,105
		-
Expenses charged to other companies	Godrej & Boyce Mfg. Co. Limited	41,628,353
		-
Expenses charged by other companies.	Godrej & Boyce Mfg. Co. Limited	148,747,119
		67,113,623
	Godrej Industries Limited	55,190,404
		51,845,477
	Godrej Realty Private Limited	10,335,084
		-
Purchase of Units	Godrej Vikhroli Properties LLP	232,915,782
		-
Outstanding receivables, net of (payables)	Godrej Real Estate Private Limited	1,308,581,817
		1,163,444,034
	Happy Highrises Limited	1,628,445,874
		1,523,994,154
	Godrej Developers Private Limited	601,956,129
		433,759,986
	Godrej Waterside Properties Private Ltd.	3,376,152,634
		2,775,253,748
	Godrej Estate Developers Private Limited	1,309,540,733
		1,150,593,024
Dividend Paid	Godrej Industries Limited	222,008,441
		193,980,836
Deposit Receivable	Godrej Industries Limited	6,225,000
		4,325,000

NOTES TO ACCOUNTS

Note 38

Leases

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

(Amount in ₹)

Particulars	Current Year	Previous Year
Future minimum lease receipts under non-cancellable operating leases		
➤ Not later than 1 year	26,400	26,400
➤ Later than 1 year and not later than 5 years	105,600	105,600

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

(Amount in ₹)

Particulars	Current Year	Previous Year
Future minimum lease payments under operating leases		
➤ Not later than 1 year	34,965,146	28,464,198
➤ Later than 1 year and not later than 5 years	58,710,582	47,457,972
➤ Later than 5 years	1,203,149	3,208,397

Note 39

Earnings Per Share

Particulars	Current Year	Previous Year
Profit after tax and prior years tax adjustments as per the Statement of Profit and Loss	₹ 813,647,256	₹ 1,061,536,259
Number of Shares at the beginning of the year	69,850,009	69,850,009
Number of Equity shares outstanding at the end of the year	78,036,819	69,850,009
Weighted average no. of equity shares outstanding	69,961,851	69,850,009
Add: Weighted average number of potential equity shares on account of employee stock options	12,780	-
Weighted average no. of common and dilutive common equity shares outstanding (Numbers)	69,974,631	69,850,009
Basic earnings per share	₹ 11.63	₹ 15.20
Diluted earnings per share	₹ 11.63	₹ 15.20
Nominal value of shares	₹10 /-	₹10 /-

Note 40

Interest in Joint Ventures

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

Name	Countries of Incorporation	Principal activities	Percentage of Ownership interest as at March 31,2012
Godrej Buildcorp LLP	India	Real Estate	35%
Godrej Property Developers LLP	India	Real Estate	32%

NOTES TO ACCOUNTS

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

(Amount in ₹)

Particulars	Godrej Buildcorp LLP	Godrej Property Developers LLP
LIABILITIES	626,498	68,016
ASSETS	626,498	68,016
INCOME	-	-
EXPENDITURE	718	649

Note 41**Information in respect of Joint Ventures.**

Jointly Controlled Operations - Development of the following Residential/Commercial Projects:

Godrej Coliseum, Mumbai	- Profit sharing
Godrej Woodsman Estate, Bangalore	- Revenue Sharing
Godrej Gold County, Bangalore	- Revenue Sharing
Planet Godrej, Mumbai	- Profit Sharing
Edenwoods, Mumbai	- Revenue/Profit Sharing
Shivajinagar, Pune	- Profit Sharing
Bhugaon, Pune	- Profit Sharing
Godrej Alpine, Manglore	- Area Sharing/Revenue Sharing
Sanjay Khan, Bangalore	- Revenue Sharing
Grenville Park, Mumbai	- Profit Sharing
Godrej Garden City, Ahmedabad	- Area Sharing
Godrej Crest, Bangalore	- Area Sharing/Revenue Sharing
Kochi	- Revenue Sharing
Umbarde, Kalyan	- Revenue Sharing
Frontier, Gurgaon	- Area Sharing/Revenue Sharing
Godrej Palm Springs, Mumbai	- Revenue Sharing
Godrej Anandam, Nagpur	- Revenue Sharing
Godrej Platinum, Mumbai	- Revenue Sharing
Godrej Serenity, Mumbai	- Revenue Sharing
Electronic City, Bangalore	- Revenue Sharing

Note 42

The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per the revised Schedule VI. Accordingly figures of the previous years have been reclassified wherever necessary to confirm to the current year's classification.

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

1	Name of the Subsidiary Company	Godrej Developers Private Limited	Godrej Estate Developers Private Limited	Godrej Real Estate Private Limited	Godrej Realty Private Limited	Godrej Sea View Properties Private Limited	Godrej Waterside Properties Private Limited
2	The Company's interest in the subsidiaries as on March 31, 2012						
	a) Number of Equity Shares	34,032	255,000	50,000	510,000	250,500	510,000
	Total Number of Shares	66,730	500,000	50,000	1,000,000	500,000	1,000,000
	b) Face Value (₹)	10	1	10	10	1	10
	c) Extent of Holding	51.00%	51.00%	100.00%	51.00%	50.10%	51.00%
3	Net aggregate profit/(loss) of the subsidiary company so far it concerns the members of the Company						
	A. For the financial year ended on March 31, 2012						
	i. Not dealt with in the books of Accounts of the Company	16,271,393	6,615,023	(327,514)	3,020,976	(951,856)	(40,569,168)
	ii. Dealt with in the books of account of the Company	-	-	-	-	-	-
	B. For the subsidiary company's previous financial years since it became a subsidiary						
	i. Not dealt with in the books of account of the Company	4,544,170	2,267,821	(803,374)	5,522,588	(937,997)	7,144,488
	ii. Dealt with in the books of account of the Company	-	-	-	-	-	-
1	Name of the Subsidiary Company	Happy Highrises Private Limited	Godrej Buildwell Private Limited	Godrej Buildcon Private Limited	Godrej Projects Development Private Limited	Godrej Garden City Properties Private Limited	Godrej Premium Builders Private Limited
2	The Company's interest in the subsidiaries as on March 31, 2012						
	a) Number of Equity Shares	103,592	25,500	50,000	50,000	50,000	25,500
	Total Number of Shares	203,120	53,222	50,000	50,000	50,000	50,000
	b) Face Value (₹)	10	10	10	10	10	10
	c) Extent of Holding	51.00%	49.00% & Control over composition of BOD	100.00%	100.00%	100.00%	51.00%
3	Net aggregate profit/(loss) of the subsidiary company so far it concerns the members of the Company						
	A. For the financial year ended on March 31, 2012						
	i. Not dealt with in the books of account of the Company	81,668,950	(16,159)	(1,890)	125,475,239	(210,830)	(1,536)
	ii. Dealt with in the books of account of the Company	-	-	-	-	-	-
	B. For the subsidiary company's previous financial years since it became a subsidiary						
	i. Not dealt with in the books of account of the Company	125,486,316	(926)	(160,028)	(1,430,320)	(155,293)	(155,293)
	ii. Dealt with in the books of account of the Company	-	-	-	-	-	-
1	Name of the Subsidiary Company	Godrej Handhi Hills Private Limited	Godrej Landmark Redevelopers Pvt. Ltd.	Godrej Vikhroli Property LLP	Mosaic Landmarks LLP		
2	The Company's interest in the subsidiaries as on March 31, 2012						
	a) Number of Equity Shares	100,000	25,500	NA	NA		
	Total Number of Shares	100,000	50,000	NA	NA		
	b) Face Value (₹)	10	10	NA	NA		
	c) Extent of Holding	100.00%	51.00%	Control over LLP	Control over LLP		
3	Net aggregate profit/(loss) of the subsidiary company so far it concerns the members of the Company						
	A. For the financial year ended on March 31, 2012						
	i. Not dealt with in the books of account of the Company	1,470,626	(1,800)	393,628,571	-		
	ii. Dealt with in the books of account of the Company	-	-	-	-		
	B. For the subsidiary company's previous financial years since it became a subsidiary						
	i. Not dealt with in the books of account of the Company	126,019,987	-	-	-		
	ii. Dealt with in the books of account of the Company	-	-	-	-		

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF GODREJ PROPERTIES LIMITED ON CONSOLIDATED FINANCIAL STATEMENTS

- 1) We have examined the attached Consolidated Balance Sheet of **GODREJ PROPERTIES LIMITED**, its subsidiaries and joint ventures as at 31st March, 2012 and also the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of the Accounting Standard (AS) 21 – "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Godrej Properties Limited, its subsidiaries and joint ventures included in the consolidated financial statements.
- 4) Without qualifying our opinion, we draw attention to the fact that as referred to in Note 1(g) of Notes to Accounts, in respect of projects under long term contracts undertaken and/or financed by the Company, we have relied upon the management's estimates of the percentage of completion, costs to completion and on the projections of revenues expected from projects owing to the technical nature of such estimates, on the basis of which profits/losses have been accounted, interest income accrued and realizability of the construction work in progress and project advances determined.
- 5) Without qualifying our opinion, we draw attention to the fact that as referred to in Note 32(a) of Notes to Accounts, regarding a loan of ₹ 443,911,462/- to the GPL ESOP Trust for purchase of the Company's shares from Godrej Industries Ltd. equivalent to options granted under an Employee Stock Option Plan. As at 31st March, 2012, the market value of the shares held by the GPL ESOP Trust is lower than the holding cost of these shares by ₹ 82,347,882/- (net of provision of ₹ 58,923,028/- on account of options lapsed). The repayment of the loans granted to the GPL ESOP Trust is dependant on the exercise of the options by the employees and the market price of the underlying equity shares of the unexercised options at the end of the exercise period. In the opinion of the management, the fall in value of the underlying equity shares is on account of current market volatility and the loss, if any, can be determined only at the end of the exercise period, in view of which provision for the diminution is not considered necessary in the financial statements.
- 6) In our opinion and to the best of our information and according to the explanations given to us and on consideration of separate audit report on the individual audited financial statements of Godrej Properties Limited, its subsidiaries and joint ventures, the consolidated financial statements read with the notes thereon give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of Godrej Properties Limited, its subsidiaries and joint ventures as at 31st March, 2012; and

- ii) in the case of the Consolidated Statement of Profit and Loss, of the consolidated results of operations of Godrej Properties Limited, its subsidiaries and joint ventures for the year ended on that date.
- iii) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of Godrej Properties Limited, its subsidiaries and joint ventures for the year ended on that date.

For and on behalf of

KALYANIWALLA & MISTRY

Chartered Accountants

Firm Registration No: 104607W

ERMIN K. IRANI

Partner

Membership No. 35646

Place: Mumbai

Dated: May 05, 2012.

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

	Note No.	As at 31.03.2012 Rupees	As at 31.03.2011 Rupees
I. EQUITY AND LIABILITIES			
1) Shareholders' Funds			
a) Share Capital	2	780,368,190	698,500,090
b) Reserves and Surplus	3	13,646,058,130	8,417,434,422
Total Shareholders' Funds		14,426,426,320	9,115,934,512
2) Minority Interest			
		466,983,853	148,347,306
3) Non-Current Liabilities			
a) Long-Term Borrowing	4	9,745,854,000	1,849,206,000
b) Other Long-Term Liabilities	5	56,614,355	36,652,715
c) Long-Term Provisions	6	23,049,040	26,157,285
Total Non-Current Liabilities		9,825,517,395	1,912,016,000
4) Current Liabilities			
a) Short-Term Borrowing	7	9,586,646,757	7,319,583,493
b) Trade Payables (Refer Note 30)		9,440,515,547	2,141,222,829
c) Other Current Liabilities	8	2,887,629,339	1,024,077,932
d) Short-Term Provisions	9	458,435,077	513,842,713
Total Current Liabilities		22,373,226,720	10,998,726,967
Total Equity and Liabilities		47,092,154,288	22,175,024,785
II. ASSETS			
1) Non-Current Assets			
a) Fixed Assets	10		
Tangible Assets		117,265,044	115,775,219
Intangible Assets		337,747,444	345,035,638
Capital work-in-progress		177,921,566	5,718,612
Intangible Assets under Development		16,911,132	8,090,282
Total Fixed Assets		649,845,186	474,619,751
b) Non-Current Investments	11	28,588	28,588
c) Deferred Tax Asset	12	30,999,700	8,403,500
d) Long-Term Loans and Advances	13	94,825,016	578,099,691
e) Other Non-Current Assets	14	9,140,309	4,063,888
Total Non-Current Assets		784,838,799	1,065,215,418
2) Current Assets			
a) Inventories	15	27,383,969,034	10,154,493,284
b) Trade Receivables	16	2,486,279,547	411,331,767
c) Cash and Bank Balances	17	5,322,696,128	1,631,712,078
d) Short Term Loans and Advances	18	7,880,827,973	6,424,091,692
e) Other Current Assets	19	3,233,542,807	2,488,180,546
Total Current Assets		46,307,315,489	21,109,809,367
Total Assets		47,092,154,288	22,175,024,785
ACCOUNTING POLICIES	1		

The accompanying notes form an integral part of financial statements

As per our Report of even date.

For and on behalf of

KALYANIWALLA & MISTRY

Chartered Accountants

ERMIN K. IRANI

Partner

Mumbai, Dated: May 5, 2012

A. B. GODREJ

Chairman

Signatures to the Balance Sheet and Notes 1 to 39

PIROJSHA GODREJ

Managing Director & CEO

SHODHAN A. KEMBHAVI

Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

	Note No.	For the year ended 31.03.2012 ₹	For the year ended 31.03.2011 ₹
INCOME			
Revenue from Operations	20	7,700,523,230	4,515,038,819
Other Income	21	497,555,220	1,074,066,033
TOTAL REVENUE		8,198,078,450	5,589,104,852
EXPENSES			
Cost of Sales	22	5,783,259,832	3,239,989,666
Employee Benefits Expense	23	61,909,072	73,132,380
Finance Costs	24	53,087,961	44,260,794
Depreciation		38,801,516	39,729,837
Other Expenses	25	275,490,288	151,399,903
TOTAL EXPENSES		6,212,548,669	3,548,512,580
PROFIT BEFORE TAX		1,985,529,781	2,040,592,272
Tax Expense			
Current Tax		717,626,000	617,645,568
MAT Credit Entitlement		-	3,000
Deferred Tax		(22,596,200)	(5,672,000)
Adjustment for Tax of Previous Years (net)		2,600,146	1,837,720
		697,629,946	613,814,288
PROFIT AFTER TAX BEFORE MINORITY INTEREST		1,287,899,835	1,426,777,984
Share of Minority Interest		(308,640,526)	(118,222,588)
PROFIT AFTER MINORITY INTEREST		979,259,309	1,308,555,396
Earnings Per Share (Refer Note 37)			
Basic		14.00	18.73
Diluted		13.99	18.73
ACCOUNTING POLICIES	1		

The accompanying notes form an integral part of financial statements

As per our Report of even date.

For and on behalf of

KALYANIWALLA & MISTRY

Chartered Accountants

ERMIN K. IRANI

Partner

Mumbai, Dated: May 5, 2012

A. B. GODREJ

Chairman

Signatures to the Statement of Profit and Loss and Notes 1 to 39

PIROJSHA GODREJ

Managing Director & CEO

SHODHAN A. KEMBHAVI

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	For the year ended 31.03.2012 ₹	For the year ended 31.03.2011 ₹
Cash Flow from Operating Activities		
Profit For the Year before Taxation	1,985,529,781	2,040,592,272
Adjustment for:		
Depreciation	38,801,516	39,729,837
Interest Paid	53,087,961	44,260,794
Loss on sale of Fixed Asset	102,815	424,922
Provision for Doubtful Advances	63,558,848	-
ESGS Compensation	10,455,958	-
Preliminary Expenses Written Off	19,639	18,148
Interest Income	(99,801,708)	(80,392,231)
Dividend Received	(10,811,290)	(87,120,788)
Profit on sale of Long-Term & Current Investment	(382,755,000)	(898,612,344)
Operating Profit before working capital changes	1,658,188,520	1,058,900,610
Adjustment for:		
Increase/(decrease) in Non-Current Liabilities	6,422,620	8,311,731
Increase/(decrease) in Current Liabilities	7,879,752,860	1,296,256,796
(Increase)/decrease in Non-Current Assets	443,514,146	(5,707,178)
(Increase)/decrease in Current Assets	(21,543,854,379)	(6,268,183,464)
	(11,555,976,233)	(3,910,421,505)
Taxes Paid (Net)	(707,696,824)	(536,755,478)
Net Cash Flow from Operating activities	(12,263,673,057)	(4,447,176,983)
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(217,355,711)	(237,642,835)
Sale of Fixed Assets	3,225,944	1,172,999
Sale of stake in Subsidiaries	383,245,000	899,005,480
Interest Received	100,694,549	56,902,116
Dividend Received	10,811,290	87,120,788
Preliminary Expenses	(32,168)	(91,758)
Net Cash Flow from Investing Activities	280,588,904	806,466,790

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	For the year ended 31.03.2012 ₹	For the year ended 31.03.2011 ₹
Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital (net of issue expenses)	4,593,415,750	-
Proceeds from Issue of Equity Shares to Minority Stakeholders	-	22,220
Capital Contribution in Limited Liability Partnership	9,000,000	-
Proceeds from Long-Term Borrowings (net)	7,896,648,000	470,956,000
Proceeds from Short-Term Borrowings (net)	3,526,571,264	1,881,817,706
Interest Paid	(19,413,741)	(42,320,393)
Payment of Dividend	(314,325,041)	(279,400,036)
Tax on Distributed Profits	(50,993,029)	(46,404,854)
Net Cash Flow from Financing Activities	15,640,903,203	1,984,670,643
Net Increase in Cash and Cash Equivalent	3,657,819,050	(1,656,039,550)
Cash and Cash Equivalent - Opening Balance	1,377,005,078	3,033,044,628
Cash and Cash Equivalent - Closing Balance	5,034,824,128	1,377,005,078

Notes:

- The cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on 'Cash Flow Statement', and presents cash flows by operating, investing and financing activities.
- Figures for the previous year have been regrouped/restated wherever necessary to conform to this year's classification.

As per our Report of even date.

For and on behalf of

KALYANIWALLA & MISTRY
Chartered Accountants

A. B. GODREJ
Chairman

PIROJSHA GODREJ
Managing Director & CEO

ERMIN K. IRANI
Partner

SHODHAN A. KEMBHAVI
Company Secretary

Mumbai, Dated: May 5, 2012

NOTES TO ACCOUNTS

Note 1**Accounting Policies:****a) Principle of Consolidation**

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

The Consolidated Financial Statements include the financial statements of the Company and all its Subsidiaries & Limited Liability Partnership, which are more than 50 percent owned or controlled and Joint Ventures whose financial statement are drawn up to the same reporting date as of the Company i.e. March 31, 2012.

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

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

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

b) General

The financial statements are prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards issued by The Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

c) Fixed Assets

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

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

d) Depreciation/Amortization

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

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

Leasehold improvements are amortized over a period of lease

Intangible Assets are amortized over a period of six years.

e) Investments

Investments are classified into long-term and current investments.

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

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

NOTES TO ACCOUNTS

f) Inventories

Inventories are valued as under:

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

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

g) Revenue Recognition

The Company is following the "Percentage of Completion Method" of accounting. As per this method, revenue from sale of properties is recognized in the Statement of Profit and 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. If the actual project cost incurred is less than 20% of the total estimated project cost, no income is recognized in respect of that project in the relevant period. Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognized in the financial statements for the period in which such changes are determined. Losses, if any, are fully provided for immediately.

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

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

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

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

h) Development Manager Fees

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

i) Employee Benefits

a) Short-term employee benefits:

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

b) Post-employment benefits:

(i) Defined Contribution Plans:

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

(ii) Defined Benefit Plans:

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

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

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

(iii) Other long-term employee benefits:

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

NOTES TO ACCOUNTS

j) Borrowing Cost

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

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

k) Earnings Per Share

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

l) Provision For Taxation

Tax expense comprises both current and deferred tax.

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

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

m) Foreign Currency Transactions

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

n) Allocation of Expenses

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

o) Provisions and Contingent Liabilities

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

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

NOTES FORMING PART OF THE ACCOUNTS

NOTE 2 SHARE CAPITAL AUTHORIZED

100,000,000 Equity Shares of ₹ 10/- each

ISSUED, SUBSCRIBED AND PAID-UP

78,036,819 (Previous Year 69,850,009) Equity Shares of ₹ 10/- each fully paid-up.

As at 31.03.2012 ₹	As at 31.03.2011 ₹
1,000,000,000	1,000,000,000
1,000,000,000	1,000,000,000
780,368,190	698,500,090
780,368,190	698,500,090

(a) Reconciliation of number Shares:

	31.03.2012		31.03.2011	
	No. of Shares	₹	No. of Shares	₹
Number of Shares outstanding at the beginning of the year	69,850,009	698,500,090	69,850,009	698,500,090
Addition during the year	8,186,810	81,868,100	-	-
Number of Shares outstanding at the end of the year	78,036,819	780,368,190	69,850,009	698,500,090

(b) Shareholding information:

Equity Shares are held by:

Godrej Industries Limited (Holding Company)

47,965,209

49,335,209

Godrej & Boyce Manufacturing Company Limited (Ultimate Holding Company)

1,270,000

690,000

Ensemble Holdings & Finance Limited (Subsidiary of Holding Company)

691,155

691,155

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

	31.03.2012		31.03.2011	
	No. of Shares	%	No. of Shares	%
Godrej Industries Limited	47,965,209	61.46%	49,335,209	70.63%

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

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

(e) Equity Shares allotted as fully paid-up Bonus shares by capitalizing Securities Premium, General Reserve and Profit and Loss Account during the last five years:

31-03-2011	-	-
31-03-2010	-	-
31-03-2009	-	-
31-03-2008	51,556,360	51,556,360
31-03-2007	-	-
31-03-2006	-	-

NOTES FORMING PART OF THE ACCOUNTS

	As at 31.03.2012 ₹	As at 31.03.2011 ₹
NOTE 3		
RESERVES AND SURPLUS		
Securities Premium		
As per last Balance Sheet	5,663,179,740	5,663,179,740
Addition during the year	4,625,547,650	-
Utilization during the year (Refer Note 3 (a))	114,000,000	-
Closing Balance	10,174,727,390	5,663,179,740
General Reserve		
As per last Balance Sheet	414,391,577	273,000,000
Addition during the year	82,000,000	141,391,577
Closing Balance	496,391,577	414,391,577
Employee Stock Grant Scheme Reserve		
Addition during the year	10,455,958	-
Closing Balance	10,455,958	-
Surplus in Statement of Profit and Loss		
As per last Balance Sheet	2,339,863,105	1,538,017,356
Profit for the year	979,259,309	1,308,555,396
Appropriation during the year		
- Proposed Dividend - Final (Refer Note 3(b))	234,141,804	314,325,041
- Tax on Distributed Profit	37,983,655	50,993,029
- Transfer to General Reserve	82,000,000	141,391,577
- Adjustment of opening profit/(loss) of subsidiaries	513,750	-
Closing Balance	2,964,483,205	2,339,863,105
Total Reserves and Surplus	13,646,058,130	8,417,434,422

- a) Securities Premium amount has been utilized towards the share issue expenses incurred for the purpose of Institutional Placement Programme.
- b) The Board of Directors of the Company has proposed dividend of ₹ 3/- (30%) per equity share for the year 2011-12 amounting to ₹ 234,141,804/- (Previous Year ₹ 4.50/- (45%) amounting to ₹ 314,325,041/-)

NOTES FORMING PART OF THE ACCOUNTS

NOTE 4

LONG-TERM BORROWINGS

Debentures

15,925,000 1% Secured Redeemable optionally Convertible Debentures (Refer Note 4(a) & Note 29 (a))

159,250,000

215,600,000

267,000, 12% Compulsorily Convertible Debentures (Refer Note 4(b) & Note 29 (b))

267,000,000

-

Term Loans (Secured)

From Banks (Refer Note 4 (c))

697,500,000

823,400,000

From Others (Refer Note 4 (d))

7,020,000,000

-

Deposits (Unsecured) (Refer Note 4 (e))

From Directors

-

6,200,000

From Shareholders

71,858,000

12,670,000

From Public

1,530,246,000

791,336,000

9,745,854,000

1,849,206,000

- a) 1,592,500, 1% secured optionally convertible debentures of ₹ 10/- each are redeemable at the end of the 7 years from the deemed date of allotment and are secured to the extent of specific immovable assets of the Company disclosed under the head "Fixed Assets" (Refer Note 10).
- b) 267,000, 12% Compulsorily Convertible Debentures of face value of ₹ 1,000/- each were allotted on December 29, 2011. These debentures are compulsorily convertible at the end of 10 years from the date of allotment. These debentures are convertible into 50,000 Equity Shares of ₹10/- each in accordance with the terms of the issue. The interest shall be accrued on a quarterly basis.
- c) The Term Loan taken from SBI is secured against Company's share of undivided interest in the project Godrej Genesis at Kolkata. Repayable in two installments of ₹ 35.00 crores on June 2014 and ₹ 34.75 crores on September 2014. Interest rate is Base Rate + 3.75% payable monthly. Effective Rate of Interest as on 31.03.2012 is 13.75% p.a.
- d) Secured term loan from HDFC Limited: Total Sanction amount ₹ 750.00 crores bearing interest @ HDFC BPLR - 485 BPS and secured by way of exclusive/ mortgage and charge of movable and immovable property of the project at Bandra Kurla Complex at Mumbai. Repayment from 6th month from the date of disbursement. However maximum principle outstanding shall not exceed as below from the date of first disbursement:

₹ in crores

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

- e) Deposits (Unsecured) having maturity of two years and three years bearing interest rate @ 8.50% to 10.50% payable half yearly.

NOTES FORMING PART OF THE ACCOUNTS

	As at 31.03.2012 ₹	As at 31.03.2011 ₹
NOTE 5		
OTHER LONG-TERM LIABILITIES		
Deposit	9,650,865	120,000
Interest Accrued but not due	46,963,490	36,532,715
	56,614,355	36,652,715
NOTE 6		
LONG-TERM PROVISIONS		
Provision for Employee Benefits		
Gratuity (Refer Note 34 (b))	12,700,942	12,109,863
Unavailed Leave	10,348,098	14,047,422
	23,049,040	26,157,285
NOTE 7		
SHORT-TERM BORROWINGS		
From Banks		
Secured Loan (Refer Note 7 (a))		
Cash Credit	447,348,798	2,688,897,023
Working Capital Demand Loan	3,100,000,000	1,500,000,000
Unsecured Loan		
Cash Credit (Refer Note 7(b))	39,297,959	630,686,470
Other Loan (Refer Note 7(c))	6,000,000,000	2,500,000,000
	9,586,646,757	7,319,583,493
a)	Secured Loans availed from State Bank of India is secured by Equitable Mortgage of immovable property of the Company's Project at Juhu, Mumbai and by exclusive First Charge by way of hypothecation of the current assets of Company and of Godrej Real Estate Pvt. Ltd. (wholly owned subsidiary) and carries interest at Base Rate + 4.75% p.a. in case of Cash credit and 11.25% to 11.30% for Working Capital Demand Loan.	
b)	Unsecured -Cash Credit facility availed from IDBI Bank Ltd. carries interest at Base Rate + 4.75% p.a.	
c)	Other loans include	
(i)	₹ 2,500,000,000/- availed from Central Bank of India carries interest at Base Rate + 0.50% p.a. Repayable in 364 days from the date of each drawdown.	
(ii)	₹ 2,000,000,000/- availed from Canara Bank Ltd. carries interest at Base Rate + 1.25% p.a. Repayable in 12 months from the date of each drawdown.	
(iii)	₹ 1,500,000,000/- availed from Punjab & Sind Bank carries interest at Base Rate + 0.50% p.a. Repayable in 12 months from the date of drawdown.	

NOTES FORMING PART OF THE ACCOUNTS

NOTE 8

OTHER CURRENT LIABILITIES

Current maturities of long-term debt

	As at 31.03.2012 ₹	As at 31.03.2011 ₹
Secured Loan		
Term Loan from Banks (Refer Note 8 (a))	800,000,000	250,000,000
Debentures (Refer Note 4(a) and Note 29 (a))		
5,635,000, 1% Secured Redeemable optionally Convertible Debentures	56,350,000	-
Unsecured Deposit (Refer Note 4(e))		
From - Directors	4,700,000	-
From - Shareholders	12,172,000	100,000
From - Public	666,088,000	29,702,000
Investor Education and Protection Fund	-	-
Advances received against sale of flats	581,234,428	111,802,350
Other Deposits	5,130,590	130,590
Unclaimed Fixed Deposits and Interest	475,166	511,918
Unclaimed Dividend	213,721	154,652
Statutory Dues	167,270,992	143,062,958
Other liabilities	371,495,779	264,058,298
Due to Management Projects	67,801,470	210,701,417
Interest Accrued but not due	37,097,193	13,853,749
Debenture Application Money	117,600,000	-
	2,887,629,339	1,024,077,932

- a) The Term Loan taken from SBI is secured against Company's share of undivided interest in the project Godrej Genesis at Kolkata. Repayable in four quarterly installments of ₹ 200,000,000/- Interest rate is Base Rate + 3.75% payable monthly. Effective Rate of Interest as on 31.03.2012 is 13.75% p.a.

NOTE 9

SHORT-TERM PROVISIONS

Provision for Employee Benefits

Gratuity (Refer Note 34 (b))	322,410	231,199
Unavailed Leave	1,113,350	1,544,381
Other Provision		
For Taxation	184,873,858	146,749,063
(Net of Advance Tax and Tax deducted at source ₹ 848,460,714/- (Previous Year ₹ 931,624,084/-))		
Proposed Dividend - Final	234,141,804	314,325,041
Tax on Dividend	37,983,655	50,993,029
	458,435,077	513,842,713

NOTES FORMING PART OF THE ACCOUNTS

NOTE 10
FIXED ASSETS

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2011	Additions	Deductions	As at March 31, 2012	As at April 1, 2011	For the Year	Deductions	Up to March 31, 2012	As at March 31, 2012	As at March 31, 2011
Tangible Assets										
Land (Refer Note 29(a))	868,555	-	-	868,555	-	-	-	-	868,555	868,555
Building	17,031,600	-	-	17,031,600	851,580	809,001	-	1,660,581	15,371,019	16,180,020
Leasehold Improvements	49,099,453	9,979,043	-	59,078,496	29,559,581	8,532,991	-	38,092,572	20,985,924	19,539,872
Office Equipment	27,841,835	7,497,168	2,622,231	32,716,772	7,817,156	3,511,833	481,931	10,847,058	21,869,714	20,024,679
Site Equipments	-	244,203	-	244,203	-	19,769	-	19,769	224,434	-
Furniture and Fixtures	36,025,493	7,186,777	123,984	43,088,286	12,040,741	5,130,741	74,851	17,096,631	25,991,655	23,984,752
Computer	36,125,470	6,913,306	1,785,217	41,253,559	22,486,804	6,715,197	877,536	28,324,465	12,929,094	13,638,666
Motor Vehicle	29,680,972	3,604,860	555,627	32,730,205	8,142,297	5,887,241	323,982	13,705,556	19,024,649	21,538,675
Intangible Assets										
Goodwill	314,906,581	-	-	314,906,581	-	-	-	-	314,906,581	314,906,581
Licenses and Software	48,459,183	906,549	-	49,365,732	18,330,126	8,194,743	-	26,524,869	22,840,863	30,129,057
Total	560,039,142	36,331,906	5,087,059	591,283,989	99,228,285	38,801,516	1,758,300	136,271,501	455,012,488	460,810,857
Previous Year	339,593,249	226,016,428	5,570,535	560,039,142	63,471,061	39,729,837	3,972,613	99,228,285	460,810,857	
Capital Work-in-Progress									177,921,566	5,718,612
Intangible Assets under Development									16,911,132	8,090,282
								Total	649,845,186	474,619,751

NOTE 11
NON-CURRENT INVESTMENTS

At Cost

(I) Trade Investments

(a) Investment in Fully paid-up Equity Instruments

Quoted Investments

	As at 31.03.2012 ₹	As at 31.03.2011 ₹
100 Equity Shares of ₹10/- each of Alacrity Housing Limited	742	742
100 Equity Shares of ₹10/- each of Ansal Buildwell Limited	1,066	1,066
100 Equity Shares of ₹10/- each of Ansal Housing & Construction Limited	1,366	1,366
600 Equity Shares of ₹5/- each of Ansal Properties & Infrastructure Limited	3,081	3,081
100 Equity Shares of ₹10/- each of Lok Housing & Construction Limited	1,241	1,241
100 Equity Shares of ₹10/- each of Global Infrastructure & Technologies Limited	1,641	1,641
100 Equity Shares of ₹10/- each of Premier Energy & Infrastructure Limited	1,516	1,516
100 Equity Shares of ₹10/- each of D.S. Kulkarni Developers	891	891
13,000 Equity Shares of ₹2/- each of Unitech Limited	6,366	6,366

NOTES FORMING PART OF THE ACCOUNTS

NOTE 11

NON-CURRENT INVESTMENTS (Contd.)

	As at 31.03.2012 ₹	As at 31.03.2011 ₹
72 Equity Shares of ₹10/- each of The Great Eastern Shipping Company Limited	2,485	2,485
18 Equity Shares of ₹ 10/- each of The Great Offshore Limited	621	621
1000 Equity Shares of ₹1/- each of Radhe Developers Limited	266	266
23,700 Equity Shares of ₹10/- each of United Textiles Limited	2,370	2,370
Cost of Quoted Investments	23,652	23,652
Less: Provision for Diminution in Value	7,564	7,564
	16,088	16,088
Market Value of Quoted Investments	494,071	671,014
Unquoted Investments		
1,000 Equity Shares of ₹10/- each of Saraswat Co-operative Bank Limited	10,000	10,000
25,000 Equity Shares of ₹10/- each of Amitabh Bachchan Corporation Limited	2,500	2,500
	12,500	12,500
Total Non Current Investments	28,588	28,588

NOTE 12

DEFERRED TAX ASSET (NET)

On Fixed Asset	2,570,700	(663,500)
On Others	28,429,000	9,067,000
	30,999,700	8,403,500

NOTE 13

LONG-TERM LOANS AND ADVANCES

Unsecured Considered good		
Loan to GIL ESOP Trust (Refer Note 32 (b))	-	82,884,089
Loan to GPL ESOP Trust (Refer Note 32 (a))	-	368,916,600
Deposits	29,779,668	26,567,117
Interest Accrued	-	60,282,010
Advance Tax and Tax deducted at source (Net of Provision for Tax ₹ 949,327,018/- (Previous Year ₹ 1,084,173,433/-))	65,045,348	39,449,875
	94,825,016	578,099,691

NOTE 14

OTHER NON-CURRENT ASSETS

Unamortised Preliminary Expenses	88,205	85,776
Expenses Recoverable	4,452,104	3,978,112
Others - Deposit with Banks (Deposit with Bank is held as Margin Money)	4,600,000	-
	9,140,309	4,063,888

NOTES FORMING PART OF THE ACCOUNTS

	As at 31.03.2012 ₹	As at 31.03.2011 ₹
NOTE 15		
INVENTORIES		
Finished Goods (Refer Note 15(a))	1,964,441	3,652,160
Construction Work-in-progress	27,382,004,593	10,150,841,124
	27,383,969,034	10,154,493,284
a) Finished goods includes shares in the following Companies - at cost or market value (whichever is lower):		
Tahir Properties Limited:		
i) 70 Equity shares of ₹ 100/- each, ₹ 20/- paid-up		
ii) 75 Redeemable Preference Class A shares of ₹100/- each, ₹70/- paid-up		
NOTE 16		
TRADE RECEIVABLES (UNSECURED, CONSIDERED GOOD)		
Outstanding for a period exceeding 6 months from the date they are due for payment		
Due over Six months	160,870,751	47,636,077
Others	2,325,408,796	363,695,690
	2,486,279,547	411,331,767
NOTE 17		
CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Cash-on-Hand	385,927	228,788
Cheques-on-Hand	20,518,419	28,768,144
Balance with Banks		
on Current Accounts (Refer Note 17 (a))	700,530,062	149,807,254
on Fixed Deposit Accounts (Refer Note 17 (b))	2,532,150,580	1,056,821,449
Investments in Mutual Funds (Refer Note 17 (c))	1,781,239,140	141,379,443
Other Bank Balances		
on Fixed Deposit Accounts (Long-term deposits with maturity more than 3 months but less than 12 months) (Refer Note 17(b))	287,872,000	254,707,000
	5,322,696,128	1,631,712,078
a) Current account balance of ₹ 213,721/- (Previous Year ₹ 133,152/-) is earmarked balance for unclaimed dividend.		
b) i) Fixed Deposit of ₹ 9,107,003/- held as margin money.		
ii) Unutilized IPP Proceeds temporarily invested in Fixed Deposit of ₹ 2,500,000,000/- (Previous Year ₹ Nil)		
iii) Unutilized IPO Proceeds temporarily invested in Fixed Deposit of ₹ 63,380,000/- (Previous Year ₹ 1,250,000,000/-)		
iv) Balances with banks on deposit accounts include ₹ 26,069,837/- (Previous year ₹ 26,907,709/-) received from flat buyers and held in trust on their behalf in a corpus fund.		

NOTES FORMING PART OF THE ACCOUNTS

NOTE 17

CASH AND BANK BALANCES (Contd.)

c) Investment in Mutual Funds:

(In Debt Mutual Funds)

	As at 31.03.2012 ₹	As at 31.03.2011 ₹
Kotak Floater - LT - Daily Dividend Reinvest	27,225,782	-
ICICI Prudential Floating Rate Plan D - Daily Dividend Reinvest	3,031,437	141,379,443
SBI Premier Liquid Fund Super IP Daily Dividend Reinvest	250,168,657	-
Birla Sun Life Cash Plus - Instl Prem - Daily Dividend	250,116,915	-
J P Morgan India Liquid Fund - Super IP - Daily Dividend	250,108,254	-
ICICI Prudential Liquid - Super IP - Daily Dividend	250,110,919	-
Religare Liquid Fund - Super IP - Daily Div - Reinvest	250,117,631	-
HDFC Cash Management Fund - Savings Plan - Daily Div	250,181,016	-
JM High Liquidity Super IP - Daily Div - Reinvest	250,178,529	-
	1,781,239,140	141,379,443

NOTE 18

SHORT-TERM LOANS AND ADVANCES

Secured

Loans and Advances to Others (Refer Note 18 (a))	375,784,602	231,139,024
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Unsecured Considered good

Loan to GIL ESOP Trust (Refer Note 32 (b)) (Net of provision for doubtful loan of ₹ 4,635,820/- Previous Year ₹ Nil)	85,169,735	-
Loan to GPL ESOP Trust (Refer Note 32 (a)) (Net of provision for doubtful loan of ₹ 58,923,028/- Previous Year ₹ Nil)	344,731,305	-
Advances to Related Parties (Refer Note 18 (b))	45,339,644	25,694,317
Loans and Advances to Others	477,644,745	555,477,091
Due on Management Projects (Refer Note 18 (c))	482,103,042	799,092,785
Development Manager Fees Accrued but not due (Refer Note 18 (d))	44,456,901	44,456,901
Interest Accrued	74,511,747	15,122,578
Secured Deposits - Projects (Refer Note 18 (e))	5,926,218,843	4,725,960,913
Deposits - Others	24,867,409	27,148,083
	7,880,827,973	6,424,091,692

a) Secured Loan and Advances Others are secured against Bank Guarantee received from Vendors.

b) Loans and Advances to Related Parties:

To Holding Company:

Godrej & Boyce Manufacturing Company Limited	622,136	13,918,327
Godrej Industries Ltd.	24,136	4,349,136

To Company under same Management:

Godrej Consumer Products Limited	-	7,426,854
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NOTES FORMING PART OF THE ACCOUNTS

NOTE 18**SHORT TERM LOANS AND ADVANCES (Contd.)**

	As at 31.03.2012 ₹	As at 31.03.2011 ₹
<i>To Limited Liability Partnership:</i>		
Godrej Buildcorp LLP	893,348	-
Godrej Property Developers LLP	88,801	-
<i>To Joint Venture and Associates:</i>		
Ramesh P. Bhatia (Partner)	5,742,187	-
Repton Landmarks LLP (Partner)	37,969,036	-
	45,339,644	25,694,317
c) Due on Management Projects include a sum of ₹ 21,565,250/- (Previous Year ₹ 21,565,250/-) on account of a project, where the matter is sub-judice with arbitrators.		
d) The Company has entered into Development Agreements with landlords. Development Management Fees amounting to ₹ 44,456,901/- (Previous Year ₹ 44,456,901/-) accrued as per terms of the Agreement are receivable by the Company based upon progress milestones specified in the respective Agreements and have been disclosed as Development Management Fees accrued but not due.		
e) Secured Deposits - Projects are Secured against Terms of Development Agreement.		
Note 19		
OTHER CURRENT ASSETS		
Unbilled Revenue	3,233,527,644	2,488,167,753
Unamortized Preliminary Expenses	15,163	12,793
	3,233,542,807	2,488,180,546

NOTES FORMING PART OF THE ACCOUNTS

	For the year ended 31.03.2012 ₹	For the year ended 31.03.2011 ₹
NOTE 20		
REVENUE FROM OPERATIONS		
Sales	7,473,669,754	4,412,311,191
Other Operating Revenues		
Income from Development Projects	201,711,994	8,264,574
Compensation Received from Project	-	50,000,000
Other Income from Customers	25,115,082	44,436,654
Lease Rent	14,400	14,400
License Fees	12,000	12,000
	7,700,523,230	4,515,038,819
NOTE 21		
OTHER INCOME		
Interest Income	99,801,708	80,392,231
Dividends	10,811,290	87,120,788
Profit on Sale of Long Term Investments	382,755,000	898,612,344
Miscellaneous Income	4,187,222	7,940,670
	497,555,220	1,074,066,033
NOTE 22		
COST OF SALES		
Own Projects		
Opening Stock:	10,154,493,284	7,250,917,680
Add: Expenditure/Transfers from Advances during the year		
Stock-in-Trade Acquired during the year	-	87,001,486
Development Rights	6,491,492,804	89,036,707
Land	7,387,260,000	-
Construction, Material and Labour	5,571,991,857	3,663,601,514
Architect Fees	144,494,930	195,067,411
Advertisement Expenses	225,344,964	176,803,806
Overheads	1,839,326,897	1,222,641,923
Interest (Net of Recovery from Landlord ₹ 69,160,955/- (Previous Year ₹ 62,386,254/-))	1,523,248,280	709,412,423
	23,183,159,732	6,143,565,270
Less: Transferred to Capital WIP	170,424,150	-
Less: Closing Stock	27,383,969,034	10,154,493,284
	5,783,259,832	3,239,989,666

NOTES FORMING PART OF THE ACCOUNTS

	For the year ended 31.03.2012 ₹	For the year ended 31.03.2011 ₹
NOTE 23		
EMPLOYEE BENEFIT EXPENSES		
Salaries, Bonus, Gratuity and Allowances	35,677,351	61,503,222
Contribution to Provident and other funds	15,775,763	11,626,400
Other Employee Benefits	-	2,758
Expense on Employee Stock Option Scheme (Refer Note 33)	10,455,958	-
	61,909,072	73,132,380
NOTE 24		
FINANCE COST		
Interest Expense		
Banks/Financial Institution	1,361,644,541	677,805,556
Inter Corporate Deposits	36,809,369	6,739,726
Projects and landlords	-	26,534,479
Others	152,772,019	77,000,952
Interest on Income Tax	21,850,544	10,258,951
Total Interest Expenses	1,573,076,473	798,339,664
Other Borrowing cost	76,035,779	15,271,689
Total Finance Cost	1,649,112,252	813,611,353
Less: Capitalized to Projects	1,596,024,291	769,350,559
NET FINANCE COST	53,087,961	44,260,794
NOTE 25		
OTHER EXPENSES		
Consultancy Charges	2,808,976	11,525,917
Rent	27,106,174	22,692,061
Insurance	1,612,557	1,191,169
Rates and Taxes	586,494	456,915
Service Charges	57,907	115,813
Loss on sale of Fixed Assets (Net)	102,815	424,922
Other Operating Expenses	179,656,517	114,993,106
Provision for Doubtful Advances	63,558,848	-
	275,490,288	151,399,903

NOTES TO ACCOUNTS

Note 26

a) Information on subsidiaries:

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

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding	
			Current Year	Previous Year
1.	Godrej Realty Private Limited	India	51%	51%
2.	Godrej Waterside Properties Private Limited	India	51%	51%
3.	Godrej Real Estate Private Limited	India	100%	100%
4.	Godrej Developers Private Limited	India	51%	51%
5.	Godrej Sea View Properties Private Limited	India	50.10%	50.10%
6.	Happy Highrises Limited	India	51%	51%
7.	Godrej Estate Developers Private Limited	India	51%	51%
8.	Godrej Buildwell Private Limited (Subsidiary due to control over composition of Board of Directors)	India	49%	49%
9.	Godrej Buildcon Private Limited	India	100%	100%
10.	Godrej Projects Development Private Limited	India	100%	100%
11.	Godrej Premium Builders Private Limited	India	51%	100%
12.	Godrej Garden City Properties Private Limited	India	100%	100%
13.	Godrej Nandhi Hills Projects Private Limited (Formerly known as Udhay - GK Realty Private Limited	India	100%	100%
14.	Godrej Landmark Redevelopers Private Limited (Sub-Subsidiary w.e.f. March 14, 2012)	India	51%	N/A

b) Information on Limited Liability Partnership

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding	
			Current Year	Previous Year
1.	Godrej Buildcorp LLP	India	35%	N/A
2.	Godrej Property Developers LLP	India	32%	N/A
3.	Godrej Vikhroli Properties LLP	India	60%	N/A
4.	Mosiac Landmarks LLP	India	51%	N/A

Note 27

a) Contingent Liabilities:

Matters	Current year ₹	Previous Year ₹
I) Claims against Company not Acknowledged as debts;		
i) Claims against the Company not acknowledged as debts represents cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Company as advised by our advocates. In the opinion of the management the claims are not sustainable.	30,644,189/-	30,644,189/-
ii) Claims against the Company under the Labour Laws for disputed cases	1,989,240/-	1,989,240/-
iii) Claims against the Company under Bombay Stamp Act, 1958	14,850,000/-	14,850,000/-

NOTES TO ACCOUNTS

Matters	Current year ₹	Previous Year ₹
iv) Other Claims against the Company not acknowledged as debts	3,925,000/-	3,925,000/-
v) Claims against the Company under Income Tax Act, Appeal preferred to Commissioner of Income Tax (Appeals)	24,381,128 /-	10,281,873/-
vi) Claims against the Company under Sales Tax Act, Appeal preferred to The Joint Commissioner of Commercial Taxes (Appeals)	12,130,007/-	-
II) Guarantees;		
i) Guarantees given by Bank, counter guaranteed by the Company	263,279,003/-	126,841,000/-
III) Other Money for which Company is contingently liable		
i) Letter of credit opened by Bank on behalf of the Company	49,330,213/-	63,174,839/-

b) Commitments

Particulars	Current year ₹	Previous Year ₹
I) Capital Commitment	200,197/-	7,157,288/-
II) Uncalled amount of ₹ 80/- & ₹ 30/- on 70 & 75 partly paid shares respectively of Tahir Properties Limited	7,850/-	7,850/-
III) Major Contracts Commitment Outstanding for Civil, Elevator, External Development, MEP work etc.	11,138,319,391/-	9,866,553,210/-

Note 28

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

Particulars	(Amount in ₹) March 31, 2012
Amount Received from IPO	4,688,471,300
<u>*Utilization of Funds up to the reporting date:</u>	
Funding to part finance the acquisition of land developments rights and construction costs	2,179,110,000
Repayment of Loans	2,011,700,000
Issue Expenses	405,350,143
<u>Balance unutilized amount temporarily invested in</u>	
Mutual Funds	28,931,157
Fixed Deposit/Bank Balance	63,380,000
TOTAL	4,688,471,300

As on March 31, 2012, unutilized funds have been temporarily invested in mutual funds schemes and fixed deposit with banks as mentioned in the prospectus of the Company.

*Revised Amount Proposed to utilized as approved by Shareholders in AGM held on July 22, 2011.

NOTES TO ACCOUNTS

- b) The Institutional Placement Programme (IPP) proceeds have been utilized as per objects of the issue as stated in the offer document as under:

Particulars	(Amount in ₹) March 31, 2012
Amount Received from IPP	4,707,415,750
Utilization of Funds up to the reporting date:	
Repayment of Loans	343,415,750
Issue Expenses	114,000,000
Balance unutilized amount temporarily invested in	
Mutual Funds	1,750,000,000
Fixed Deposit	2,500,000,000
TOTAL	4,707,415,750

As on March 31, 2012, unutilized funds have been temporarily invested in mutual funds schemes and fixed deposit with banks as mentioned in the offer document of the Company.

Note 29

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

Sr. No.	Particulars	Issuer	Deemed Date of Allotment	Units	Amount (₹)
1.	*1% secured redeemable optionally convertible debentures	Godrej Realty Private limited	March 16, 2006 March 12, 2007	5,635,000 1,715,000	56,350,000 17,150,000
	Total			7,350,000	73,500,000
2.	*1% secured redeemable optionally convertible debentures	Godrej Waterside Properties Private limited	July 4, 2007	14,210,000	142,100,000

*The subsidiary companies ("the Issuer company") had issued debentures to HDFC Venture Trustee Company Limited, which are redeemable at the end of the 7 years from the deemed date of allotment and are secured to the extent of specific immovable assets of the Group disclosed under the head "Fixed Assets".

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

- b) **Outstanding Unsecured Debentures to Madhavi Ventures Limited:**

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

The subsidiary company ("the Issuer company") had issued debentures to Madhavi Ventures Limited, which are compulsory convertible at the end of the 10 years.

Note 30

- Due to Micro, Small and Medium Industries:**

Disclosure of Trade Payable and other liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006". There is no amount overdue as on March 31, 2012 to Micro, Small and Medium Enterprises on account of principal amount together with interest and also during the previous year.

NOTES TO ACCOUNTS

Note 31**Leases:**

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

(Amount in ₹)

Particulars	Current Year	Previous Year
Future minimum lease receipts under non-cancellable operating leases		
➤ Not later than 1 year	26,400	26,400
➤ Later than 1 year and not later than 5 years	105,600	105,600

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

(Amount in ₹)

Particulars	Current Year	Previous Year
Future minimum lease payments under operating leases		
➤ Not later than 1 year	45,965,474	35,689,914
➤ Later than 1 year and not later than 5 years	73,440,470	64,290,247
➤ Later than 5 years	1,203,149	3,208,397

Note 32**Employee Stock Option Plan:**

- a) 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 442,700 options convertible into 442,700 Equity Shares of ₹ 10/- 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 (₹)
	As on March 31, 2012	As on March 31, 2011	
Options Outstanding at the beginning of the year	372,700	403,700	620.00 (plus interest)
Options granted	-	-	-
Options exercised	-	-	-
Less : Forfeited/ Expired/ Lapsed/ Idle/ Available for reissue	55,000	31,000	-
Options Outstanding at the year end	317,700	372,700	620.00 (plus interest)

The option granted shall vest after five years from the date of grant of option, provided the employee continues to be in employment and the options are exercisable within three years after vesting. Out of the total 317,700 options outstanding as on March 31, 2012, 60,000 have vested.

NOTES TO ACCOUNTS

However in the event that during the 5th year of the vesting period that is in the year 2012, the average of the closing market prices of the shares of the Company on the Bombay Stock Exchange Limited and The National Stock Exchange of India Limited on each day exceeds the exercise price by not less than ₹50 for a consecutive period of 30 days, the option shall be deemed to have vested on the day immediately following the 30th day, as determined by the Remuneration Committee.

The employee share based payment plans have been accounted based on the intrinsic value method and no compensation expense has been recognized since the price of the underlying equity shares on the grant date is same /less than exercise price of the option, the intrinsic value of option, therefore being determined as Nil.

The Company has provided loan of ₹ 443,911,462/- (Previous Year ₹ 405,711,234/-) to GPL ESOP, which is administered by an independent ESOP Trust which has purchased shares of GPL from Godrej Industries Limited equivalent to the number of stock options granted from time to time to eligible employees. The Market Value as on March 31, 2012, of the shares held by the ESOP trust is lower than the holding cost of these shares by ₹ 82,347,882/- (Net of Provision of ₹ 58,923,028/- on account of options lapsed), Previous year ₹ 81,549,135/- (Net of Provision ₹ Nil). The repayment of the loans granted by the Company to ESOP Trust is dependent on the exercise of the options by the employees and the market price of the underlying shares of the unexercised options at the end of the exercise period. The fall in value of the underlying equity shares is on account of market volatility and the loss, if any, can be determined only at the end of the exercise period.

- b) The Company has provided loan of ₹ 89,803,589/- (Previous Year ₹ 82,884,089/-) to Godrej Industries Limited Employee Stock Option Scheme (GIL ESOP), which is administered by an independent ESOP Trust which purchases shares of GIL from the market equivalent to the number of stock options granted from time to time to eligible employees. The repayment of the loans granted by the Company to ESOP trust is dependent on the exercise of the options by the employees and the market price of the underlying shares of the unexercised options at the end of the exercise period. The fall in value of the underlying equity shares is on account of market volatility and the loss, if any, can be determined only at the end of the exercise period. In view of the aforesaid, provision for diminution of ₹ 4,635,820/- is provided in the financial statements

Note 33

Employee Stock Grant Scheme

- a) During the period April 1, 2011 to March 31, 2012, the Company instituted an Employee Stock Grant Scheme (GPL ESGS) approved by the Board of Directors, shareholders and the Remuneration Committee, which provided allotment of 43,081 options convertible into 43,081 Equity Shares of ₹ 10/- each to eligible employees of Godrej Properties Limited, its Holding and its Subsidiary Companies (the Participating Companies) 41,203 options with effect from May 7, 2011 and 1,878 options with effect from October 1, 2011. Out of the total 41,203 stock grants of first tranche, 13,438 stock grants have lapsed on account of employees leaving the service of the company before the vesting date and hence 27,765 stock grants of first tranche and 1,878 stock grants of second tranche are outstanding as at March 31, 2012.

Particulars	No. of Options		Exercise Price (₹)
	As on March 31, 2012	As on March 31, 2011	
Options granted	43,081	-	10.00
Options exercised	NIL	-	-
Less : Forfeited/ Expired/ Lapsed/ Idle/ Available for reissue	13,438	-	-
Options Outstanding at the year end	29,643	-	10.00

Out of 27,765 stock grants of first tranche, 10,449 stock grants shall vest on May 6, 2012, 8,658 stock grants shall vest on May 6, 2013 and 8,658 stock grants shall vest on May 6, 2014 and out of 1,878 stock grants of second tranche 1/3rd of outstanding stock grants shall vest each year on September 30, 2012, September 30, 2013 and September 30, 2014. Upon such vesting, as per the schedule, equivalent number of equity shares of nominal value of ₹ 10 each in the company shall be issued to the eligible employees.

Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option is ₹ 13.99 per share as on March 31, 2012.

NOTES TO ACCOUNTS

- b) Employee compensation cost using the intrinsic value method recognized by the company in the Statement of Profit and Loss as on March 31, 2012 is ₹ 10,455,958/-
- c) The Fair Value of the share options has been determined using the Black – Scholes Option Pricing Model. Had the fair value method of accounting been used, the net profit earnings per share would have been as per the pro forma amounts indicated below.

(Amount in ₹)

Particulars	Current Year
Net Profit (as reported)	979,259,309/-
Add: Stock based compensation expense determined under Intrinsic Value method recognized in the Statement of Profit and Loss	10,455,958/-
Less: Stock based compensation expense determined under fair value based method (Pro Forma)	10,396,846/-
Net Profit (Pro Forma)	979,318,421/-
Basic Earnings per share (as reported)	14.00/-
Diluted Earnings per share (as reported)	13.99/-
Basic and Diluted Earnings per share (Pro Forma)	14.00/-

Note 34**Employee Benefits:****a) Defined Contribution Plans:**

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

(Amount in ₹)

Particulars	Current Year	Previous Year
Employers' Contribution to Provident Fund	15,658,687	11,555,547
Employers' Contribution to ESIC	117,076	70,853

b) Defined Benefit Plans:**(i) Contribution to Gratuity Fund**

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

The following table sets out the funded status of the gratuity plan and the amounts recognized in the Group's financial statements as at March 31, 2012:

(Amount in ₹)

Particulars	Current Year	Previous Year
Change in present value of obligation		
Present value of obligation as at beginning of the year	12,341,062	7,625,984
Interest Cost	1,018,138	610,079
Service Cost	2,453,073	2,816,472
Benefits Paid	(9,739,104)	(738,901)
Effect of Liability Transfer in	329,724	-
Effect of Liability Transfer out	(40,803)	-
Actuarial (gain)/loss on obligation	6,661,262	2,027,428
Present value of obligation, as at end of the year	13,023,352	12,341,062
Amount recognized in the Balance Sheet		
Present value of obligation, as at end of the year	13,023,352	12,341,062
Fair value of plan assets as at end of the year	-	-
Net obligation as at end of the year	13,023,352	12,341,062

NOTES TO ACCOUNTS

(Amount in ₹)

Particulars	Current Year	Previous Year
Net gratuity cost for the year ended		
Current Service Cost	2,453,073	1,343,752
Interest Cost	1,018,138	610,079
Expected return on plan assets	-	-
Past Service Cost (Vested Benefit)	-	1,472,720
Net Actuarial (gain)/loss to be recognized	6,661,262	2,027,428
Net gratuity cost	10,132,473	5,453,979
Assumptions used in accounting for the gratuity plan		
	(In %)	(In %)
Discount Rate	8.50	8.00
Salary escalation rate	5.00	5.00
Attrition Rate	1.00	1.00

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Note 35

Segment Information:

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

Note 36

Related Party Disclosures:

1. Related party disclosures as required by AS – 18, “ Related Party Disclosures”, are given below:

Relationships:
(i) Shareholders (Holding Company)
Godrej Industries Limited (GIL) holds 61.46% (Previous Year 70.63%) shares in the Company. GIL is the subsidiary of Godrej & Boyce Mfg. Co. Limited, the Ultimate Holding Company.
(ii) Other Related Parties in Godrej Group, where common control exists:
Vora Soaps Limited
Bahar Agrochem & Feeds P. Limited
Ensemble Holdings & Finance Limited
Cartini India Limited
Godrej Agrovvet Limited
Godrej Consumer Products Limited
Godrej Hygiene Product Limited (Formerly known as Godrej SCA Hygiene Limited)
Godrej Infotech Limited
Godrej Hershey Limited
Natures Basket Limited

NOTES TO ACCOUNTS

(iii)	Joint Ventures and Associates: HDFC Venture Trustee Company Limited Red Fort India Real Estate Babur Milestone Real Estate Fund HDFC PMS India Realty Excellence Fund Madhavi SA Investments LLC Ramesh P. Bhatia Repton Landmarks LLP ASK Property Investment Advisor
(iv)	Key Management Personnel: Mr. Milind Surendra Korde Mr. Pirojsha Godrej Mr. K.T. Jithendran
(v)	Individuals exercising Significant Influence: Mr. A. B. Godrej Mr. N. B. Godrej

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

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

(Amount in ₹)

Sr. No.	Description	Godrej & Boyce Mfg. Co. Ltd.	Godrej Industries Ltd.	Joint - Ventures and Associates	Other Related Parties in Godrej Group
		(i)	(i)	(iii)	(ii)
1	Issue of Equity Share Capital/ Capital Account	-	8,000,000	1,000,000	-
		-	-	22,220	-
2	Sale of equity share	-	-	383,245,000	-
		-	-	900,000,000	-
3.	Purchase of fixed assets	4,435,307	-	-	-
		4,308,585	-	-	-
4.	Advances given/(taken)	-	-	24,760,000	-
		4,135,023	-	-	-
5.	Advances repaid	-	-	18,100,000	-
		-	-	-	-
6.	Advance received against sale of flats	-	-	-	-
		-	18,070,120	-	-
7.	Deposits given	-	2,700,000	-	-
		-	1,750,000	-	-
8.	Deposit repaid	-	800,000	-	-
		-	650,000	-	-

NOTES TO ACCOUNTS

Sr. No.	Description	Godrej & Boyce Mfg. Co. Ltd.	Godrej Industries Ltd.	Joint - Ventures and Associates	Other Related Parties in Godrej Group
		(i)	(i)	(iii)	(ii)
9.	Construction and other expenses incurred on behalf of other companies	41,628,353 -	110,031 5,639,464	1,066,610 -	- 7,426,854
10.	Expenses charged by other companies	7,333,324,214 90,173,462	60,544,544 51,845,477	124,623 -	4,975,031 750,825
11.	Sale of Units	- -	1,057,008,011 -	- -	759,015,664 -
12.	Dividend Paid	3,105,000 2,760,000	222,008,441 193,980,836	- -	8,630,326 7,871,400
13.	Debentures Interest	- -	- -	2,156,000 2,156,000	- -
14.	Debenture Application Money received	- -	- -	94,080,000 -	- -
14.	Debentures Outstanding	- -	- -	215,600,000 215,600,000	- -
15.	Outstanding receivables, net of (payables)	(7,166,869,059) (6,491,568)	1,075,137,943 (1,777,112)	(88,841,892) (36,532,715)	- -
16.	Deposits Receivable	- -	6,225,000 4,325,000	- -	- -

Figures in italics are for previous year.

(ii) Details relating to persons referred to in items 1 (iv) & (v) above

	Key Management Personnel	Current Year (₹)	Previous Year (₹)
1.	Remuneration	75,312,539	56,996,336
2.	Dividend paid	2,390,364	2,354,988
3.	Deposit accepted from KMP and their relative	1,000,000	-
4.	Repayment of Deposit	1,500,000	-
5.	Interest paid on Deposit	209,004	268,126
6.	Deposit Outstanding	2,250,000	2,750,000
	Individuals exercising significant Influence :		
	Dividend paid - Mr. N.B. Godrej	7,030,125	6,921,000

NOTES TO ACCOUNTS

3. Significant Related Party Transactions.

Nature of Transactions	Other Related Parties in the Godrej Group	Amount (₹)
Issue of Equity Share Capital/Capital Account	India Realty Excellence Fund and others	-
		22,220
	Ramesh P. Bhatia	500,000
	Repton Landmarks LLP	-
		500,000
Sale of equity share	HDFC PMS	-
		400,000,000
	Madhavi SA Investments LLC	183,000,000
		-
	ASK Property Investment Advisor	200,245,000
		-
	India Realty Excellence Fund and others	-
		500,000,000
Purchase of fixed assets	Godrej & Boyce Mfg Co. Limited	4,435,307
		4,308,585
Advances given	Godrej & Boyce Mfg Co. Limited	-
		4,135,023
Advance received against sale of flats	Godrej Industries Limited	-
		18,070,120
Expenses charged by other companies	Godrej & Boyce Mfg. Co. Limited	7,333,324,214
		90,173,462
	Godrej Industries Limited	60,544,544
		51,845,477
Expenses charged to other companies.	Godrej Industries Limited	110,031
		5,639,464
	Godrej Consumer Products Ltd.	-
		7,426,854
	Godrej & Boyce Mfg. Co. Limited	41,628,353
		-
Deposit Given	Godrej Industries Limited	2,700,000
		1,750,000
Deposit Repaid	Godrej Industries Limited	800,000
		650,000
Dividend Paid	Godrej Industries Limited	222,008,441
		193,980,836
Debenture Application Money received	ASK Property Investment Advisor	94,080,000
		-
Debentures Outstanding	HDFC Venture Trustee Company Limited	215,600,000
		215,600,000

NOTES TO ACCOUNTS

Nature of Transactions	Other Related Parties in the Godrej Group	Amount (₹)
Debenture Interest	HDFC Venture Trustee Company Limited	2,156,000 <i>2,156,000</i>
Outstanding receivables, net of (payables)	HDFC Venture Trustee Company Limited	(38,473,115) <i>(36,532,715)</i>
	Godrej Industries Limited	1,075,137,943 <i>(1,777,112)</i>
	Godrej & Boyce Mfg. Co. Limited	(7,166,869,059) <i>(6,491,568)</i>
Deposit Receivable	Godrej Industries Limited	6,225,000 <i>4,325,000</i>

Figures in italics are for previous year.

Note 37

Earnings Per Share:

Particulars	Current year	Previous Year
Profit after tax (Including prior year's tax adjustments, Prior Period Income and excluding Minority Interest as per the Statement of Profit and Loss)	₹ 979,259,309	₹1,308,555,396
Number of Shares at the beginning of the year	69,850,009	69,850,009
Number of Equity shares outstanding at the end of the year	78,036,819	69,850,009
Weighted average no. of equity shares outstanding	69,961,851	69,850,009
Add: Weighted average number of potential equity shares on account of employee stock options	12,780	-
Weighted average no. of common and dilutive common equity shares outstanding (Numbers)	69,974,631	69,850,009
Basic earnings per share	₹ 14.00	₹ 18.73
Diluted earnings per share	₹ 13.99	₹ 18.73
Nominal value of shares	₹10 /-	₹10 /-

Note 38

Information in respect of Joint Ventures:

Jointly Controlled Operations - Development of the following Residential/Commercial Projects:

Godrej Coliseum, Mumbai	- Profit Sharing
Godrej Woodsman Estate, Bangalore	- Area Sharing
Godrej Gold County, Bangalore	- Revenue Sharing
Planet Godrej, Mumbai	- Profit Sharing
Edenwoods, Mumbai	- Revenue/Profit Sharing
Shivajinagar, Pune	- Profit Sharing
Bhugaon, Pune	- Profit Sharing
Godrej Alpine, Mangalore	- Area Sharing/Revenue Sharing
Sanjay Khan, Bangalore	- Revenue Sharing
Grenville Park, Mumbai	- Profit Sharing
Godrej Garden City, Ahmedabad	- Area Sharing
Godrej Crest, Bangalore	- Area Sharing/Revenue Sharing

NOTES TO ACCOUNTS

Kochi	- Revenue Sharing
Umbarde, Kalyan	- Revenue Sharing
Godrej Frontier, Gurgaon	- Area Sharing/Revenue Sharing
Godrej Serenity, Mumbai	- Revenue Sharing
Waterside IT Park, Kolkata	- Area Sharing
Godrej Prakriti, Kolkata	- Area Sharing
Godrej Genesis, Kolkata	- Area Sharing
Godrej Eternia, Chandigarh	- Revenue Sharing
Godrej Palm Grove, Chennai	- Revenue Sharing
Nandhi Hills, Bangalore	- Revenue Sharing
Godrej Anandam, Nagpur	- Revenue Sharing
Godrej Platinum, Mumbai	- Revenue Sharing
Godrej Palm Springs, Mumbai	- Area Sharing
GPL Jet Airways, BKC Mumbai	- Profit Sharing
Electronic City, Bangalore	- Revenue Sharing
Godrej Summit, Gurgaon	- Area Sharing
Godrej Horizon, Undri	- Profit Sharing
The Trees, Vikhroli	- Profit Sharing
Lawkim, Thane	- Profit Sharing
Moosapet, Hyderabad	- Profit Sharing
Sahakar Nagar, Mumbai	- Revenue Sharing

Note 39

The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per the revised Schedule VI. Accordingly figures of the previous years have been reclassified wherever necessary to confirm to the current year's classification.

STATEMENT REGARDING SUBSIDIARY & LIMITED LIABILITY PARTNERSHIP PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Sr. No.	Name of Subsidiary Company	Capital	Reserves & Surplus	Total Assets	Total Liabilities	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Interim/Proposed Dividend:	
										Equity	Preference
1	Godrej Waterside Properties Private Limited	10,000,000	(63,207,747)	3,794,049,375	3,794,049,375	646,887,493	(79,550,292)	(2,903)	(79,547,389)	-	-
2	Godrej Realty Private Limited	10,000,000	16,752,087	215,085,786	215,085,786	10,335,084	8,731,595	2,808,112	5,923,483	-	-
3	Godrej Developers Private Limited	667,300	40,840,660	2,285,634,805	2,285,634,805	434,368,236	47,779,995	15,875,302	31,904,693	-	-
4	Godrej Real Estate Private Limited	500,000	(1,130,888)	1,316,825,310	1,316,825,310	-	(349,514)	(22,000)	(327,514)	-	-
5	Godrej Sea View Properties Private Limited	500,000	(3,402,731)	648,793,375	648,793,375	10,426	(1,914,312)	(214,000)	(1,700,312)	-	-
6	Happy Highrises Limited	2,031,200	399,783,706	2,274,753,106	2,274,753,106	893,948,590	239,623,754	79,488,557	160,135,197	-	-
7	Godrej Estate Developer Private Limited	500,000	17,488,432	1,558,703,405	1,558,703,405	176,291,743	19,986,862	6,416,228	12,970,634	-	-
8	Godrej Buildwell Private Limited	532,220	(34,867)	1,219,852,370	1,219,852,370	3,450,030	(37,977)	(5,000)	(32,977)	-	-
9	Godrej Buildcon Private Limited	500,000	(161,918)	7,057,606,797	7,057,606,797	-	(1,890)	-	(1,890)	-	-
10	Godrej Projects Development Private Limited	500,000	124,044,918	228,132,521	228,132,521	200,000,000	187,757,238	62,282,000	125,475,238	-	-
11	Godrej Premium Builders Private Limited	500,000	(157,047)	880,684,667	880,684,667	5,788,108	(1,754)	-	(1,754)	-	-
12	Godrej Garden City Properties Private Limited	500,000	(366,123)	323,769	323,769	-	(210,830)	-	(210,830)	-	-
13	Godrej Nanchi Hills Projects Private Limited	1,000,000	219,820,421	227,896,331	227,896,331	1,683,283	1,683,283	212,657	1,470,626	-	-
14	Godrej Landmark Redevelopers Private Limited	500,000	(1,850)	244,701,100	244,701,100	-	(1,850)	-	(1,850)	-	-
15	Mosaic Landmarks LLP.	2,100,000	-	154,206,060	154,206,060	1,287,432	-	-	-	-	-
16	Godrej Vikhroli Property LLP.	676,047,619	-	9,077,543,872	9,077,543,872	2,471,533,235	956,490,619	300,443,000	656,047,619	-	-

A. B. GODREJ
Chairman

PIROJSHA A. GODREJ
Managing Director & CEO

SHODHAN A. KEMBHAVI
Company Secretary

Mumbai, Dated May 5, 2012

GODREJ PROPERTIES LIMITED

NOTICE

Notice is hereby given that the 27th Annual General Meeting of the Members of Godrej Properties Limited will be held on Saturday, July 28, 2012, at 3.30 p.m. at Y. B. Chavan Pratishthan, Gen. Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400 021, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the financial year ended March 31, 2012, the Balance Sheet as on that date and the Cash Flow Statement of the Company together with the Report of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares issued by the Company, for the financial year ended March 31, 2012.
3. To appoint a Director in place of Mrs. Lalita D. Gupte, who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint a Director in place of Mr. S. Narayan, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Pranay D. Vakil, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Dr. Pritam Singh, who retires by rotation and being eligible, offers himself for re-appointment.
7. To appoint M/s. Kalyaniwalla & Mistry, Chartered Accountants, the retiring Auditors as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

8. To consider and, if thought fit, to pass with or without modifications the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. V. Srinivasan, who was appointed as an Additional Director on the Board of the Company, in terms of Section 260 of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) (the “Companies Act”) read with Article 118 of the Articles of Association of the Company, with effect from April 1, 2012, by the Board of Directors in its meeting held on January 19, 2012 and who holds office up to the date of this Annual General Meeting and is eligible for appointment as a Director of the Company, and in respect of whom a notice has been received in writing under Section 257 of the Companies Act, be and is hereby appointed as a Director of the Company, not liable to retire by rotation.”

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

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) (the “Companies Act”) and pursuant to the provisions of the Articles of Association of the Company and subject to such other approvals as may be required, consent of the Members be and is hereby accorded for appointment of Mr. Pirojsha Godrej as the Managing Director and Chief Executive Officer (MD & CEO) of the Company for a period of three years with effect from April 1, 2012 and for payment of remuneration as per the terms and conditions set out 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 is ₹ 400,000 per month. The annual basic salary and increments will be decided by the Remuneration Committee/ the Board of Directors depending on the performance of Mr. Pirojsha Godrej as MD & CEO, the profitability of the Company and other relevant factors.

II. Performance Bonus for Teams:

Performance bonus for teams (“PBFT”) according to the scheme of the Company for each of the financial years based on profit after tax (excluding minority interests and post PBFT) achieved by the Company and other relevant factors and having regard to the performance of Mr. Pirojsha Godrej as MD & CEO for each year.

The individual target component of performance bonus is ₹ 350,000 and the collective target component is ₹ 2,700,000.

III. Flexible Compensation:

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

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

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

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

Explanation:

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

IV. Other Reimbursements:

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

V. Minimum Remuneration:

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

RESOLVED FURTHER THAT the Board of Directors be and are hereby jointly and severally authorised to execute the agreement with Mr. Pirojsha Godrej for his appointment as the MD & CEO with effect from April 1, 2012, 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."

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

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) (the “Companies Act”) and pursuant to the provisions of the Articles of Association of the Company and subject to such other approvals as may be required, consent of the Members be and is hereby accorded for appointment of Mr. V. Srinivasan as an Executive Director of the Company with effect from April 1, 2012 and for payment of remuneration as per the terms and conditions set out 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 is ₹ 285,000 per month. The annual basic salary and increments will be decided by the Remuneration Committee/ the Board of Directors depending on the performance of Mr. V. Srinivasan, the profitability of the Company and other relevant factors.

II. Performance Bonus for Teams:

Performance bonus for teams (“PBFT”) according to the scheme of the Company for each of the financial years based on profit after tax (excluding minority interests and post PBFT) achieved by the Company and other relevant factors and having regard to the performance of Mr. V. Srinivasan for each year.

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

III. Flexible Compensation:

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

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

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

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

Explanation:

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

IV. Other Reimbursements:

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

V. Minimum Remuneration:

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

RESOLVED FURTHER THAT the Board of Directors be and are hereby jointly and severally authorised to execute the agreement with Mr. V. Srinivasan for his appointment as an Executive Director of the Company with effect from April 1, 2012, 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."

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) (the "Companies Act") and pursuant to the provisions of the Articles of Association of the Company and subject to such other approvals as may be required, consent of the Members be and is hereby accorded for payment of revised remuneration to Mr. K. T. Jithendran, Executive Director, as provided herein, with effect from April 1, 2012.

I. Fixed Compensation:

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

The basic salary is ₹ 513,750 per month. The annual basic salary and increments will be decided by the Remuneration Committee/the Board of Directors depending on the performance of Mr. K. T. Jithendran, the profitability of the Company and other relevant factors.

II. Performance Bonus for Teams:

Performance bonus for teams ("PBFT") according to the scheme of the Company for each of the financial years based on profit after tax (excluding minority interests and post PBFT) achieved by the Company and other relevant factors and having regard to the performance of Mr. K. T. Jithendran for each year.

The collective target component is ₹ 4,200,000.

III. Flexible Compensation:

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

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

- i. Housing i.e. unfurnished residential accommodation and house rent allowance at applicable rate as per Company's rules or house rent allowance as per the Company's rules;
- ii. Furnishing at residence;

- iii. Supplementary allowance;
- iv. Leave travel assistance;
- v. Payment/reimbursement of medical expenses for self and family;
- vi. Payment/reimbursement of food vouchers, petrol reimbursement;
- vii. Company cars with driver for official use, provision of telephone(s) at residence;
- viii. Payment/reimbursement of telephone expenses;
- ix. Housing loan, contingency loan as per rules of the Company. These loans shall be subject to Central Government's approval, if any;
- x. Earned/privilege leave, on full pay and allowance, not exceeding 30 days in a financial year. Encashment/accumulation of leave will be permissible in accordance with the rules specified by the Company. Sick leave as per the rules of the Company; and
- xi. Such other perquisites and allowances as per the policy/rules of the Company in force and/or as may be approved by the Remuneration Committee/the Board of Directors from time to time.

The maximum cost to the Company per annum for the grant of the perquisites and allowances listed above for Mr. K. T. Jithendran as an Executive Director of the Company is ₹ 9,798,732. In addition to the above, Mr. K. T. Jithendran will be eligible for encashment of leave, club facilities, group insurance cover, group hospitalisation cover, and/or any other allowances, perquisites and facilities as per the rules of the Company. Further, Mr. K. T. Jithendran will also be entitled to the stock options/stock grants as per the prevailing schemes of the Company.

Explanation:

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

IV. Other Reimbursements:

Mr. K. T. Jithendran will also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as in force from time to time.

V. Minimum Remuneration:

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

RESOLVED FURTHER THAT the Board of Directors be and is hereby jointly and severally authorised to execute the agreement with Mr. K. T. Jithendran for the revised remuneration with effect from April 1, 2012 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."

12. 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 61 of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) and other applicable provisions of the laws, rules and regulations for the time being in force and in modification of the ordinary resolution (Item no. 11) passed in the Annual General Meeting held on July 22, 2011, consent of the Members be and is hereby accorded to amend the schedule of deployment and utilisation of the net proceeds, arising out of the issue of equity shares pursuant to the prospectus (on page 43) dated December 16, 2009 (the "Prospectus") filed by the Company with the Registrar of Companies, Mumbai, Maharashtra as under:

(₹ in crores)

S. No.	Expenditure Items	Total Estimated Cost	Amount deployed till November 15, 2009 (as mentioned in the Prospectus)	Balance Payable as on November 15, 2009 (as mentioned in the Prospectus)	Proposed to be funded by internal accruals	Amount upto which will be financed from Net Proceeds	Estimated schedule of deployment of Net Proceeds for			
							FY 2010	FY 2011	FY 2012	FY 2013
1.	Acquisition of land development rights for our Forthcoming Projects	444.82	152.50	292.32	Nil	152.00	25.00	52.00	65.91	9.09
2.	Construction of our Forthcoming Project	100.84	22.82	78.02	Nil	75.00	0.00	62.30	12.70	-
3.	Repayment of loans	201.17	Nil	172.00	Nil	201.17	150.17	0.00	51.00	-
	Total	746.83	175.32	542.34	Nil	428.17	175.17	114.3	129.61	9.09

Accordingly, the schedule of implementation of the net proceeds of the issue, as provided in the Prospectus (on page 43) shall be amended as follows:

(₹ in crores)

Sr. No.	Objects	FY 2010	FY 2011	FY 2012	FY 2013
1.	Acquisition of land development rights for our Forthcoming Projects	25.00	52.00	65.91	9.09
2.	Construction of our Forthcoming Project	0.00	62.30	12.70	-
3.	Repayment of loans	150.17	0.00	51.00	-
	Total	175.17	114.3	129.61	9.09

RESOLVED FURTHER THAT Mr. Pirojsha Godrej, Managing Director & Chief Executive Officer, Mr. K. T. Jithendran, Executive Director, Mr. V. Srinivasan, Executive Director and Mr. Shodhan Kembhavi – Vice President (Legal) and Company Secretary be and are hereby jointly and severally authorised to do all such necessary acts and execute such deeds, documents and papers as may be necessary and deemed fit to give effect to the aforesaid resolution.

BY ORDER OF THE BOARD OF DIRECTORS
FOR GODREJ PROPERTIES LTD.

Sd/-
COMPANY SECRETARY

Place: Mumbai
Dated: May 5, 2012

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

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES 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.
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 the Annual General Meeting.
3. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting and also their copy of the Annual Report.
4. The explanatory statements pursuant to Section 173 of the Companies Act, 1956, as amended (the "Companies Act"), with respect to Item Nos. 8 to 12 of the notice set out above are annexed hereto.
5. The Register of Members and Share Transfer Books of the Company will be closed from July 23, 2012 to July 28, 2012 (both days inclusive) for ascertaining the names of the Members to whom the dividend, if declared at the Annual General Meeting, is payable.
6. The dividend, if declared at the Annual General Meeting, will be paid on or before the 30th day from the date of declaration of dividend i.e. August 27, 2012 as follows:
 - a. For shares held in physical form – those shareholders whose names will appear in the Register of Members on the close of the day on July 21, 2012; and
 - b. For shares held in dematerialised form – those beneficiaries, whose names are furnished by the National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owner on July 20, 2012.
7. Details of the directors to be appointed and who are seeking re-appointment, as stipulated under Clause 49 of the Listing Agreement is annexed hereto.
8. Corporate Members intending to send their authorised representatives to attend the 27th Annual General Meeting are requested to send a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
9. Members desirous of asking any questions at the 27th Annual General Meeting are requested to send in their questions so as to reach the Company's Registered Office at least 7 days before the date of the 27th Annual General Meeting, so that the same can be suitably replied to.
10. Members are requested to address all correspondence, including dividend matters, to the Registrar and Share Transfer Agents, Karvy Computershare Private Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081.
11. Members wishing to claim dividends, which remain unpaid are requested to contact the Registrar and Share Transfer Agents, Karvy Computershare Private Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081. Members are requested to note that the amount of dividend which remains unclaimed for a period of 7 years from the date of declaration will be transferred to the Investor Education and Protection Fund as per Section 205A of the Companies Act.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 8:

Mr. V. Srinivasan was appointed as an Additional Director of the Company with effect from April 1, 2012, pursuant to Section 260 of the Companies Act, 1956, as amended (the "Companies Act"), read with Article 118 of the Articles of Association of the Company, at the meeting of the Board of Directors held on January 19, 2012. He holds the office up to the date of this Annual General Meeting. The Company has received a notice in writing from a Member along with a deposit of ₹ 500 proposing the candidature of Mr. V. Srinivasan for the office of Director, not liable to retire by rotation, under Section 257 of the Companies Act, at this Annual General Meeting.

The Board of Directors recommends the passing of the Resolution set out at Item No. 8 of this Notice.

None of the Directors of the Company, except Mr. V. Srinivasan, is concerned or interested in the Resolution.

ITEM NO. 9:

The Board of Directors in its meeting held on January 19, 2012, appointed, subject to approval of the Members of the Company, Mr. Pirojsha Godrej as the Managing Director and Chief Executive Officer (MD & CEO) of the Company with effect from April 1, 2012. Mr. Milind S. Korde had resigned from the post of Managing Director of the Company with effect from April 1, 2012.

Mr. Pirojsha Godrej was appointed as an Executive Director of the Company in November 2008 and has been closely involved in the strategy and operations of the Company since his association with the Company. He spearheaded the successful initial public offering of the equity shares of the Company in 2009. Mr. Pirojsha Godrej holds a Bachelor's degree in economics from the Wharton School at the University of Pennsylvania, a Master's degree in international affairs from Columbia University and a Master's degree in business administration from Columbia Business School, U.S.A.

The Board of Directors, pursuant to a circular resolution passed on April 20, 2012, continued the existing terms and conditions of remuneration of Mr. Pirojsha Godrej as approved by the Members at the Annual General Meeting held on July 22, 2011. It is now proposed to continue with the same terms and conditions of remuneration. The said terms have been provided in the Resolution at Item No. 9. The Members are informed that the proposed remuneration to Mr. Pirojsha Godrej is within the limits provided in Schedule XIII of the Companies Act.

The Board of Directors recommends the passing of the Resolution set out at Item No. 9 of the Notice.

None of the directors of the Company, except Mr. Adi B. Godrej, Mrs. Parmeshwar A. Godrej and Mr. Pirojsha Godrej, is concerned or interested in the Resolution.

ITEM NO. 10:

The Board of Directors in the meeting held on January 19, 2012, appointed, subject to approval of the Members of the Company, Mr. V. Srinivasan as an Executive Director of the Company, with effect from April 1, 2012.

Subsequently, the Board of Directors, pursuant to a circular resolution passed on April 20, 2012, has approved, subject to the approval of the Members of the Company, the terms of appointment of Mr. V. Srinivasan as an Executive Director of the Company. The Members are informed that the proposed remuneration of Mr. V. Srinivasan is within the limits provided in Schedule XIII of the Companies Act.

Accordingly, the approval of the Members of the Company is sought for appointment of Mr. V. Srinivasan as an Executive Director of the Company and for payment of remuneration to him, as mentioned in the Resolution at Item No. 10 of this Notice, with effect from April 1, 2012.

The Board of Directors recommends the passing of the Resolution set out at Item No. 10 of the Notice.

None of the Directors of the Company, except Mr. V. Srinivasan, is concerned or interested in the Resolution.

ITEM NO. 11:

The Members at their meeting held on July 17, 2010, appointed Mr. K. T. Jithendran as an Executive Director of the Company for a period of 3 years with effect from May 17, 2010.

In the meeting of the Board of Directors held on May 5, 2012, the remuneration payable to Mr. K. T. Jithendran has been revised with effect from April 1, 2012, subject to the approval of the Members of the Company. The Members are informed that the proposed remuneration of Mr. K. T. Jithendran is within the limits provided in Schedule XIII of the Companies Act.

Accordingly, the approval of the Members of the Company is sought for revision in the terms and conditions of the remuneration payable to Mr. K. T. Jithendran as an Executive Director of the Company, as mentioned in the Resolution at Item No. 11 of this Notice, with effect from April 1, 2012.

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The Board of Directors recommends the passing of the Resolution set out at Item No. 11 of this Notice.

The Explanatory Statement together with the Notice should be treated as an abstract of the terms under Section 302 of the Companies Act.

None of the Directors of the Company, except Mr. K. T. Jithendran, is concerned or interested in the Resolution.

ITEM NO. 12:

The Company made an initial public offering of 9,429,750 equity shares through 100% book building route with a price band of ₹ 490 to ₹ 530 per equity share, pursuant to an approval of the Members of the Company at their Extraordinary General Meeting held on September 30, 2009 (the "Issue"). The Company received ₹ 468.85 crores from the Issue as the issue proceeds (the "Issue Proceeds"). The net Issue Proceeds, after deduction of the Issue related expenses, were ₹ 428.17 crores (the "Net Proceeds").

The objects of the Issue were:

- Acquisition of land development rights for our Forthcoming Projects;
- Construction of our Forthcoming Project; and
- Repayment of loans.

The Members of the Company approved certain amendments to the schedule of utilisation of the Net Proceeds in the Annual General Meeting held on July 17, 2010. Further, in the last Annual General Meeting held on July 22, 2011, the Members of the Company approved the following amendments to the schedule of utilisation of the Net Proceeds as disclosed on page 43 of the prospectus of the Company dated December 16, 2009 (the "Prospectus"):

(₹ in crores)

Sr. No.	Expenditure Items	Total Estimated Cost	Amount deployed till November 15, 2009 (as mentioned in the Prospectus)	Balance Payable as on November 15, 2009 (as mentioned in the Prospectus)	Proposed to be funded by internal accruals	Amount up to which will be financed from Net Proceeds	Estimated schedule of deployment of Net Proceeds for		
							FY 2010	FY 2011	FY 2012
1.	Acquisition of land development rights for our Forthcoming Projects	444.82	152.50	292.32	Nil	152.00*	25.00	52.00**	75.00***
2.	Construction of our Forthcoming Project	100.84	22.82	78.02	Nil	75.00	0.00	62.30*1	12.70*2
3.	Repayment of loans	201.17#	Nil	172.00	Nil	201.17#	150.17	0.00	51.00
	Total	746.83	175.32	542.34	Nil	428.17	175.17	114.3	138.7

* It was stated that an amount of ₹ 203.00 crores was proposed to be utilised from Net Proceeds for Acquisition of land development rights for our forthcoming projects. Now amended to state that ₹152.00 crores is proposed to be utilised for the said purpose.

** It was stated that an amount of ₹ 178.00 crores was proposed to be utilised in fiscal year 2011. Now amended to state that ₹ 52.00 crores was utilised in fiscal year 2011.

*** It was stated that no amount was proposed to be utilised in fiscal year 2012. Now amended to state that ₹ 75.00 crores is proposed to be utilised in fiscal year 2012.

*1 It was stated that an amount of ₹ 60.00 crores was proposed to be utilised in fiscal year 2011. Now amended to state that ₹ 62.30 crores was utilised in fiscal year 2011.

*2 It was stated that ₹ 15.00 crores amount was proposed to be utilised in fiscal year 2012. Now amended to state that ₹ 12.70 crores is proposed to be utilised in fiscal year 2012.

The increase in the total estimated cost for repayment of loans and amount up to which will be financed from Net Proceeds is due to the utilisation of ₹ 51 crore originally proposed to be utilised for the Pune Project.

Since there are further deviations in the utilisation and deployment of the Net Proceeds due to the following reasons, the approval of the Members of the Company is sought for the proposed amendments in the schedule of deployment and utilisation of the Net Proceeds and the schedule of implementation of the Net Proceeds as disclosed on page 43 of the Prospectus:

a. Acquisition of land development rights for our Forthcoming Projects

As per the approval received from the Members in the Annual General Meeting held on July 22, 2011, the Company was required to utilise ₹ 75 crores in the fiscal year 2012. The Company has utilised ₹ 65.91 crores out of ₹ 75 crores in the fiscal year 2012 for its project located at Ahmedabad.

In relation to the property located at Kalyan, the Company was required to pay an amount of ₹ 20.00 crores from the Net Proceeds, subject to the aggregation of the entire 160 acres of land at Kalyan. Whilst the Company had paid ₹ 10.91 crores in the fiscal year 2011, it was required to utilise the balance amount of ₹ 9.09 crores during the fiscal year 2012, subject to the aggregation of the balance land area. However, the said aggregation has not been completed during fiscal year 2012. Accordingly, it is now proposed to pay the balance amount of ₹ 9.09 crores in the fiscal year 2013, once the aggregation of such balance land is completed.

b. Construction of our Forthcoming Project

In relation to the construction of commercial project located in Chandigarh, the Company was required to utilise an amount of ₹ 12.70 crores during the fiscal year 2012. This amount has been utilised by the Company during the fiscal year 2012.

c. Repayment of Loans

In terms of the approval of the Members in the Annual General Meeting held on July 22, 2011, an amount aggregating to ₹ 51 crores out of the Net Proceeds has been utilised by the Company for repayment of the working capital loan to State Bank of India.

In light of the abovementioned reasons, the approval of Members of the Company is sought for amending the schedule of deployment and utilisation of the Net Proceeds of the Issue as provided hereunder:

(₹ in crores)

S.r No.	Expenditure Items	Total Estimated Cost	Amount deployed till November 15, 2009 (as mentioned in the Prospectus)	Balance Payable as on November 15, 2009 (as mentioned in the Prospectus)	Proposed to be funded by internal accruals	Amount upto which will be financed from Net Proceeds	Estimated schedule of deployment of Net Proceeds for			
							FY 2010	FY 2011	FY 2012	FY 2013
1.	Acquisition of land development rights for our Forthcoming Projects	444.82	152.50	292.32	Nil	152.00*	25.00	52.00	65.91*	9.09**
2.	Construction of our Forthcoming Project	100.84	22.82	78.02	Nil	75.00	0.00	62.30	12.70	-
3.	Repayment of loans	201.17	Nil	172.00	Nil	201.17	150.17	0.00	51.00	-
	Total	746.83	175.32	542.34	Nil	428.17	175.17	114.3	129.61	9.09

* It was stated that an amount of ₹ 75.00 crores shall be utilised in the fiscal year 2012. Now amended to state that ₹ 65.91 crores was utilised in fiscal year 2012.

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** The amount of ₹9.09 crores, which was not utilised in the fiscal year 2012, is proposed to be utilised during the fiscal year 2013.

The Company shall comply with the applicable provisions of the Listing Agreements entered into with BSE Limited and The National Stock Exchange of India Limited in relation to the amendments in the use of proceeds of the Issue. The Company has also informed the Monitoring Agency, appointed for the Issue, and the Audit Committee of these amendments in the use of proceeds of the Issue.

In terms of Section 61 of the Companies Act, the Company is required to obtain approval of the Members for any variation in the use of issue proceeds as referred to in the Prospectus.

The Board of Directors therefore solicit your approval by way of passing this Resolution as an Ordinary Resolution.

None of the Directors of the Company is interested in this Resolution.

BY ORDER OF THE BOARD OF DIRECTORS
FOR GODREJ PROPERTIES LTD.

Sd/-
COMPANY SECRETARY

Place: Mumbai
Dated: May 5, 2012

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

Pursuant to Clause 49 of the Listing Agreement with the stock exchanges, the following information is furnished about the Directors proposed to be re-appointed/appointed

Brief Resume of the Directors

Name of the Director	Mrs. Lalita D. Gupte	Mr. S. Narayan	Mr. Pranay D. Vakil	Dr. Pritam Singh	Mr. Pirojsha Godrej	Mr. V. Srinivasan
Particulars						
Age	63	68	65	70	31	46
Nationality	Indian	Indian	Indian	Indian	Indian	Indian
Date of Appointment	January 16, 2008	October 25, 2008	January 16, 2008	January 16, 2008	As the MD & CEO – April 1, 2012 As an Executive Director – November 1, 2008	April 1, 2012
Shares held in the Company	7,000	NIL	8,000	1,000	520,747	600
Qualification	Mrs. Lalita D. Gupte holds a Bachelor's degree in economics and a Master's degree in management studies	Mr. S. Narayan holds a Master's degree in business administration from the University of South Australia, M.Phil in economics from the University of Cambridge and Ph.D from the Indian Institute of Technology (New Delhi)	Mr. Pranay D. Vakil is a Chartered Accountant and a law graduate	Dr. Pritam Singh holds a Master's degree in commerce from Benares Hindu University, a Master's degree in business administration from Indiana University, Bloomington, Indiana, U.S.A and a Ph.D from Benares Hindu University	Mr. Pirojsha Godrej holds a Bachelor's degree in economics from the Wharton School at the University of Pennsylvania, a Master's degree in international affairs from Columbia University's School of International and Public Affairs, U.S.A and a Master's degree in business administration from Columbia Business School, U.S.A.	Mr. V. Srinivasan is a Chartered Accountant and Company Secretary. He has also completed middle and senior management courses at IIM, Ahmedabad and the University of Michigan, respectively
Expertise in specific functional area	Banker/Financial Expert	Retired IAS Officer	Qualified Real Estate Professional	Management	Management	Finance & Management

GODREJ PROPERTIES LIMITED

Name of the Director	Mrs. Lalita D. Gupte	Mr. S. Narayan	Mr. Pranay D. Vakil	Dr. Pritam Singh	Mr. Pirojsha Godrej	Mr. V. Srinivasan
Particulars						
Directorships held in other companies	1. ICICI Venture Funds Management Company Limited 2. Swadhaar FinServe Private Limited 3. Bharat Forge Limited 4. Kirloskar Brothers Limited 5. HPCL-Mittal Energy Limited 6. Alstom	1. Teesta Urja Limited 2. Apollo Tyres Limited 3. Dabur India Limited 4. Aviva Life Insurance Company India Limited 5. Castlewood Trading Private Limited 6. Artemis Medicare Services Limited 7. Seshasayee Paper and Board Limited	1. Knight Frank (India) Private Limited 2. Praron Consultancy (India) Private Limited 3. Dignity Lifestyle Private Limited 4. Rutley Real Estate Investment Management (India) Private Limited 5. Deepak Fertilisers and Petrochemicals Corporation Limited 6. MPG Hotels and Infrastructure Ventures Private Limited	1. Hero MotoCorp Limited 2. Dish TV India Limited 3. Dena Bank 4. Parsvnath Developers Limited	1. Godrej Realty Private Limited 2. Godrej Waterside Properties Private Limited 3. Godrej Developers Private Limited 4. Godrej Projects Development Private Limited 5. Godrej Buildwell Private Limited 6. Godrej Landmark Redevelopers Private Limited	1. Godrej Buildcon Private Limited 2. Godrej Developers Private Limited 3. Happy Highrises Limited 4. Godrej Estate Developers Private Limited 5. Godrej Real Estate Private Limited 6. Godrej Sea View Properties Private Limited 7. Godrej Garden City Properties Private Limited 8. Godrej Premium Builders Private Limited 9. Godrej Nandhi Hills Project Private Limited
Chairmanships/ Memberships of Committees in other companies as per Clause 49 of the Listing Agreement	Member of the Audit Committee of HPCL-Mittal Energy Limited and Alstom. Member of the Shareholders'/ Investors' Grievances Committee of Bharat Forge Limited	Member of the Audit Committee of Apollo Tyres Limited, Dabur India Limited and Seshasayee Papers and Board Limited	NIL	Member of Audit Committee of Hero MotoCorp Limited and Dish TV India Limited Chairman of Shareholders'/ Investors' Grievance Committee of Hero MotoCorp Limited	NIL	NIL
Inter-se relationship with other directors	None	None	None	None	Son of Mr. Adi B. Godrej and Mrs. Parmeshwar A. Godrej	None



Godrej Properties Limited

Regd. Office: Godrej Bhavan, 4th Floor, 4A Home Street, Fort, Mumbai – 400 001.
Phone: 91-22-6651 0200, Fax: 91-22-2207 2044

PROXY FORM

Regd. Folio No. No. of Shares held

Client Id* DP Id*

I/We.....

of.....

.....being a Member/Members of Godrej Properties Limited hereby appoint

Mr./Ms..... of.....or failing him

Mr./Ms of as my/our proxy to vote for me/ us on my/our behalf at the TWENTY SEVENTH ANNUAL GENERAL MEETING of the Company to be held on Saturday, July 28, 2012, at 3.30 p.m. at Y. B. Chavan Pratishtan, Gen. Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400 021 and at any adjournment thereof.

Signed this day of, 2012

.....
Signature



* Applicable for Members holding shares in electronic form.

Notes:

- (1) The Proxy Form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company.
- (2) The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.
- (3) A Proxy need not be a member.



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ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

TWENTY SEVENTH ANNUAL GENERAL MEETING

I/We hereby record my/our presence at the Twenty Seventh Annual General Meeting of the Company held on Saturday, July 28, 2012, at 3.30 p.m. at Y. B. Chavan Pratishtan, Gen. Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400 021.

Full Name of the Member
(in BLOCK LETTERS)

Regd. Folio No. No. of Shares held

Client Id* DP Id*

Full Name of the Proxy (in BLOCK LETTERS)

Member's/Proxy's Signature

* Applicable for Members having shares in electronic form.

Godrej Properties Limited

Registered Office:

Godrej Properties Limited,
Godrej Bhavan, 4th Floor, 4A, Home Street,
Fort, Mumbai 400 001, India.
Phone: + 91 - 22 - 6651 0200
Fax: + 91 - 22 - 2207 2044

Regional Office

AHMEDABAD 2 nd Floor, RUDRAPATH Near Rajpath Club S. G. Highway Ahmedabad - 380059.	BENGALURU No.80, Hulkul Ascent, 2nd Cross, Lavelle Road, Bengaluru 560001.	CHANDIGARH SCO - 153-155, First Floor Madhya Marg, Sector-9C Chandigarh - 160009.	CHENNAI No. 70, Lancor West Minstar, R. K. Salai, Mylapoor, Chennai - 600004.	GURGAON Unit No 215, Time Tower Mehrauli Gurgaon Road, Gurgaon - 122002, Haryana.	HYDERABAD 302, Sapphire Square, MCH No.6-3-885/7, Rajiv Gandhi Chowk, Somajiguda, Hyderabad - 500082.	KOLKATA No. 23, The Legacy 25A, Shakeshpere Sarani, Kolkata - 700017.	PUNE Godrej Eternia C, Office A, 10 th Floor, 3 Old Mumbai Pune Highway, Wakdewadi Shivaji Nagar, Pune - 411005
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Site Addresses

Godrej Garden City
Behind Nirma University,
Off Sarkhej Gandhinagar Highway,
Jagatpur, Ahmedabad - 382 481.

Godrej Eternia
Plot No. 70,
Industrial Area Phase-I,
Chandigarh - 160 002.

Godrej Hill
Barave Village,
Behind Birla College,
Murbad Road,
Kalyan (West) - 421 301.

Godrej Waterside IT Park
Plot No.5, Block DP, Sector - V,
Salt Lake City,
Kolkata - 700 091.

Planet Godrej
30, Keshavrao Khadye Marg,
Sant Gadge Maharaj Chowk,
Mumbai - 400 011.

Godrej Edenwoods
Gladys Alwares Marg,
Pokhran Road No. 2,
Thane - 400 610.

Godrej Gold County
Chikkabidarakallu Village,
Dasanpura Hobli,
Bengaluru North

Godrej Palm Grove
Chembarabakam Village,
Poonamalee Taluk,
Tiruvallur District,
Chennai, Tamilnadu.

Godrej Genesis
Simoco Project, Plot No. 11,
Block EP & GP,
Sector - V, Salt Lake City,
Kolkata - 700 091.

Godrej Alpine
Faya Enclave,
Airport Road, Yeyyadi,
Mangalore - 575008

Godrej Genesis
Mumbai-Bengaluru Highway,
Next to PRAJ Industries,
Pune - 411 045.

The Trees
Godrej Industries Ltd.
3rd Floor Factory Building,
Pirojsha Nagar,
Eastern Express Highway,
Vikhroli (East), Mumbai - 400 079.

Godrej Woodsman Estate
Hebbal, Bellary Road,
Bengaluru - 560 024.

Godrej Genesis
IDA - Phase II, Rallis India Ltd.
Complex, Adjoining NH-9,
Patancheru, Medak District,
Hyderabad - 502 319.

Godrej Prakriti
Banarsree Cotton Mills,
150 BT Road,
Kolkata - 700 115.

Godrej Coliseum
Sion Kurla Road,
Eastern Express Highway,
Chunabhatti, Mumbai - 400 022.

Godrej Eternia
3 Old Mumbai Pune Highway,
Wakdewadi Shivaji Nagar,
Pune - 411 005.

Godrej Frontier
Sector 80, Gurgaon,
Haryana
Godrej Anandam,
Model Mill Compound,
Ganeshpeth, Nagpur - 440018

