CMYK

Letter of Offer
Dated August 13, 2013
For Equity Shareholders of the Company only

PROPERTIES

GODREJ PROPERTIES LIMITED

Godrej Properties Limited was incorporated on February 8, 1985 in the Republic of India with limited liability under the Companies Act, 1956. For details of change in our name and registered office, see the section "General Information" on page 47.

Registered and Corporate Office: Godrej Bhavan, 4th Floor, 4A, Home Street, Fort, Mumbai 400 001
Contact Person: Shodhan A. Kembhavi, Company Secretary and Compliance Officer
Tel: (91 22) 6651 0200; **Fax**: (91 22) 2207 2044; **Email**: secretarial@godrejproperties.com; **Website**: www.godrejproperties.com

Promoters of our Company: Godrej & Boyce Manufacturing Company Limited and Godrej Industries Limited

FOR PRIVATE CIRCULATION TO THE EQUITY SHAREHOLDERS OF GODREJ PROPERTIES LIMITED (THE "COMPANY" OR THE "ISSUER") ONLY

ISSUE OF 21,538,388 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH OF OUR COMPANY (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ 325 PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ 315 PER EQUITY SHARE) FOR AN AMOUNT AGGREGATING TO ₹ 6,999.98 MILLION ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF EIGHT EQUITY SHARES FOR EVERY 29 FULLY PAID-UP EQUITY SHARES HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON AUGUST 20, 2013 (THE "ISSUE"). THE ISSUE PRICE IS 32.5 TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, SEE THE SECTION "*TERMS OF THE ISSUE*" ON PAGE 224.

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and Investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. **Investors are advised to refer to the section "*Risk Factors*" on page 10 before making an investment in this Issue.**

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares of our Company are listed on BSE Limited ("BSE") and The National Stock Exchange of India Limited ("NSE") (collectively, the "Stock Exchanges"). Our Company has received "in-principle" approvals from the BSE and the NSE for listing the Equity Shares to be allotted in the Issue vide their letters dated June 13, 2013 and June 17, 2013, respectively. For the purposes of the Issue, the Designated Stock Exchange is BSE.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
kotak® Investment Banking	KARVY Computershare
Kotak Mahindra Capital Company Limited 1st Floor, Bakhtawar 229 Nariman Point Mumbai 400 021 Tel: (91 22) 6634 1100 Fax: (91 22) 2283 7517 Email: gpl.rights@kotak.com Investor Grievance Email: kmccredressal@kotak.com Website: www.investmentbank.kotak.com Contact Person: Ganesh Rane SEBI Registration No.: INM000008704	**Karvy Computershare Private Limited** Plot No. 17-24, Vithalrao Nagar Madhapur, Hyderabad 500 081 Tel: (91 40) 4465 5000 Fax: (91 40) 2343 1551 E-mail: gpl.rights@karvy.com Investor Grievance Email: einward.ris@karvy.com Website: www.karisma.karvy.com Contact Person: M. Muralikrishna SEBI Registration No.: INR000000221

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR REQUEST FOR SPLIT APPLICATION FORMS	ISSUE CLOSES ON
AUGUST 28, 2013	SEPTEMBER 4, 2013	SEPTEMBER 11, 2013

CMYK

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Definitions

This Letter of Offer uses certain definitions and abbreviations, which unless the context indicates or implies otherwise, have the meanings as provided below. Reference to any legislation, act or regulation shall be to such legislation, act or regulation, as amended from time to time.

Company Related Terms

Term	Description
the Company	Godrej Properties Limited, a public limited company incorporated under the Companies Act and having its registered office at Godrej Bhavan, 4th Floor, 4A, Home Street, Fort, Mumbai 400 001
Acre	43,560 sq. ft.
Articles of Association or Articles	The Articles of Association of our Company, as amended from time to time
Board or Board of Directors	The board of directors of our Company
Developable Area	Total area which we develop in each project, and includes carpet area, common area, service and storage area, as well as other open areas, including car parking
Directors	Directors on the Board, as may be appointed from time to time
Equity Shares	Equity shares of face value of ₹ 10 each of our Company
GPL ESGS	Godrej Properties Limited Employees Stock Grant Scheme 2011
GPL ESOP	Godrej Properties Limited Employee Stock Option Plan
Godrej Industries	Godrej Industries Limited
Godrej & Boyce	Godrej & Boyce Manufacturing Company Limited
Forthcoming Projects	Projects for which land or development rights have been acquired or a memorandum of understanding or an agreement to acquire or a joint development or a development management agreement has been executed, in each case, by our Company, its Subsidiaries and LLPs, either directly or indirectly, and preliminary management development plans are complete
FSI	Floor space index, which means the quotient of the ratio of the combined gross floor area of all floors, excepting areas specifically exempted, to the total area of the plot
Land Reserves	Lands to which we have title, or land from which we can derive the economic benefit, through a joint development agreement, agreement to sell or other agreements that transfer development rights to us and which form a part of our Ongoing Projects and Forthcoming Projects
LLPs	Godrej Vikhroli Properties LLP, Godrej Property Developers LLP, Dream World Landmarks LLP, Godrej Buildcorp LLP and Mosiac Landmarks LLP
Memorandum of Association or Memorandum	The Memorandum of Association of our Company, as amended from time to time
Ongoing Projects	Projects in respect of which (i) all title or development rights, or other interest in the land is held either directly by our Company, its Subsidiaries, its LLPs and/or other entities in which these entities are shareholders or have a stake; and (ii) wherever required, all land for the project has been converted for the intended use; and (iii) the requisite approvals for commencement of construction have been obtained or applied

Term	Description
	for, as the case may be. This includes partial or all phases of the projects
Promoters	Godrej & Boyce and Godrej Industries
Promoter Group	The promoter group of our Company as determined in terms of Regulation 2(1)(zb) of the SEBI Regulations
Registered Office	Godrej Bhavan, 4th Floor, 4A, Home Street, Fort, Mumbai 400 001
Saleable Area	Part of the Developable Area for which the prospective buyer or tenant or lessee or licensee, as the case may be, is obligated to pay the developer(s) or for which the developer(s) expect that the prospective buyer or tenant or lessee or licensee, as the case may be, will pay
Statutory Auditor	The statutory auditor of our Company, M/s. Kalyaniwalla & Mistry, Chartered Accountants
sq. ft.	square feet
Subsidiary(ies)	Godrej Realty 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, Godrej Redevelopers (Mumbai) Private Limited, and Godrej Estate Developers Private Limited
TDR	Transferable development rights, which means when in certain circumstances, the development potential of land may be separated from the land itself and may be made available to the owner of the land in the form of transferable development rights
“we” or “us” or “our” or “our Company”	Godrej Properties Limited, the Subsidiaries and the LLPs

Issue Related Terms

Term	Description
Abridged Letter of Offer	The abridged letter of offer to be sent to the Equity Shareholders of our Company with respect to the Issue in accordance with the SEBI Regulations
Allotment	The allotment of Equity Shares pursuant to the Issue
Allottees	Persons to whom Equity Shares of our Company will be issued pursuant to the Issue
Application Supported by Blocked Amount/ ASBA	The application (whether physical or electronic) used by an ASBA Investor to make an application authorizing the SCSB to block the application amount in his/her specified bank account maintained with the SCSB
ASBA Account	An account maintained with an SCSB and specified in the CAF for blocking the amount mentioned in the CAF
ASBA Investor	Equity Shareholders proposing to subscribe to the Issue through ASBA process and who: 1. are holding the Equity Shares of our Company in dematerialized form as on the Record Date and have applied for their Rights Entitlements and/or additional Equity Shares in dematerialized form; 2. have not renounced their Rights Entitlements in full or in part; 3. are not Renouncees; and 4. are applying through blocking of funds in a bank account maintained with the

Term	Description
	SCSBs. QIB applicants, Non-Institutional Investors and other applicants whose application amount exceeds ₹ 200,000 can participate in the Issue only through the ASBA process.
Bankers to the Issue	State Bank of India and Kotak Mahindra Bank Limited
Composite Application Form/CAF	The form used by an Investor to make an application for the Allotment of Equity Shares in the Issue
Consolidated Certificate	In case of holding of Equity Shares in physical form, the certificate that our Company would issue for the Equity Shares Allotted to one folio
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated Branches	Such branches of the SCSBs which shall collect application forms used by ASBA Investors and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated Stock Exchange	BSE
Draft Letter of Offer	The draft letter of offer dated June 5, 2013 filed with SEBI for its observations
Equity Listing Agreements	The listing agreements entered into between our Company and the Stock Exchanges
Equity Shareholder(s)	Holder(s) of Equity Shares of our Company as on the Record Date
Investor(s)	The Equity Shareholders of our Company on the Record Date, i.e. August 20, 2013 and the Renouncees
Issue	This Issue of 21,538,388 Equity Shares for cash at a price of ₹ 325 per Equity Share (including premium of ₹ 315 per Equity Share) for an amount aggregating to ₹ 6,999.98 million on a rights basis to the existing Equity Shareholders of our Company in the ratio of eight Equity Shares for every 29 fully paid-up Equity Shares held by the Equity Shareholders on the Record Date, i.e. August 20, 2013.
Issue Closing Date	September 11, 2013
Issue Opening Date	August 28, 2013
Issue Price	₹ 325 at a premium of ₹ 315 per Equity Share
Issue Proceeds	The gross proceeds of the Issue
Issue Size	This issue of 21,538,388 Equity Shares for an amount aggregating to ₹ 6,999.98 million
Lead Manager	Kotak Mahindra Capital Company Limited
Letter of Offer	This letter of offer dated August 13, 2013 filed with the Stock Exchanges
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, see the section "*Objects of the Issue*" on page 57
Qualified Institutional Buyers or QIBs	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI Regulations
Record Date	August 20, 2013
Registrar to the Issue	Karvy Computershare Private Limited
Renouncee(s)	Any person(s) who has/have acquired Rights Entitlements from Equity Shareholders
Rights Entitlement	The number of Equity Shares that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date

Term	Description
SAF(s)	Split Application Form(s)
SCSB(s)	A Self Certified Syndicate Bank, registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries

Conventional and General Terms or Abbreviations

Term/Abbreviation	Description/ Full Form
₹ or Rs. or Rupees or INR	Indian Rupee
AGM	Annual General Meeting
AS	Accounting Standards issued by the ICAI
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
Central Government	The Central Government of India
CIN	Corporate Identification Number
Companies Act	Companies Act, 1956
Depositories Act	Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DP ID	Depository Participant Identity
DP/Depository Participant	Depository Participant as defined under the Depositories Act
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999
FII	Foreign Institutional Investor (as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995), registered with the SEBI under applicable laws in India
Financial Year/fiscal year/ FY	Period of 12 months ended March 31 of that particular year.
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
Government	The Central Government and/ or the State Government of India, as applicable
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
India	Republic of India
Indian GAAP	Generally accepted accounting principles followed in India
IPO	Initial Public Offer
IT Act	Income Tax Act, 1961
Mutual Fund	Mutual fund registered with the SEBI under the SEBI (Mutual Funds) Regulations, 1996

Term/Abbreviation	Description/ Full Form
NECS	National Electronic Clearing Service
NR	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLR	Prime Lending Rate
Portfolio Investment Scheme	The portfolio investment scheme of RBI specified in Regulation 5(2) read with Schedule 2 and Regulation 5(3) read with Schedule 3 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
RBI	Reserve Bank of India
RoC	Registrar of Companies, Maharashtra, situated at Everest, 5th Floor, 100, Marine Drive, Mumbai 400 002
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI ESOP Guidelines	Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
State Government	Government of a state of India
Stock Exchanges	The BSE and the NSE
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended

NOTICE TO OVERSEAS INVESTORS

The distribution of this Letter of Offer and the issue of the Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Equity Shareholders of our Company as on the Record Date and will dispatch the Letter of Offer/Abridged Letter of Offer and Composite Application Form ("CAF") to Equity Shareholders who have an Indian address.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that the Draft Letter of Offer has been filed with the SEBI for its observations. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Letter of Offer must be treated as sent for information only and should not be copied or redistributed. Accordingly, persons receiving a copy of this Letter of Offer should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If this Letter of Offer is received by any person in any such territory, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlements referred to in this Letter of Offer.

Neither the delivery of this Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer.

Notice to U.S. Investors: This rights offering is made for the securities of an Indian company. The offer is subject to Indian disclosure requirements that are different from those of the United States. Financial statements included in the document, if any, have been prepared in accordance with Indian accounting standards that may not be comparable to the financial statements of United States companies. It may be difficult for you to enforce your rights and any claim you may have arising under the federal securities laws, since the issuer is located in India, and some or all of its officers and directors may be Indian residents. You may not be able to sue our Company or its officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel our Company and its affiliates to subject themselves to a U.S. court's judgment.

PRESENTATION OF FINANCIAL INFORMATION

Certain Conventions

References in this Letter of Offer to "India" are to the Republic of India and the "Central Government" is to the Government of India. All references to the "US", or the "U.S.A." or the "United States" are to the United States of America.

Financial Data

Unless stated otherwise, the financial data in this Letter of Offer is derived from our Company's audited consolidated financial statements and audited unconsolidated financial statements for the financial years ended on March 31, 2013 and March 31, 2012. Our Company's fiscal year commences on April 1 and ends on March 31 of the following calendar year.

The Company prepares its financial statements in accordance with the generally accepted accounting principles in India, which differ in certain respects from generally accepted accounting principles in other countries. Indian GAAP differs in certain significant respects from IFRS. The Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Letter of Offer that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'would', or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of the Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding the Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to the Company's business strategy, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Letter of Offer that are not historical facts. These forward-looking statements contained in this Letter of Offer (whether made by the Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about the Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from the Company's expectations include, among others:

- We enter into arrangements with various third parties to acquire land or development rights, which entail certain risks.
- We are dependent upon third party entities for the construction and development of our projects, which entails certain risks.
- Increase in prices of, shortages of, or delays or disruptions in the supply of building materials or labour could adversely affect our financial condition and results of operations.
- A significant portion of our Land Reserves are located in Ahmedabad and as a result our business, financial condition and results of operations are significantly dependent on the performance of, and the conditions affecting the real estate market in Ahmedabad.
- We face uncertainty of title to our lands, which entails certain risks.
- Our indebtedness and the restrictive covenants imposed upon us in certain debt facilities could restrict our ability to conduct our business and grow our operations, which would adversely affect our financial condition and results of operations.
- If we fail to anticipate and respond to customer requirements, our business and prospects could be adversely affected.
- The real estate industry in India is intensely competitive and our inability to compete effectively may adversely affect our business, financial condition and results of operations.
- We depend on our senior management and key personnel and our ability to retain them and attract new key personnel when necessary is an important component of our success.
- We have not obtained certain approvals or permits for some of our projects and may be unable to obtain or renew required approvals and permits in a timely manner or at all and existing approvals or permits may be suspended or revoked which could have an adverse effect on our business, prospects, financial condition and results of operations.
- Our business is heavily dependent on the availability of real estate financing in India.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the sections "***Risk Factors***" and "***Our Business***" on page 10 and page 67 respectively. The forward-looking statements contained in this Letter of Offer are based on the beliefs of management, as well as the assumptions made by, and information currently available to, management of the Company. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Letter of Offer or the respective dates indicated in this Letter of Offer, and the Company undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of the Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of the Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to the Company are expressly qualified in their entirety by reference to these cautionary statements.

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Letter of Offer, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a complete understanding, you should read this section in conjunction with the section "Our Business" on page 67 as well as the other financial and statistical information contained in this Letter of Offer. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business, financial condition and results of operations. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment.

Unless otherwise stated, the financial data used in this section has been derived from our Company's audited consolidated financial statements and audited unconsolidated financial statements for the financial years ended on March 31, 2013 and March 31, 2012.

Internal Risks

1. We enter into arrangements with various third parties to acquire land or development rights and we cannot assure you that such parties have acquired ownership rights or clean title in respect of these lands.

We typically enter into joint development agreements (which entails entering into an agreement with the owner(s) of the land parcel(s) sought to be developed, with our Company usually being the sole developer), MoUs, limited liability partnerships, redevelopment agreements and development management agreements, as the case may be, with third parties prior to the development of the particular parcel of land. Some of these third parties acquire land from power of attorney holders, who are authorised to transfer land on behalf of the owners of such land. We cannot assure you that such power of attorney that has been granted is valid or entitles such power of attorney holder to exercise the right to transfer or grant development rights over such land.

Certain parties granting us development rights may not have acquired ownership rights or clear title in respect of land that we have categorised as part of our Land Reserves. Parties granting us development rights may also have litigation, bankruptcy or such other proceedings pending with respect to such land. For example, the agreement we have entered into with respect to our Forthcoming Project, Godrej Kochi, provides that such agreement is subject to the Board for Industrial and Financial Reconstruction ("**BIFR**") granting our joint development partner permission for entering into the development agreement with us, and the satisfaction of all claims of our joint development partner's secured creditors over such land. The BIFR granted our joint development partner permission to enter into the agreement to develop the land, however this order was challenged by shareholders of the joint development partner before the Appellate Authority for Industrial and Financial Reconstruction ("**AAIFR**") and these matters are currently pending before the AAIFR, the High Court of Kerala and the High Court of Delhi. For further details, see section "*Outstanding Litigation and Default – Litigation against our Company – Civil Proceedings*" on page 209. We cannot assure you that matters similar to these will be decided in our favour. Until ownership rights or clear title has been obtained, litigation is settled, conditions as imposed have been complied with or a judgment has been obtained by a court of competent jurisdiction, we may be unable to utilise such land according to the terms of such agreements, which could adversely affect our business, financial condition and results of operations. Additionally, under certain of our agreements, our development partners are required to aggregate large parcels of land for us to commence developing the project. If these development partners face any difficulties in obtaining or fail to obtain the requisite amount of land, the schedule of development of that project could be substantially disrupted which could have an adverse effect on our business, financial condition and results of operations.

2. Our development agreements do not convey any interest in the immovable property to us and only the development right is transferred to us. Further, investments through development agreements involve risks, including the possibility that our development partners may fail to meet their obligations under the

development agreement, causing the whole project to suffer.

Most of our development agreements confer rights on us to construct, develop, market and eventually sell the Saleable Area to third party buyers. Such agreements do not convey any interest in the immovable property to us and only the development right is transferred to us. Under these agreements, we are typically entitled to a share in the developed property or a share of the revenues or profits generated from the sale of the developed property, or a combination of the above entitlements after adjusting the advance amount paid earlier, if any. Investments through development agreements involve risks, including the possibility that our development partners may fail to meet their obligations under the development agreement, causing the whole project to suffer. We cannot assure you that projects that involve collaboration with third parties will be completed as scheduled, or at all, or that our ventures with these parties will be successful. Our development agreements may permit us only partial control over the operations of the development under certain circumstances. Where we do not hold the entire interest in a development, it may be necessary for us to obtain consent from a development partner before we can cause the development partner to make or implement a particular business development decision or to distribute profits to us. These and other factors may cause our development partners to act in a way that is contrary to our interests, or otherwise be unwilling to fulfill their obligations under our development arrangements. Disputes that may arise between us and our development partners may cause delay in completion, suspension or complete abandonment of a project, which may adversely affect our business, financial condition and results of operations.

3. Our Promoters and members of the Promoter Group collectively hold 74.96% of our Equity Share capital may not be able to subscribe to the full extent of their Rights Entitlement in the event of an under subscription in the Issue.

Our Promoters and Promoter Group collectively holds 74.96% of our Equity Share capital as of July 26, 2013. The Promoters and members of the Promoter Group intend to subscribe to the full extent of their own Rights Entitlement, and further intend to subscribe to additional Equity Shares for any unsubscribed shares in relation to the Rights Entitlement of the Promoter and Promoter Group. Allotment consequent to subscription to Rights Entitlement as well as acquisition of additional Equity Shares by the Company shall be subject to aggregate shareholding of the Promoters and Promoter Group not exceeding 75% of the post-Issue equity share capital of the Company as on the date of Allotment, in accordance with clause 40A of the Equity Listing Agreements and in compliance with the provisions of the Takeover Regulations. For details, see "*Capital Structure - Notes to the Capital Structure – Intention and extent of participation in the Issue by the Promoters and members of the Promoter Group*" on page 51. In the event of an under-subscription in the Issue, specifically in relation to the Rights Entitlement of the public shareholders of the Company, Allotment against the applications made by the Promoter and members of the Promoter Group, for their Rights Entitlement and additional Equity Shares, will be proportionally reduced such that aggregate shareholding of the Promoters and Promoter Group does not exceed 75% of the post-Issue equity share capital of the Company, as on the date of Allotment, in accordance with clause 40A of the Equity Listing Agreements. As a result, the overall subscription in the Issue will be further reduced in the event of an under-subscription in relation to the Rights Entitlement of the public shareholders of the Company in the Issue.

4. Our Company proposes to utilize the Net Proceeds to repay/prepay certain loans availed by our Company and certain of its Subsidiaries. The actual mode of deployment of funds into the Subsidiaries, for the repayment/prepayment of loans availed by such Subsidiaries, has not be finalized as on the date of this Letter of Offer.

Our Company intends to use 75.98% of the Net Proceeds for the purposes of repayment/ pre-payment, in full or part, of certain loans availed by our Company and certain Subsidiaries. The details of the loans identified to be repaid/prepaid using the Net Proceeds have been disclosed in the section "*Objects of the Issue - Details of the Objects of the Issue - Repayment/ pre-payment, in full or part, of certain loans availed by our Company and certain Subsidiaries*" on page 58 ("**Identified Loans**"). However, the actual loans of the Company and/or its Subsidiaries that will be repaid/prepaid out of the Identified Loans have not been decided as on the date of this Letter of Offer. The selection of loans proposed to be repaid and/ or pre-paid from the Identified Loans above shall be based on various factors including, (i) any conditions attached to the loans restricting our ability to prepay the loans and time taken to fulfill such requirements, (ii) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our respective lenders, (iii) terms and conditions of such consents and waivers, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any law, rules, regulations governing such borrowings, and (vi) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan. For further details, please refer to page 64 of this Letter of Offer.

Further, in the event the Net Proceeds are to be utilized for the repayment/prepayment of loans availed by the Subsidiaries, we shall be deploying the Net Proceeds in such Subsidiaries in the form of debt or equity. However, the actual mode of such deployment, whether equity or debt, has not been finalized as on the date of this Letter of Offer.

5. In relation to projects where we are appointed as development manager, we are dependent upon the land owners for the construction and development of such projects, which may restrict our ability to effectively perform our services and recognize revenue.

For some of our projects we have been appointed as development manager. We do not typically own the land, obtain approvals or undertake any construction related activities in these projects. We are dependant on the land owner(s) for obtaining certain regulatory approvals. Any failure by the land owner(s) to obtain certain regulatory approvals may delay the launch of our projects and our results of operations could be adversely affected. Further, our scope of work for such projects is limited and typically involves providing technical advice on planning, design and architecture, managing, facilitating, assisting and supervising the construction and development, providing marketing and other sales related services, in addition to associating our brand name to such projects. Accordingly, we are substantially dependent on the land owner(s) and developer of such project for the timely completion of such projects and may not be able to effectively perform our services and recognize revenue from such projects. Further such delays may also adversely affect our reputation.

6. There are outstanding litigation proceedings against our Company and our Subsidiaries, an adverse outcome in which may affect our business prospects.

Our Company and our Subsidiaries are involved in certain legal proceedings. A summary of all material litigation and disputes involving potential financial implication of ₹ 40 million and certain other litigation which we consider material is in the following tables:

Litigation against our Company:

(in ₹ million)

Nature of Litigation	Number of Outstanding Litigation	Amount Involved
Criminal Proceedings	2	-
Civil Proceedings	5	44.50
Service Tax Proceedings	2	113.62 (plus applicable interest and penalty)
Sales Tax Proceedings	1	6.23
Income Tax Proceedings	2	2.23
Notices	1	171.57
Total	**13**	**338.15**

Litigation by our Company:

(in ₹ million)

Nature of Litigation	Number of Outstanding Litigation	Amount Involved
Criminal Proceedings	1	-
Civil Proceedings	2	42.97
Total	**3**	**42.97**

Litigation against our Subsidiaries:

(in ₹ million)

Nature of Litigation	Number of Outstanding Litigation	Amount Involved
Civil Proceedings	3	-
Income Tax Proceedings	2	13.23
Notices	1	-
Total	**6**	**13.23**

Litigation by our Subsidiaries:

(in ₹ million)

Nature of Litigation	Number of Outstanding Litigation	Amount Involved
Civil Proceedings	1	34.07
Total	**1**	**34.07**

Other Litigations:

(in ₹ million)

Nature of Litigation	Number of Outstanding Litigation	Amount Involved
Other Litigations	1	-
Total	**1**	-

Please see the section "*Outstanding Litigation and Material Developments*" on page 207 for further details of the aforementioned legal proceedings.

These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally from us and other parties. Such proceedings could divert management time and attention, and consume financial resources in their defense or prosecution. Should any new developments arise, such as any change in applicable Indian law or any rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase expenses and current liabilities. An adverse outcome in any such proceedings may affect our business, results of operations and financial condition. Further, some of the properties on which we are developing projects are subject to litigation to which neither our Company nor its subsidiaries are a party. For details, see "*Outstanding Litigation and Defaults – Litigation involving lands forming part of Completed, Ongoing and Forthcoming projects in which neither the Company nor the Directors are parties*" on page 211.

7. We are dependent upon third party entities for the construction and development of our projects, which entails certain risks including limited control over the timing or quality of services and sophisticated machinery or supplies provided by such third parties.

We enter into agreements with third party entities to design and construct our projects in accordance with our specifications and quality standards and under the time frames provided by us. We require the services of other third parties, including architects, engineers, contractors and other suppliers of labour and materials. The timing and quality of construction of the projects we develop depends on the availability and skill of these third parties, as well as contingencies affecting them, including equipment, labour and raw material shortages and industrial actions such as strikes and lockouts. We may only have limited control over the timing or quality of services and sophisticated machinery or supplies provided by such third parties. If such contractors are unable to perform their contracts, including completing our developments within the specifications, quality standards and time frames specified by us, at the estimated cost, or at all, our business, reputation and results of operations could be adversely affected.

For example, in certain of our developments, we commit to complete the developments within specified time frames, failing which, we are required to pay liquidated damages to our customers at specified rates for the delay. In addition, we generally provide warranties for a period of up to three years from the completion of construction for construction defects and may be held liable for such defects that occur, if any. Even though our contractors provide us with back-to-back warranties, such warranties may not be sufficient to cover our losses, or our contractors could claim defences not available to us against our customers, which could adversely affect our financial condition and results of operations. Further, we cannot assure you that the services rendered by any of our independent construction contractors will always be satisfactory or match our requirements for quality. While we provide for penalties against our third party contractors for delays in handing over the project, we cannot assure you that these contractors will pay us those penalties in time, or at all, and we may be obligated to incur the cost of delays of the project, which could adversely affect our business, reputation, financial condition and results of operations. Further, delays and cost overruns may occur for reasons not involving the fault of our contractors and for which they therefore do not bear any responsibility to us.

We may not be able to identify appropriately experienced third parties and cannot assure you that skilled third parties will continue to be available at reasonable rates and in the areas in which we undertake our projects, or at all. We will require a greater supply of such services as we grow our business and expand into new cities. As a result, we may be required to make additional investments or provide additional services to ensure the adequate performance and delivery of contracted services. Any consequent delay in project execution could adversely affect our business, reputation, financial condition and results of operations. If the services of these or other contractors do not continue to be available on terms acceptable to us or at all, our business and results of operations could be adversely affected.

8. Increase in prices of, shortages of, or delays or disruptions in the supply of building materials or labour could adversely affect our business, financial condition and results of operations.

We generally incur all of the construction costs with respect to our projects. We procure building materials for our projects, such as steel, cement, flooring products, hardware, bitumen, sand and aggregates, doors and windows, bathroom fixtures and other interior fittings from third party suppliers. The prices and supply of such building materials depend on factors not under our control, including general economic conditions, competition, production levels, transportation costs and import duties. Our ability to develop and construct projects profitably is dependent upon our ability to source adequate building supplies for use by our construction contractors. During periods of shortages in building materials, especially cement and steel, we may not be able to complete projects according to our construction schedules, at our estimated cost, or at all, which could adversely affect our results of operations and financial condition. In addition, during periods where the prices of building materials significantly increase, we may not be able to pass these price increases on to our customers, which could reduce or eliminate the profits we intend to attain with regard to our projects. For example, we believe our Godrej One project at The Trees, Mumbai may be impacted by such cost escalation that could affect our profitability. Prices of certain building materials, such as cement and steel, in particular, are susceptible to rapid increases.

Additionally, our supply chain for these building supplies may be periodically interrupted by circumstances beyond our control, including shortages of skilled labour, work stoppages, transport strikes and labour disputes affecting our suppliers, their distributors, or the transporters of our supplies, including poor quality roads and other transportation related infrastructure problems, inclement weather, and road accidents. If any of these risks occur, our financial condition and results of operations could be adversely affected.

We also require adequate supply of labour for the timely execution of our projects. Our supply of labour may be adversely affected by, among other things, work stoppages and labour disputes. Such events may also increase the cost of labour that we can source for our projects. The occurrence of any of these events could adversely affect our business, financial condition and results of operations.

9. We may not be able to add to or replenish our Land Reserves by acquiring suitable sites or entering into development agreements for suitable sites in locations with growth potential and at reasonable cost, which may adversely affect our business and prospects.

In order to maintain and grow our business, we are required to continuously increase our Land Reserves with new sites for development. Our ability to identify and acquire or enter into definitive agreements for suitable sites is dependent on a number of factors that are beyond our control. These factors include the availability of suitable land, competition from other parties for the acquisition of suitable land, the willingness of landowners to sell land and/or assign development rights on terms attractive to us, the ability to obtain an agreement to sell from all the owners where land has multiple owners, the availability and cost of financing, encumbrances on targeted land, government directives on land use and the obtaining of permits and approvals for land acquisition and development. The failure to acquire land or obtain development rights over targeted land may cause us to modify, delay or abandon entire projects, which could adversely affect our business and prospects.

Certain of our projects are being built on large contiguous parcels of land. For example, our Bhugaon Township project in Pune has an estimated Developable Area of approximately 11.64 million sq. ft. and the counterparty to the MoU we entered into in order to develop the project, along with certain other individuals, are in the process of aggregating certain land parcels. We cannot assure you that we or our development partners will be able to continue to acquire ownership of or development rights over large contiguous parcels of land on terms that are acceptable to us, or at all. This may prohibit us from developing additional large projects or may cause delays or force us to modify the development of the land at a particular location, which in turn may result in failure to maximise our return or even realise our investments from such parcels of land. Accordingly, our inability to acquire ownership of or development rights over contiguous parcels of land may adversely affect our business and prospects.

10. The financial statements of our Company on an unconsolidated basis for the financial year 2013 are not strictly comparable to financial statements for the previous financial years due to the amalgamation of Godrej Waterside Properties Private Limited with the Company with effect from April 1, 2012.

Godrej Waterside Properties Private Limited has been amalgamated with our Company with effect from April 1, 2012 pursuant to a scheme of amalgamation approved by the High Court of Judicature at Bombay by an order dated April 12, 2013 (the "**Scheme**"). As the Scheme became effective with effect from April 1, 2012, the amalgamation has been given effect to in the financial statements of our Company for the financial year 2013. For details, see "*Financial Statements – Unconsolidated Financial Statements – Note 27 and Financial Statements – Consolidated Financial Statements – Note 27*" on pages 121 and 167 respectively.

As a result, our financial statements for the financial year 2013 may not be strictly comparable to our financial statements for the previous financial years on an unconsolidated basis.

11. We are required to make certain advance payments to the owners of the land when we enter into joint development agreements, which may not be recoverable. Further, we may be required to pay certain penalties or liquidated damages in the event of any delay in the completion of the development within the time frame specified in the joint development agreements.

Under certain of our joint development agreements, we are required to provide the owners of the land with an advance, which is typically non-interest bearing and is expected to be refunded upon the completion of the project or adjusted against payments to be made to the owners of land and may also be required to provide an additional lump sum consideration and/or minimum guarantee. Sometimes, these advances are made even before any requisite approvals are obtained and/or may be made interest free. In such instances, the joint development partner undertakes to obtain such approvals and we may not be able to commence the development of the project until such approval or permission is obtained by the joint development partner. In the event of any delay in the completion of the development within the time frame specified, we are required to indemnify the other parties to the development agreements and pay certain penalties or liquidated damages that are capped as specified in these agreements, which may adversely affect our business, financial condition and results of operations. In certain of our projects, in the event that we fail to pay such liquidated damages within the specified period of such claim to pay these liquidated damages, our joint development partner is entitled to take over our obligations under the joint development agreement and we would be required to vacate the property and forgo such revenue or profit or area sharing arrangement with respect to that project as may have been agreed to. If we are required to pay penalties or liquidated damages pursuant to such agreements, and we decline to do so, we may not be able to recover the deposits made by us to the owners of the land. In addition, if for any reason, the development agreement is terminated or the development is delayed or cancelled, we may not be able to recover such deposits, which could have an adverse effect on our business, financial condition and results of operations.

Further, under the joint development agreements, if we are unable to acquire certain land or land development rights in accordance with our preferences, we may not be able to recover all or part of the advance monies paid by us to these third parties. Further, in the event that these agreements are either invalid or have expired, we may lose the right to acquire such land and may also be unable to recover the advance payments made in relation to the land. In addition, any indecisiveness or delay on our part to perform our obligations under these agreements, may lead to our inability to acquire such land, as the agreements may also expire. Any failure to complete the purchase of land, renew these agreements on terms acceptable to us or recover the advance monies from the relevant counterparties could adversely affect our business, financial condition and results of operations.

12. Our inability to acquire ownership of or development rights over parcels of land may affect our future development activities and our business prospects, financial condition and result of operations.

Land acquisition in India has historically been subject to regulatory restrictions on foreign investment. These restrictions are gradually being relaxed and, combined with the growth strategies and financing plans of real estate development companies as well as real estate investment funds in India, this is in some cases making suitable land increasingly expensive. If we are unable to compete effectively for the acquisition of suitable land or development rights, our business and prospects will be adversely affected.

Our ability to identify suitable parcels of land for development/redevelopment and subsequent sale of the constructed area forms an integral part of our business. Our ability to identify land in the right location is critical for a project. Our decision to acquire land or development rights over appropriate land involves taking into account the size and location of the land, tastes of potential residential customers, requirements of potential commercial clients, economic potential of the region, the proximity of the land to civic amenities and urban infrastructure and the availability and competence of third parties such as architects, surveyors, engineers and contractors. Any failure to identify and acquire suitable parcels of land for development/redevelopment in a timely manner may reduce the number of projects that can be undertaken by us and thereby adversely affect our business, prospects, financial condition and results of operations. In addition, if demand for a project does not meet our expectations, we may alter certain aspects of the project, provided we receive the requisite approvals, or abandon development of the project, which would adversely affect our business and prospects.

13. We do not have any prior experience in redevelopment projects and may experience challenges in the execution of such projects, which may adversely affect our business, financial condition and results of operations.

As part of our redevelopment efforts, we have entered into agreements for six projects in and around Mumbai with Saleable Area aggregating 2.13 million sq. ft. Our ability to pursue such redevelopment projects is contingent on the occupants providing us with peaceful vacant possession of the property. Further, these projects require, among other things, obtaining consent from a majority of the occupants and consensus between various groups of occupants as well as their approval for project plans. While we have obtained consent from at least 70% of the occupants for our existing redevelopment projects, as required under the Development Control Rules, 1991, there can be no assurance that we may face delays or be able to obtain the requisite consents from the occupants in our future projects. We are also subject to the risk of litigation in such projects, primarily from one or more disgruntled occupants. As on the date of this Letter of Offer, there are five civil proceedings in relation to the redevelopment projects wherein certain Subsidiaries are involved in three of the five proceedings. For details of the material civil proceedings in relation to our redevelopment projects, see "*Outstanding Litigation and Defaults – Litigation against our Subsidiaries – Godrej Projects Development Private Limited – Civil Proceeding*" and "*Outstanding Litigation and Defaults – Litigation against our Subsidiaries – Godrej Landmark Redevelopers Private Limited – Civil Proceeding*" on page 211 and page 212 respectively. Any delay in the construction or prolonged construction period or objections from existing occupants may result in delays and may lead to increased costs and adversely affect our profitability. Further, we do not have any prior experience in redevelopment projects and we would therefore require significant management time and resources in managing challenges and complications that are encountered in commissioning such projects.

Our ability to obtain suitable sites for our redevelopment projects in cities other than Mumbai and our cost to acquire land development rights over such sites, may be adversely affected by the applicable regulations in such regions. Further, if the current regulations governing redevelopment projects or regulations governing planning and land use in and around Mumbai were to significantly change or be terminated, it may delay the completion of the project and adversely affect our business and operations.

Further, in relation to some of our redevelopment projects, we are yet to obtain a title report as the due diligence and assessment exercise is still in process. We may not be aware of all the risks associated with these properties and there may be deficiencies in our title to this land. In the event that any of these risks materialise, we may not be able to develop our project as currently planned, which would have an adverse effect on our business, financial condition and results of operations.

14. As of June 30, 2013, approximately 26.79% and 29.18% of our estimated Developable Area and Saleable Area, respectively are located in Ahmedabad and we have derived 15.65% of our total income on a consolidated basis for the financial year ended March 31, 2013 from such project. As a result our business, financial condition and results of operations are significantly dependent on the performance of, and the conditions affecting the real estate market in Ahmedabad.

As of June 30, 2013, approximately 26.79% and 29.18% of our estimated Developable Area and Saleable Area, respectively, were located in Ahmedabad. Additionally, for the financial year ended March 31, 2013 approximately ₹ 1,639.96 million, consisting 15.65% of our total income, on a consolidated basis was generated from our project located in Ahmedabad. In the event of a slowdown in construction activity in Ahmedabad, or any circumstances that make projects in Ahmedabad less economically beneficial, our financial condition and results of operations may be adversely affected. We cannot assure you that the demand for our projects in Ahmedabad will grow, or will not decrease, in the future. Consequently, our business, financial condition and results of operations are in significant part dependent on the performance of, and the prevailing conditions affecting, the real estate market in Ahmedabad. The real estate market in Ahmedabad may be affected by various factors outside our control, including local economic and demographic conditions, availability of financing to potential customers, changes in governmental policies relating to zoning and land use and the availability of comparable real estate in competing markets.

15. If we are unable to continue to benefit from our relationship with our Promoters and the Godrej group and the "Godrej" brand, our business, financial condition and results of operations may be adversely affected.

We benefit from our relationship with our Promoters and the Godrej group in many ways, such as their reputation, experience and knowledge of the real estate and property development industry. We believe that our customers, vendors and members of the financial community perceive the "Godrej" brand to be that of a trusted provider of quality products and services. Our growth and future success is influenced, in part, by our continued relationship with our Promoters and the Godrej group. We cannot assure you that we will be able to continue to take advantage of the benefits from these relationships in the future. If we cease to benefit from these relationships for any reason, our business and growth prospects may decline and our business, financial condition and results of operations may be adversely affected.

The brand and trademark "Godrej" and the associated logo was licensed to our Company by Godrej Industries pursuant to a license agreement dated May 27, 2008 (the "**Trademark License Agreement**"). The Trademark License Agreement provided our Company with a non-exclusive right to use the trademark and logo in our ordinary course of business. The Trademark License Agreement expired on May 26, 2013. Our Company and Godrej Industries have entered into a deed on assignment dated June 28, 2013 (the "**Deed of Assignment**") for an assignment of the trademark and logo "Godrej" from Godrej Industries to our Company, with effect from May 27, 2013. In terms of the Deed of Assignment, we are required to bear all registration fees, stamp duty and other duties and fees arising out of the assignment and execution of the Deed of Assignment. In terms of the Trade Marks Act, 1999, as amended, we are required to complete registration of the Deed of Assignment within a period of six months from the date of execution of the Deed of Assignment, or within such extended period, if any.

Further, we have also entered into an agreement with one of our Promoters, Godrej & Boyce, to act as the development manager for some of its lands and have entered into limited liability partnership agreements with Godrej & Boyce and Godrej Industries for the development of certain real estate projects. In addition, we also exploit group company synergies by cross-selling with companies such as Godrej Appliances Limited.

While we believe that all of the above transactions and other transactions with related parties are made on an arm's length basis on no less favourable terms than if such transactions were carried out with unaffiliated third parties. These transactions in the present and future may potentially involve a conflict of interest which may adversely affect our business or harm our reputation. For further details on related party transactions, see "*Financial Statements – Unconsolidated Financial Statements – Note 38*" "*Financial Statements – Unconsolidated Financial Statements – Note 37*" on page 128 and page 175 respectively.

16. We have entered into certain arrangements with our Promoter for acquiring development rights over land and we cannot assure you that we will enter into definitive agreements for the same.

We have entered into memoranda of understanding with Godrej & Boyce and Godrej Agrovet Limited, including for developing land owned by them in various regions across India. This land does not form part of our Land Reserves and the memoranda of understanding do not constitute definitive agreements for the development of this land. We cannot assure you that we will be able to enter into definitive agreements with these companies we have entered into memoranda of understanding with on terms acceptable to us, or at all. Arrangements made under such memoranda of understanding may be adversely affected in the event that any of these entities cease to be a part of the Godrej group.

17. We will continue to be controlled by our Promoters and certain Promoter Group entities after the completion of the Issue.

The pre-Issue shareholding of our Promoters and Promoter Group, as on July 26, 2013 was 74.96%. After the completion of the Issue, our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board and determine matters requiring shareholder approval or approval of our Board. Our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders. By exercising their control, our Promoters could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us.

18. Our revenue from operations for the financial year 2013 has increased while the cost of sales for the same period has decreased.

Revenue from operations of our Company comprises of revenues from sale of products and other operating revenues. The revenue from operations of our Company, on an unconsolidated basis, increased to ₹ 4,267.10 million for financial year 2013 from ₹ 3,689.41 million for the financial year 2012. This increase was primarily on account of increase in share of profit in limited liability partnership and an increase in the sale of services which are accounted as other operating revenues.

However, the revenue from sale of products on an unconsolidated basis decreased to ₹ 2,711.83 million for the financial year 2013 from ₹ 3,135.64 million for the financial year 2012. Consequently, the cost of sales incurred by the Company for sale of products, on an unconsolidated basis, has decreased to ₹ 2,287.49 million for the financial year 2013 from ₹ 2,541.30 million for the financial year 2012.

19. Our shareholders agreements with certain long-term investors with respect to certain project-specific companies contain certain conditions which may adversely affect our business, financial condition and results of operations.

As of July 31, 2013, we had entered into shareholders agreements pursuant to equity contributions by certain long-term investors (the "**Equity Investors**") in eight project-specific companies incorporated for the development of some of our projects. Certain business decisions and some of the operations of the project-specific companies involved with these projects will require the prior consent of the relevant Equity Investor, such as in the case of, among other things, acquiring land, changing certain aspects of the project, commencing new business operations, incurring indebtedness beyond certain levels or restrictions on the amount of interest payable to our Company. We cannot assure you that such Equity Investors or their board nominees in the relevant project-specific companies will vote in favour of our interests and the project-specific companies may be prevented from implementing decisions which could be beneficial to our business, financial condition and results of operations. In addition, there could be delays in making such business decisions which could adversely affect our business, financial condition and results of operations. Some of these agreements also contain certain rights for the Equity Investors where our Company will be required to repay the Equity Investors their funding amounts for a project, such as in the case of a project not being completed within a certain period of time, our failure to construct a project of sufficient saleable area or the occurrence of a work stoppage lasting longer than one year.

Further, under certain agreements, the Equity Investor has the right to sell their shares and on the exercise of such right, we have the obligation to buy all of the Equity Investor's shares, under certain conditions. If we acquire such shares, we will face greater financial risk and capital expenditure with regard to the relevant project(s), which may have an adverse effect on our business, financial condition and results of operations. One of our agreements also requires us, in the event we do not purchase the Equity Investor's shares within the required period of time, to transfer all of the Equity Investor's shares to a third party or to conduct an asset sale of all of the entitlements of the relevant project-specific company apart from 35.0% of the Saleable Area of the relevant project, which is the Equity Investor's entitlement in the project. Certain agreements also provide our Equity Investors with a "drag along" right, where we will be required to sell our entire holding in the project-specific company to a third party that the Equity Investor wishes to sell their holding to. If we are required to transfer the Equity Investor's shares or sell the assets of the project-specific company or transfer our own share in such project-specific companies pursuant to a "drag along", our business, financial condition and results of operations may be adversely affected. Additionally, we may require the approval of our joint development partners for the selling price of the units being sold in a project. For instance, one of our agreements with our joint development partners provides a right of first refusal to our development partner in the event that we offer a block of flats in our area of entitlement for sale. In the event that the development partner does not purchase the apartment, we are restricted from selling such apartment at a price that is less than 5.0% of the price offered by the development partner. Further, under some of these agreements, there are restrictions on payment of dividend by the project-specific companies.

20. We have entered into limited liability partnership arrangements for the development of certain real estate projects which contain certain conditions that may adversely affect our business, financial condition and results of operations.

We have also entered into limited liability partnership agreements with our Promoters and certain other parties for the development of real estate projects in Vikhroli, Thane, Hyderabad and Pune. Under the terms of these agreements, we are required to contribute a certain amount as initial capital contribution to the partnership and we are entitled to a percentage of the profits that is generated by the partnership. Additionally, we are required to assist the limited liability partnership in obtaining financing for the construction and development of the project and may also be responsible for additional capital contributions, as and when the need arises. Further, we are required to obtain the consent of our partners before transferring our ownership interests, transfer or purchase of assets above certain thresholds and making material changes to the businesses. In addition, some of the limited liability partnership agreements stipulate that we will be responsible for bearing all losses sustained by the partnership and in the event we are unable to bear all of such losses, and as a result, our partners are required to bear these losses, we will indemnify and hold harmless such partner from and against all losses that it may be required to bear. We are also required to indemnify our partners for any losses that may arise as a result of our private debts. If we are required to bear losses under these limited liability partnership agreements, our financial condition and results of operations may be adversely affected.

For details on the limited liability partnership agreements with our Promoters, see "*Our Business – Memoranda of Understanding, Limited Liability Partnership Agreements and Development Agreement with*

Godrej group Companies" on page 81.

21. Our co-investment agreements with certain long-term investors with respect to certain project-specific companies contain restrictions on share transfer which may adversely affect our business, financial condition and results of operations.

We have also entered into co-investment agreement with certain investors pursuant to which the investors and us have brought in or are required to bring in equity contribution into project-specific companies incorporated or which will be incorporated for the development of some of our future projects. As per the terms of the agreement, any transfer of securities held by us in the project-specific companies shall be subject to share transfer restrictions contained in the agreement. Further, the agreement also provide our investors with a "drag along" right, where we will be required to sell our entire holding in the project-specific company to a third party that the Investor wishes to sell their holding to. If we are required to transfer the Investor's shares or sell the assets of the project-specific company or transfer our own share in such project-specific companies pursuant to a "drag along", our business, financial condition and results of operations may be adversely affected.

22. We face uncertainty of title to our lands, which entails certain risks.

There is difficulty in obtaining title guarantees in India as title records provide only for presumptive rather than guaranteed title. The original title to lands may often be fragmented, and land may have multiple owners. Certain lands may have irregularities of title, such as non-execution or non-registration of conveyance deeds and inadequate stamping and may be subject to encumbrances and litigation of which we may not be aware. Additionally, some of our projects are executed through development agreements in collaboration with third parties where such third parties own such land. Though we obtain title certificates and title opinions prior to executing a definitive agreement with respect to the project, we cannot assure you that the persons with whom we enter into development agreements have clear title to such lands. Further, the method of documentation of land records in India has not been fully computerised and are updated manually. This could result in investigations of property records being time consuming and possibly inaccurate.

While we conduct due diligence and assessment exercises prior to acquiring land or entering into development agreements with land owners and undertaking a project, we may not be able to assess or identify all risks and liabilities associated with the land, such as non-conversion or improper conversion for the proposed land use faulty or disputed title, unregistered encumbrances or adverse possession rights, improperly executed, unregistered or insufficiently stamped conveyance instruments in the property's chain of title, ownership claims of family members of prior owners, or other defects that we may not be aware of. As a result, some of our Land Reserves and future land may not have marketable title which has been independently verified. As each transfer in a chain of title may be subject to these and other defects, our title and development rights over land may be subject to various defects of which we are not aware.

As a result, any acquisition or development decision made by us in reliance on our assessment of such information, or the assessment of such information by a third party, is subject to risks and potential liabilities arising from the inaccuracy of such information. If such information later proves to be inaccurate, any defects or irregularities of title may result in the loss of title or development rights over land, and the cancellation of our development plans in respect of such land. The uncertainty of title to land makes the acquisition and development process more complicated, may impede the transfer of title, expose us to legal disputes and adversely affect our land valuations.

Additionally, title insurance is not commercially available in India to guarantee title or development rights in respect of land. The absence of title insurance in India means that title records provide only for presumptive rather than guaranteed title, and we face a risk of loss of lands we believe we own or have development rights over, which would have an adverse effect on our business, financial condition and results of operations.

Legal disputes in respect of land title can take several years and considerable expense to resolve if they become the subject of court proceedings and arbitrations and their outcome can be uncertain. Under Indian law, a title document is generally not effective, nor may be admitted as evidence in court, unless it has been registered with the applicable land registry and applicable stamp duty has been paid in respect of such title document. The failure of prior landowners to comply with such requirements may result in our failing to have acquired valid title or development rights with respect to that land. If we or the owners of the land which is the subject of our development agreements are unable to resolve such disputes with these claimants, we may lose our interest in the land, being our right to own or develop the land, and we may have to make payments to these claimants as compensation. Further, such litigation could delay the project and adversely affect our business and financial condition. The failure to obtain clear title to a particular plot of land and the abandoning of the property as a result may adversely affect the success of a development for which that plot is a critical part and may require us to write off expenditures in respect of the development.

23. We are subject to a penalty clause under our sale agreements entered into with our customers for any delay in the completion and hand over of the units that are a part of our projects.

The sale agreements into which we enter with our residential and commercial customers contain penalty clauses wherein we are liable to pay a penalty for any delay in the completion and hand over of the units to the customers. In terms of the residential and commercial agreements, the penalty payable by us varies between 9.0% to 18.0% per annum. Accordingly, in large residential projects, the aggregate of all penalties in the event of delays may adversely affect the overall profitability of the project and therefore adversely affect our results of operations.

24. Our indebtedness and the restrictive covenants imposed upon us in certain debt facilities could, among other things, limit our ability to incur any additional indebtedness or limit our flexibility in utilization of such debt facilities, which would adversely affect our business, growth, financial condition and results of operations.

As of March 31, 2013, the principal amount of our outstanding loans, on a consolidated basis, was ₹ 16,779.84 million. There are certain restrictive covenants in the arrangements we have entered into with the banks. Under the terms of certain of our Company's debt agreements, our Company is required to send an intimation to its lenders for creating, assuming or incurring any additional long-term indebtedness. Further, certain of our project-specific companies are required to obtain prior consent of the lenders for creating or incurring any additional indebtedness or to amend their respective memoranda and / or articles of association or to dilute our Company's shareholding in these project-specific companies below certain levels. Additional restrictive covenants require us, among other things, to ensure that the loan is utilised only for the end-use as specified in the agreement, to maintain in favour of the bank a margin between the value of mortgaged property and the balance due to the bank, as the bank may stipulate from time to time, and to keep the mortgaged properties insured for full market value against certain risks. Furthermore, some of our arrangements with the lending banks permit the bank to withdraw or recall their loans or debit the installments or interest payable from any of our accounts maintained with the bank, at the bank's absolute discretion, without any prior notice to us and the bank may impose overdue interest at the specified rates in the event of any default or may vary the interest rates, without giving prior notice to us. Further, any prepayment of our loans may require us to receive consents from some of our lenders, which may be subject to payment of prepayment or other charges, as applicable. We also require prior consent of certain of our lenders for effecting any change in our ownership, control and management. Further, the loan agreements provide that we cannot create any further charges or encumbrances over mortgaged property and that we may not part with hypothecated property or any part thereof without the prior written consent of the lender. Further, under some of our agreements, our Company and our project-specific companies are restricted from paying dividends or commissions to our Promoters on repayment of their contributions in certain cases, which could adversely affect our financial condition and results of operations. Further, we also intend to utilize a portion of the Net Proceeds for repayment/pre-payment of certain of our outstanding loans. For details, please see "*Object of the Issue – Details of the Objects of the Issue - Repayment/ pre-payment, in full or part, of certain loans availed by our Company and certain Subsidiaries*" on page 58.

We may not be able to obtain additional funding at terms favorable to us, or at all. Further, any additional financing that we require to fund our project expenditures, if met by way of additional debt financing, may place restrictions on us which may, among other things, increase our vulnerability to general adverse economic and industry conditions, limit our ability to pursue our growth plans, require us to dedicate a substantial portion of our cash flow from operations to make payments on our debt, thereby reducing the availability of our cash flow to fund project expenditures, meet working capital requirements and use for other general corporate purposes, and limit our flexibility in planning for, or reacting to changes in our business and our industry, either through the imposition of restrictive financial or operational covenants or otherwise, which would adversely affect our financial condition and results of operations.

25. Our Company had negative cash flow from investing and financing activities during the financial year 2013.

During the financial year 2013, our Company had a negative cash flow from investing activities of ₹ 399.42 million, on an unconsolidated basis. The negative cash flow from investing activities was primarily as a result of an increase in the fixed assets of the Company and an increase in investment in limited liability partnerships. During the same period, our Company also had negative cash flow from financing activity of ₹ 4,906.00 million on an unconsolidated basis, primarily as a result of repayment of certain borrowings during the financial year 2013. We cannot assure you that our Company would not experience negative cash flow from investing and financing activities in the future.

Further, our cash and cash equivalents on an unconsolidated basis decreased to ₹ 447.19 million for the financial year 2013 from ₹ 4,351.15 million for the financial year 2012 while the profit after tax for the financial year 2013 was ₹ 1,226.68 million. The decrease was primarily on account of repayment of borrowings. We cannot assure you that our Company would not experience a decrease in cash and cash equivalents in the future.

26. The deployment of funds for the Objects of the Issue is at the discretion of our Board and the funding plan has not been appraised by and bank or financial institutions.

We intend to use the Net Proceeds of the Issue for the purposes described in the section "*Object of the Issue – Details of the Objects of the Issue*" on page 58. Subject to this section, our management will have broad discretion to use the Net Proceeds. The funding plans are in accordance with our management's own estimates and have not been appraised by any bank/financial institution. Our Company may have to revise its management estimates from time to time and consequently its requirements may change. Although our Company has appointed IDBI Bank Limited as the monitoring agency to monitor the utilisation of Net Proceeds, pending utilisation of the Net Proceeds towards the Objects of the Issue, our Company will have significant flexibility to temporarily invest Net Proceeds in interest/ dividend bearing liquid instruments including investments in mutual funds and other financial products, such as principal protected funds, derivative linked debt instruments, other fixed and variable return instruments, listed debt instruments, rated debentures or deposits with banks/ other entities. Accordingly, we cannot assure you that the use of the Net Proceeds for the purpose identified by our management will result in actual growth of our business, increased profitability, or an increase in the value of your investment.

27. If we fail to anticipate and respond to customer requirements, our business and prospects could be adversely affected.

The growing disposable income of India's middle and upper income classes, together with changes in lifestyles, has resulted in a substantial change in the nature of residential customers' demands. Increasingly, customers are seeking better housing and better amenities in new residential developments. For example, for integrated development projects, residential customers are now seeking schools, hospitals, convenience centers, retail stores and entertainment centers as a part of such projects. Further, customers are also seeking residences which provide them with a view of their liking, which may include the central landscape of the project or views of natural elements (like hills or rivers) from their residence. Our focus on the development of high quality residential accommodation requires us to satisfy these demanding customer expectations. The range of amenities now demanded by customers includes gardens, community space, security systems, playgrounds, swimming pools, fitness centres, sporting facilities such as tennis courts, squash courts, cricket pitches, basketball courts and golf courses. As a result, our ability to anticipate and understand the demands of the prospective customers is critical to the success of our residential real estate development business. If we fail to anticipate and respond to customers' requirements, we could lose current or potential customers to competitors, which in turn could adversely affect our business and prospects.

The growth of the Indian economy has also led to changes in the way businesses operate in India, resulting in a substantial change in the nature of commercial customers' demands. The growth and success of our commercial business depends on the provision of high quality office space to attract and retain customers who are willing and able to pay rent or purchase price at suitable levels, and on our ability to anticipate the future needs and expansion plans of these customers. Therefore, our ability to anticipate and understand the demands of the prospective customers is critical to the success of our commercial real estate development business. If we fail to anticipate and respond to commercial customer requirements, we could lose current or potential customers to competitors, which in turn could adversely affect our business and prospects.

28. The real estate industry in India is intensely competitive and our inability to compete effectively may adversely affect our business, financial condition and results of operations.

We operate in an intensely competitive and highly fragmented industry with low entry barriers. We face significant competition in our business from a large number of Indian real estate development companies who also operate in the same regional markets as us. The extent of the competition we face in a potential property market depends on a number of factors, such as the size and type of property development, contract value and potential margins, the complexity and location of the property development, facilities and supporting infrastructure services, the reputation of our competitors, and the risks relating to revenue generation.

Given the fragmented nature of the real estate development industry, we often do not have adequate information about the property developments our competitors are developing and accordingly, we run the risk of underestimating supply in the market. Our business plan is to expand across high growth markets in prominent and growing cities in India and as we seek to diversify our regional focus, we face the risk that some of our competitors, who are also engaged in real estate development, may be better known in other markets, enjoy better relationships with land-owners and international or domestic joint venture partners, may gain early access to information regarding attractive parcels of land and be better placed to acquire such land. Further, our competitors may commence operations in the vicinity of our Ongoing Projects and Forthcoming Projects and may offer their products at competitive prices, resulting in a decreasing of sales of our projects.

Some of our competitors are larger than us and have greater land reserves or financial resources or a more experienced management team. They may also benefit from greater economies of scale and operating efficiencies and may have greater experience in regional markets, especially in relation to local laws and regulations. Competitors may, whether through consolidation or growth, present more credible integrated or lower cost solutions than we do, causing us to win fewer tenders. We cannot assure you that we can continue to compete effectively with our competitors in the future, and failure to compete effectively may have an adverse effect on our business, financial condition and results of operations.

29. If we are not able to implement our growth strategies or manage our growth, our business and financial condition could be adversely affected.

We are embarking on a growth strategy which involves a substantial expansion of our current business. Such a growth strategy will place significant demands on our management as well as our financial, accounting and operating systems. Even if we have successfully executed our business strategies in the past, we cannot assure you that we will be able to execute our strategies on time and within the estimated budget, or that we will meet the expectations of targeted customers. Our failure to execute our growth strategy may result in our inability to maintain prior rates of growth.

Implementation of our growth strategy will require significant management resources. As we expand our operations, we may be unable to manage our business efficiently, which could result in delays, increased costs and affect the quality of our projects, and may adversely affect our reputation. Such expansion also increases the challenges involved in preserving a uniform culture, set of values and work environment across our business operations, developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, internal control and other internal systems, recruiting, training and retaining management, technical and marketing personnel, maintaining high levels of customer satisfaction, and adhering to health, safety, and environmental standards. Our failure to manage our growth could have an adverse effect on our business and financial condition.

Each of the elements of new project initiatives that we develop to grow our business carries significant risks, as well as the possibility of unexpected consequences, including:

acceptance by and sales of the new project initiatives to our customers may not be as high as we anticipate; our marketing strategies for the new projects may be less effective than planned and may fail to effectively reach the targeted consumer base or engender the desired consumption; we may incur costs exceeding our expectations as a result of the continued development and launch of the new projects; we may experience a decrease in sales of certain of our existing projects as a result of the introduction of new projects nearby; and any delays or other difficulties impacting our ability, or the ability of our third party contractors and developers, to develop and construct projects in a timely manner in connection with launching the new project initiatives.

If any of these risks occur, our business and financial condition could be adversely affected.

30. We may experience challenges expanding our business into new geographic areas, which may adversely affect our business, financial condition and results of operations.

As a part of our strategy, we may expand our geographic reach to other locations in India. We initially concentrated our real estate business in the Mumbai Metropolitan Region and later expanded our operations to include other cities such as Pune, Bengaluru, Kolkata, and Hyderabad. Recently, we have diversified into markets such as Ahmedabad, Mangalore, Chandigarh, Chennai, Kochi, the NCR and Nagpur. The level of competition, regulatory practices, business practices and customs, customer tastes, behavior and preferences in cities where we plan to expand our operations may differ from those in the Mumbai Metropolitan Region, Pune, Bengaluru, Kolkata and Hyderabad and our experience in such cities may not be applicable to new cities. In addition, as we enter new markets, we are likely to compete with local developers who have an established local presence, are more familiar with local regulations, business practices and customs, and have stronger relationships with local contractors and relevant government authorities, all of which may collectively or individually give them a competitive advantage over us.

While expanding into various other regions, our business will be exposed to various additional challenges, including seeking governmental approvals from government bodies with which we have no previous working relationship complying with unfamiliar local regulatory requirements, identifying and collaborating with local business partners, contractors and suppliers with whom we may have no previous working relationship, identifying and obtaining development rights over suitable properties, successfully gauging market conditions in local real estate markets with which we have no previous familiarity, attracting potential customers in a market in which we do not have significant experience, local taxation in additional geographic areas of India and adapting our marketing materials and operations to different regions of India in which other languages are spoken.

We cannot assure you that we will be successful in expanding our business to include other markets in India. Any failure by us to successfully carry out our plan to geographically diversify our business could have an adverse effect on our business, financial condition and results of operations.

31. Some of the parcels of land that we may develop and which may form a part of our land reserves may be classified as "Agriculture Land" or "green belt area", classifications which do not permit commercial or residential development unless certain permissions are obtained.

No commercial or residential development is permitted on land classified as "agricultural land" without obtaining the prior approval of local authorities, including the conversion of such land to the appropriate zone for development. We cannot assure you that we will be able to obtain the requisite permission and conversion by the relevant authorities to convert the use of such land for non-agricultural development purposes in a timely manner, or at all. If we do not receive permission and conversion in a timely manner, we may not be able to develop such project as planned or at all, which could adversely affect our business, prospects, financial condition and results of operations. "Green belt area" refers to land within a restricted area as declared by the respective state Government, certain land falling within such area are land upon which no commercial or residential development is permissible. However, certain activities are allowed to be carried out in the green belt areas, including construction of places of worship, hospitals, libraries, sports clubs and cultural buildings. Any other form of activity to be carried out would require the prior consent of the relevant authority. We cannot assure you that in the event that we are able to acquire such land directly or indirectly, that we will be granted or will obtain permission to develop such land for purposes other than those mentioned above which could adversely affect our business, prospects, financial condition and results of operations.

32. We depend on our senior management and key personnel and our ability to retain them and attract new key personnel when necessary is an important component of our success.

The collective experience of our key management personnel in managing our business is difficult to replace. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. We cannot assure you that we will continue to retain any or all of the key members of our management. The loss of the services of any such key members of our management team could have an adverse effect on our business and the results of our operations.

Except for our executive directors, we do not have employment contracts with our key management personnel, nor do we maintain "key man" insurance for any of our senior or other key management personnel. Any loss of our senior managers or other key personnel or the inability to recruit further senior managers or other key personnel or our inability to manage attrition levels could adversely affect our business by impairing our day-to-day operations, hindering our development of new projects and harming our ability to maintain or expand our operations.

33. Our business is subject to extensive government regulation with respect to land development, which may become more stringent in the future.

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 requirements mandated by 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. Certain of these laws vary from state to state. For example, the procedure for obtaining a certificate for change of land use varies from state to state.

Although we believe that our projects materially comply with applicable laws and regulations, regulatory authorities may allege non-compliance and may subject us to regulatory action in the future, including penalties, seizure of land and other civil or criminal proceedings which may affect the development of our projects, and as a result, adversely affect our business, financial condition and results of operations.

In addition, such laws and regulations may change in the future, requiring the expenditure of resources and changes in development plans, among other things, which would adversely affect our business, financial condition and results of operations. Determining the Developable Area and Saleable Area of a particular project are subject to municipal planning and land use regulations in effect in the regions in which we operate. These regulations limit the maximum square footage of completed buildings on plots to specified amounts, calculated based on a ratio of maximum floor space of completed buildings to the surface area of each plot of land. In 2011, the estimated Developable Area for our Godrej Garden City, Ahmedabad project was reduced from 40.4 million sq. ft. to 24.0 million sq. ft. and the percentage of the total area demarcated for residential area increased from 65.0% to 90.0%, as a result of changes made to comply with new regulations for residential townships promulgated by the state of Gujarat. Further, the state of Maharashtra has, by a notification dated January 18, 2012, proposed modifications to development control regulations of the Mumbai Municipal Corporation, which, among other things, provide for reservation of certain portions of real estate project areas for economically weaker sections, which, if enacted, could adversely affect our business and prospects. Certain other municipal corporations require developers to reserve portions of their projects for economically weaker sections and any such imposition on us could adversely affect our business and prospects.

For details regarding our pending approvals, see the section "*Government and Other Approvals*" on page 214.

34. We have not obtained certain approvals or permits for some of our projects and may be unable to obtain or renew required approvals and permits in a timely manner or at all and existing approvals or permits may be suspended or revoked which could have an adverse effect on our business, prospects, financial condition and results of operations.

In order to develop and complete a real estate project, developers must obtain various approvals, permits and licences from the relevant administrative authorities at various stages of project development, and developments may have to qualify for inclusion in local "master plans". We may encounter major problems in obtaining the requisite approvals or licences, may experience delays in fulfilling the conditions precedent to any required approvals and we may not be able to adapt ourselves to new laws, regulations or policies that may come into effect from time to time with respect to the real estate sector. Some of the approvals we have applied for are currently pending and we may need to apply for renewal of approvals which may expire from time to time, in the ordinary course of our business. Further, under certain of our approvals, we are required to obtain fresh permits if the construction is not completed within a stipulated period. For details, see "*Government and Other Approvals*" on page 214.

Our failure to obtain certain regulatory approvals delayed the launch of projects in Chennai, Hyderabad and Ahmedabad. Further, development activity at the Godrej Genesis, Pune project has been suspended as a significant portion of the property for this project falls under a restricted area for the purposes of such construction. If we experience difficulties in obtaining or fail to obtain the requisite governmental approvals, the schedule of development and sale or letting of our projects could be substantially disrupted.

Additionally, we may encounter difficulties in fulfilling the conditions precedent to the approvals described above or any approvals that we may require in the future, some of which may be onerous and may require us to incur expenditure that we may not have anticipated. We may also not be able to adapt to new laws, regulations or policies that may come into effect from time-to-time with respect to the particular processes with respect to the granting of the approvals. There may also be delays on the part of the administrative bodies in reviewing our applications and granting approvals or the approvals issued to us may be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If we fail to obtain or renew, or experience delays in obtaining or renewing, the requisite governmental approvals, or if any approvals are suspended or revoked, the schedule of development and the sale of our projects could be substantially disrupted or impeded, which could have an adverse effect on our business, prospects, financial condition and results of operations. Further, conversion of land from industrial use to residential or commercial use may entail possibility of litigation filed by the interested parties.

35. Our business and growth plan could be adversely affected by the incidence and rate of taxes and stamp duties, which could adversely affect our financial condition and results of operations.

As a property owning and development company, we are subject to the property tax regime in each state where our projects are located. These taxes could increase in the future, and new types of property taxes may be introduced which would increase our overall development and other costs. We also buy and sell properties throughout India; property conveyances are generally subject to stamp duty. If these duties increase, the cost of acquiring properties will rise, and sale values could also be affected. An increase in stamp duties could also adversely affect investor demand and may adversely affect our sales. Any such changes in the incidence or rates of property taxes or stamp duties could have an adverse effect on our financial condition and results of operations.

Also, the taxation system within India is complex. Each state in India has different local taxes and levies including sales tax, service tax, local body tax, VAT and octroi. Changes in these local taxes and levies may adversely affect our profits and profitability. Any adverse changes in the regulatory conditions in India or our other geographic markets could adversely affect our financial condition and results of operations.

***36. Compliance with, and changes in, safety, health and environmental laws and various labour, workplace and related laws and regulations impose additional costs and may increase our compliance costs and as a result may adversely affect our financial condition and results of operations*.**

Compliance with, and changes in, safety, health and environmental laws and various labour, workplace and related laws and regulations may increase our compliance costs and as a result adversely affect our financial condition and results of operations. We are subject to a broad range of safety, health and environmental laws and various labour, workplace and related laws and regulations in the jurisdictions in which we operate, which impose controls on noise emissions, air and water discharges, on the storage, handling, discharge and disposal of chemicals, employee exposure to hazardous substances and other aspects of our operations. In addition, we are required to conduct an environmental assessment of our projects before receiving regulatory approval for these projects. These environmental assessments may reveal material environmental problems, which could result in our not obtaining the required approvals. If environmental problems are discovered during or after the development of a property, we may incur substantial liabilities relating to cleanup and other remedial measures and the value of the relevant projects could be adversely affected. We have received two show cause notices from Tamil Nadu Pollution Control Board in relation to our ongoing project 'Godrej Palm Grove' at Chennai. For details, please see the section "*Outstanding Litigation and Defaults - Godrej Sea View Properties Private Limited - Notice received*" on page 212. While we believe we are in compliance in all material respects with all applicable safety, health and environmental laws and regulations, the discharge of raw materials that are chemical in nature or of other hazardous substances or other pollutants into the air, soil or water may nevertheless cause us to be liable to the Government of India or to third parties. In addition, we may be required to incur costs to remedy the damage caused by such discharges, pay fines or other penalties for non-compliance, which may adversely affect our financial condition and results of operations.

37. Our operations and the work force on property sites are exposed to various hazards, which could adversely affect our business, financial condition and results of operations.

We conduct various site studies to identify potential risks prior to the acquisition of any parcel of land or development rights for a parcel of land and its construction and development. However, there are certain unanticipated or unforeseen risks that may arise due to adverse weather and geological conditions such as outbreaks of storms, hurricanes, lightning, floods, landslides, rockslides and earthquakes and other reasons. Additionally, our operations are subject to hazards inherent in providing such services, such as risk of equipment failure, impact from falling objects, collision, work accidents, fire, or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. If any one of these hazards or other hazards were to affect our business, financial condition and results of operations may be adversely affected.

38. The Government of India or state governments may exercise rights of compulsory purchase or eminent domain over our or our development partners' land, which could adversely affect our business.

The Land Acquisition Act, 1894 allows the central and state governments to exercise rights of compulsory purchase which, if used in respect of our land or our development partners' land, could require us or our development partners to relinquish land without judicial recourse and with minimal compensation. The likelihood of such actions may increase as the central and state governments seek to acquire land for the development of infrastructure projects such as roads, airports and railways. Any such action in respect of one or more of our projects could adversely affect our business. Further, in relation to our Godrej Platinum, Bengaluru project, a notice has been issued by the National Highways Authority of India towards acquisition of a portion of the land to widen a national highway.

Separately, in terms of certain approvals obtained by us, we are required to construct service roads on part of licensed area and transfer it free of cost to the relevant government. The government is also entitled to take over the project area in public interest without having to pay us any compensation.

Further, the Land Acquisition, Rehabilitation and Resettlement Bill, 2011 (the "**Land Acquisition Bill**") was introduced before the Indian Parliament to govern processes in relation to land acquisition in India. The Land Acquisition Bill incorporates additional restrictions on land acquisition (for instance, restrictions on the acquisition of certain types of agricultural land) and includes provisions relating to the compensation, rehabilitation and resettlement of affected persons. The Land Acquisition Bill, if enacted, could restrict our ability to acquire land or development rights over land, which could adversely affect our business.

39. Any failure in the successful implementation of our information technology systems may have an adverse effect on our business, financial condition and results of operations.

Our information technology systems are important to our business. We utilise information technology systems in connection with overall project management, human resources and accounting. We have adopted an online information management system for garnering competitive advantages and reducing risks associated with communication. We have partnered with Aconex to establish a communication and collaboration platform for all of our projects. We use building information model systems for our complex projects. These technologies help us address execution-related risks with greater precision. 34 of our projects are currently operational on SAP. We have also implemented the Sales Force CRM system for managing leads and tracking customer interactions for all of our projects. Any failure in our information technology systems could result in business interruption, adversely affecting our reputation and weakening our competitive position and could have an adverse effect on our financial condition and results of operations. Any failure in the successful implementation of our information technology systems may have an adverse effect on our business, financial condition and results of operations.

40. We may be subject to losses that may not be covered in whole or in part by existing insurance coverage. These uninsured losses could result in substantial liabilities to us that could adversely affect our financial condition.

Although we maintain insurance for a variety of risks, including, among others, for risks relating to fire, burglary, Directors and Officers liability and certain other losses and damages and employee related risks, not all such risks may be insured or may be possible to insure at commercially acceptable terms. While we believe that the insurance coverage which we maintain directly or through our contractors for our business would be reasonably adequate to cover the normal risks associated with the operation of such business, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, nor that we have taken out sufficient insurance to cover all material losses as policies contain certain exclusions and limitations of coverage. Should an uninsured loss or a loss in excess of insured limits occur, we could incur liabilities or losses or lose capital invested in that property, while remaining obligated for any indebtedness or other financial obligations related to our business. For example, title insurance is not commercially available in India to guarantee title or development rights in respect of land. Any such loss could result in substantial liabilities to us or adversely affect our ability to replace property that is destroyed or damaged, and could adversely affect our financial condition.

41. We recognise revenue based on the percentage of completion method of accounting on the basis of our management's estimates of revenues and development costs on a property by property basis. As a result, our revenues and development costs may fluctuate significantly from period to period.

We recognise the revenue generated from our residential and commercial projects on the percentage of completion method of accounting. See "Financial Statements – Consolidated Financial Statements – Accounting Policies – Revenue Recognition". Up to March 31, 2012 revenue was recognized only if the actual project cost incurred is 20% or more of the total estimated project cost. For the projects becoming eligible for revenue recognition for the first time on or after April 1, 2012, revenue has been recognized as per Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by the Institute of Chartered Accountants of India. We cannot assure you that the estimates used under the percentage of completion method will equal either the actual cost incurred or revenue received with respect to these projects. The effect of such changes to estimates is recognised in the financial statements of the period in which such changes are determined. This may lead to significant fluctuations in revenues and development costs. Therefore, we believe that period-to-period comparisons of our results of operations may not be indicative of our future performance. Such fluctuations in our revenues and costs could also cause our share price to fluctuate significantly.

42. ***Certain statements contained in this Letter of Offer are based on current management plans and estimates and may be subject to change.***

Certain information contained in this Letter of Offer, such as development rights owned by us, location and type of project, estimated construction commencement and completion dates, our funding requirements and the Developable Area and Saleable Area presented herein with regard to Ongoing Projects and Forthcoming Projects are based on management plans and estimates and are subject to regulatory approvals. The square footage that we may develop in the future with regards to a particular property may differ from what is presented herein based on various factors such as prevailing market conditions, current management plans, change in laws and regulations, competition, title defects, an inability to obtain the required regulatory approvals such as zone conversion, approvals under the local township policy, changes or modifications in the development norms (such as FSI and zoning, including the Coastal Regulatory Zone), approval of incentive FSI under various regulations, TDR or our understanding of development norms. For instance, our Developable Area and Saleable Area for Godrej Gold County has decreased from 0.4 million sq. ft. to 0.29 million sq. ft. on account of change in product composition from group housing entirely to villas on account of change in market conditions.

External Risks

43. ***Our business is dependent on the performance of, and the conditions affecting, the real estate market in India.***

Our business is heavily dependent on the performance of the real estate market in India, particularly in and around Mumbai, Pune, Bengaluru, Kolkata, Hyderabad, Ahmedabad, Mangalore, Chandigarh, Chennai, Kochi, the National Capital Region and Nagpur, and could be adversely affected if market conditions deteriorate. Further, the real estate market, both for land and developed properties, is relatively illiquid, which may limit our ability to respond promptly to market events. The real estate market may, in the locations in which we operate, perform differently from, and be subject to market and regulatory developments different from, real estate markets in other parts of India. We cannot assure you that the demand for our projects will grow, or will not decrease, in the future. Real estate projects take a substantial amount of time to develop and we could incur losses if we acquire land or land development rights during periods when land prices are high, and we have to sell or lease our developed projects when land prices are relatively lower. The real estate market may be affected by various factors beyond our control, including prevailing economic conditions, changes in supply and demand for projects comparable to those we develop, availability of consumer financing and changes in applicable governmental schemes. These and other factors may negatively contribute to changes in real estate prices or the demand for and valuation of our Ongoing Projects and Forthcoming Projects, may restrict the availability of land, and may adversely affect our business, financial condition and results of operations.

44. ***Our business is heavily dependent on the availability of real estate financing in India.***

The real estate market is significantly affected by changes in economic conditions, government policies, interest rates, income levels, demographic trends and employment, among other factors. These factors can negatively affect the demand for, valuation and cost of our Ongoing Projects and Forthcoming Projects. For example, lower interest rates may assist us in procuring borrowings at attractive terms for the purchase of land or development of our projects. As of March 31, 2013, ₹ 11,453.65 million of our indebtedness consisted of floating rate indebtedness. Our business may be adversely affected by a general rise in interest rates in India. In addition, rising interest rates could discourage our customers from borrowing to finance real estate purchases as well as companies, such as us, from incurring indebtedness to purchase or develop land. As such, our business could be adversely affected if the demand for, or supply of, real estate financing at attractive rates and other terms were to be adversely affected.

A large number of our customers, especially buyers of residential properties belonging to the mid-income segment, finance their purchases by raising loans from banks and other lenders. Residential projects constituted 82.0% of our total Saleable Area as of March 31, 2013. Availing home loans for residential properties has become particularly attractive due to income tax benefits available to home owners. The availability of home loans may however, be affected if such income tax benefits are withdrawn or the interest rates on such loans continue to increase or there is a decrease in the availability/attractiveness of home loans. This may affect the ability of our customers to finance the purchase of their residential properties and may consequently affect the demand for our projects.

Additionally, stricter provisioning and risk weightage norms imposed by the RBI in relation to real estate loans by banks and finance companies could reduce the attractiveness of property or developer financing and the RBI or the Government of India may take further measures designed to reduce or having the effect of reducing credit to the real estate sector. In the event of any change in fiscal, monetary or other policies of the Government of India and a consequent withdrawal of income tax benefits, our business and results of operations may be adversely affected.

45. The real estate industry has witnessed significant downturns in the past, and any significant downturn in the future could adversely affect our business, financial condition and results of operations.

Economic developments within and outside India adversely affected the property market in India and our overall business in the recent past. The global credit markets have experienced, and may continue to experience, significant volatility and may continue to have an adverse effect on the availability of credit and the confidence of the financial markets, globally as well as in India. As a result of the global downturn, the real estate industry also experienced a downturn. It resulted in an industry-wide softening of demand for property due to a lack of consumer confidence, decreased affordability, decreased availability of mortgage financing, and resulted in large supplies of apartments.

Even though the global credit and the Indian real estate markets have shown signs of recovery, market volatility and economic turmoil may continue to exacerbate industry conditions or have other unforeseen consequences, leading to uncertainty about future conditions in the real estate industry. These effects include, but are not limited to, a decrease in the sale of, or market rates for, our projects, delays in the release of certain of our projects in order to take advantage of future periods of more robust real estate demand and the inability of our contractors to obtain working capital. We cannot assure you that the government's responses to the disruptions in the financial markets will restore consumer confidence, stabilise the real estate market or increase liquidity and availability of credit. Any significant downturn in future would have an adverse effect on our business, financial condition and results of operations.

46. The Government proposes to enact the Real Estate (Regulation and Development) Bill, 2013 (the "Real Estate Bill") with respect to real estate projects. Pending the Real Estate Bill becoming a statute, our Company is currently not in a position to analyze the requirements that our Company may have to comply with in accordance with the Real Estate Bill and accordingly predict the impact it may have on our business, prospects, financial condition and results of operations.

The Government of India proposes to enact the Real Estate Bill which is expected to include, *inter alia*, requirements to register real estate projects and obtain a certificate of registration and other approvals from the relevant authority constituted thereunder. Failure to comply with such provisions may attract penalties from the relevant authorities and/ or cause delays in the completion of a project. The Real Estate Bill is yet to be approved by the Parliament of India, as well as by the President of India, and will require publication in the Official Gazette before becoming a law. There is no certainty that the Real Estate Bill will be passed in its current form, or at all, and our Company is accordingly not in a position to analyze the requirements that our Company may have to comply with and the implications of the same on our business and results of operations. At this stage, we cannot predict with certainty the impact of the Real Estate Bill on our business and operations, if enacted.

47. A slowdown in economic growth in India could cause our business to suffer.

Our performance and growth are dependent on the health of the Indian economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalisation policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. Any slowdown in the Indian economy may adversely affect our business and financial performance and the price of our Equity Shares.

48. Political instability or changes in the Government of India could adversely affect economic conditions in India generally and our business, prospects, financial condition and results of operations.

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or social developments in or affecting India. Since 1991, successive Indian governments have pursued policies of economic liberalisation and financial sector reforms. However, the rate of economic liberalisation could change and we cannot assure you that such policies will be continued. A change in the government or in the government's future policies could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations.

49. Indian corporate and other disclosure and accounting standards differ from those observed in other jurisdictions such as U.S. GAAP and IFRS.

Our financial statements are prepared in accordance with Indian GAAP, which differs in significant respects from U.S. GAAP and IFRS. As a result, our financial statements and reported earnings could be significantly different from those which would be reported under U.S. GAAP or IFRS, which may be material to your consideration of the financial information prepared and presented in accordance with Indian GAAP contained in this Letter of Offer. You should rely on your own examination of our Company, the terms of the Issue and the financial information contained in this Letter of Offer.

50. Restrictions on FDI in the real estate sector may adversely affect our business and prospects.

The Government of India permits foreign direct investment ("**FDI**") of up to 100.0% in townships, housing, built-up infrastructure and construction development projects, subject to certain restrictions under the Consolidated FDI Policy. Our inability to raise additional capital as a result of these and other restrictions could adversely affect our business and prospects. Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are permitted subject to compliance with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or certain other conditions, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from such sale of shares in India into foreign currency and repatriate that foreign currency from India will require the approval from the RBI, unless such sale is made on a stock exchange in India through a stock broker at the market price, and a no objection or tax clearance certificate from the income tax authority. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

51. Our business may be adversely affected by recent changes in competition law in India.

The Competition Act, 2002, as amended (the "**Competition Act**"), was enacted for the purpose of preventing practices having an appreciable adverse effect on competition in India, and has mandated the Competition Commission of India (the "**CCI**") to regulate such anti-competitive practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India are void and may result in substantial penalties. any agreement among competitors which directly or indirectly involves determination of purchase or sale prices, limits or controls production, shares the market by way of geographical area or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition in the relevant market in India and is considered void. Further, the Competition Act prohibits the abuse of dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the contravention and may be punished. If we or any of our employees is penalised under the Competition Act, our business may be adversely affected.

On March 4, 2011, the Government of India notified and brought into force the provisions under the

Competition Act in relation to combinations (the "**Combination Regulation Provisions**") with effect from June 1, 2011. The Combination Regulation Provisions require that acquisition of shares, voting rights, assets or control or mergers or amalgamations, which cross the prescribed asset and turnover based thresholds, shall be mandatorily notified to and pre-approved by the CCI. In addition, on May 11, 2011, the CCI issued the final Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, which sets out the mechanism for implementation of the Combination Regulation Provisions under the Competition Act. The manner in which the Competition Act and the CCI affect the business environment in India may adversely affect our business.

52. Our transition to the use of the IFRS converged Indian Accounting Standards may adversely affect our financial condition and results of operations.

On February 25, 2011, the Ministry of Corporate Affairs, Government of India ("**MCA**"), notified that the IFRS converged Indian Accounting Standards ("**IND AS**") will be implemented in a phased manner and stated that the date of implementation of IND AS will be notified by the MCA at a later date. As of date, there is no significant body of established practice on which to draw from in forming judgments regarding the implementation and application of IND AS. Additionally, IND AS has fundamental differences with IFRS and as a result, financial statements prepared under IND AS may be substantially different from financial statements prepared under IFRS. As we adopt IND AS reporting, we may encounter difficulties in the ongoing process of implementing and enhancing our management information systems. The adoption of IND AS by us and any failure to successfully adopt IND AS in accordance with the prescribed timelines could have an adverse effect on our financial condition and results of operations.

53. The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

The occurrence of natural disasters, including hurricanes, floods, earthquakes, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations or financial condition. The potential impact of a natural disaster such as the H5N1 "avian flu" virus or the H1N1 "swine flu" virus on our results of operations and financial condition is highly speculative, and would depend on numerous factors. We cannot assure prospective investors that such events will not occur in the future or that our results of operations and financial condition will not be adversely affected.

54. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, and adversely affect our business. In addition, any deterioration in relations between India and its neighbouring countries might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares. India has also witnessed civil disturbances in the past and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse affect on our business and the price of our Equity Shares.

55. Any downgrading of India's debt rating by an independent agency may adversely affect our ability to raise debt financing.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our project expenditure plans, business and financial performance.

56. A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition.

According to a report released by RBI, India's foreign exchange reserves totaled over US$ 291.97 billion as of May 17, 2013. Any declines in foreign exchange reserves could adversely impact the valuation of the Rupee and could result in reduced liquidity and higher interest rates that could adversely affect our future financial performance and the market price of the Equity Shares.

Risks Related to the Equity Shares

57. After this Issue, our Equity Shares may experience price and volume fluctuations or an active trading market for our Equity Shares may not develop.

The price of the Equity Shares may fluctuate after this Issue as a result of several factors, including volatility in the Indian and global securities markets, the results of our operations, the performance of our competitors, developments in the Indian real estate sector and changing perceptions in the market about investments in the Indian real estate sector, adverse media reports on us or the Indian real estate sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalisation and deregulation policies, and significant developments in India's fiscal regulations. Further, the price at which the Equity Shares are initially traded may not correspond to the prices at which the Equity Shares will trade in the market subsequent to this Issue.

58. Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.

The Indian securities markets are smaller than securities markets in more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. These exchanges have also experienced events that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar events occur in the future, the market price and liquidity of the Equity Shares could be adversely affected.

59. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

The Equity Shares will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India which does not allow transactions beyond certain volatility in the price of the Equity Shares. This circuit breaker operates independent of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our Company's circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges are not required to inform our Company of the percentage limit of the circuit breaker from time to time, and may change it without our Company's knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, we cannot make any assurance regarding the ability of shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

60. There may be less information available about companies listed on Indian securities markets than companies listed on securities markets in other countries.

There may be less publicly available information about Indian public companies, including us, than is regularly disclosed by public companies in other countries with more mature securities markets. There is a difference between the level of regulation and monitoring of the Indian securities markets and the activities of investors, brokers and other participants in those markets, and that of markets in other more developed economies. In India, while there are certain regulations and guidelines on disclosure requirements, insider trading and other matters, there may be less publicly available information about Indian companies than is regularly made available by public companies in many developed economies. As a result, you may have access to less information about our business, results of operations and financial condition, and those of our competitors that are listed on the Stock Exchanges, on an ongoing basis, than you may in the case of companies subject to the reporting requirements of certain other countries.

61. Economic developments and volatility in securities markets in other countries may cause the price of our Equity Shares to decline.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India. Negative economic developments, such as rising fiscal or trade deficits, or a default on sovereign debt, in other emerging market countries may affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general.

62. Any future issuance of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.

Any future equity issuances by us may lead to the dilution of your shareholding in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

63. You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.

Capital gains arising from the sale of our Equity Shares are generally taxable in India. Any gain realised on the sale of our Equity Shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax has been paid on the transaction. The securities transaction tax will be levied on and collected by an Indian stock exchange on which our Equity Shares are sold. Any gain realised on the sale of our Equity Shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no securities transaction tax has been paid, will be subject to capital gains tax in India. Further, any gain realised on the sale of our Equity Shares held for a period of 12 months or less will be subject to capital gains tax in India.

64. You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.

The Equity Shares that you purchase in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period. Further, there is no guarantee that the Equity Shares will be listed on NSE and BSE in a timely manner, or at all.

PROMINENT NOTES

1. Issue of 21,538,388 Equity Shares at a premium of ` 315 per Equity Share for an amount aggregating to ` 6,999.98 million on a rights basis to the existing Equity Shareholders in the ratio of eight Equity Share(s) for every 29 fully paid-up Equity Share(s) held by the existing Equity Shareholders on the Record Date.

2. As on March 31, 2013, our net worth on a consolidated basis was ` 14,246.71 million (excluding revaluation reserves), and on standalone basis was ` 13,602.36 million (excluding revaluation reserves) as described in the section "*Accounting Ratios and Capitalisation Statement*" on page 197.

3. For details of our transactions with related parties during the preceding financial year, i.e., Fiscal Year 2013, the nature of transactions and the cumulative value of transactions, please refer to the section *"Financial Information – Unconsolidated Financial Statements – Note 38"* on page 128 and *"Financial*

*Information - Consolidated Financial Statements – Note 37"*on page 175 respectively.

4. There has been no financing arrangement whereby the Promoter Group, the directors of our Promoters, the Directors and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity during the period of six months immediately preceding the date of filing of the Draft Letter of Offer with SEBI.

SECTION III: INTRODUCTION

THE ISSUE

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the section "*Terms of the Issue*" on page 224.

Equity Shares to be issued	21,538,388 Equity Shares
Rights Entitlement	Eight Equity Share(s) for every 29 fully paid-up Equity Share(s) held on the Record Date
Record Date	August 20, 2013
Face Value per Equity Share	₹ 10
Issue Price per Equity Share	₹ 325 at a premium of ₹ 315 per Equity Share
Issue Size	Aggregating to ₹ 6,999.98 million
Equity Shares outstanding prior to the Issue	78,076,657 Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	99,615,045 Equity Shares
Terms of the Issue	For more information, see the section "*Terms of the Issue*" on page 224
Use of Issue Proceeds	For further information, see the section "*Objects of the Issue*" on page 57

Terms of Payment

Due Date	Amount
On the Issue application (i.e. along with the CAF)	₹ 325, which constitutes 100% of the Issue Price payable

SUMMARY FINANCIAL INFORMATION

This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about us and our financial statements, including the notes thereto, the "Financial Statements" on page 96. Special attention is also drawn to chapter titled "Risk Factors" on page 10, which discusses a number of factors and contingencies that could impact our financial condition and results of operations

AUDITED UNCONSOLIDATED BALANCE SHEET

Particulars	As At 31.03.2013 ₹ in Million	As At 31.03.2012 ₹ in Million
I EQUITY AND LIABILITIES		
1) Shareholders Fund		
a) Share Capital	780.46	780.37
b) Reserves & Surplus	12,862.48	13,215.46
Total Shareholders' Funds	**13,642.94**	**13,995.83**
2) Non-Current Liabilities		
a) Long Term Borrowing	3,460.92	1,602.10
b) Other Long Term Liabilities	2.77	0.12
c) Long Term Provisions	27.82	22.96
Total Non Current Liabilities	**3,491.51**	**1,625.18**
3) Current Liabilities		
a) Short Term Borrowing	4,256.15	9,586.65
b) Trade Payables (Refer Note 30)	1,088.10	1,438.35
c) Other Current Liabilities	4,773.53	1,829.55
d) Short Term Provisions	420.13	319.77
Total Current Liabilities	**10,537.91**	**13,174.32**
Total Equity And Liabilities	**27,672.36**	**28,795.33**
II ASSETS		
1) Non-Current Assets		
a) Fixed Assets		
Tangible Assets	83.47	89.68
Intangible Assets	37.02	22.84
Capital work-in-progress	440.98	222.13
Intangible Assets under Development	19.40	16.91
Total Fixed Assets	**580.87**	**351.56**
b) Non-Current Investments	1,700.32	995.24
c) Deferred Tax Asset (Net)	40.58	29.86
d) Long Term Loans & Advances	763.04	655.69
e) Other Non Current Assets	108.19	9.05
Total Non Current Assets	**3,193.00**	**2,041.40**
2) Current Assets		
a) Current Investment	-	58.65
b) Inventories	6,506.11	2,573.57
c) Trade Receivables	631.59	1,063.78
d) Cash & Bank Balances	474.54	4,414.53
e) Short Term Loans & Advances	15,393.89	16,758.37

Particulars	As At 31.03.2013 ₹ in Million	As At 31.03.2012 ₹ in Million
f) Other Current Assets	1,473.23	1,885.03
Total Current Assets	**24,479.36**	**26,753.93**
Total Assets	**27,672.36**	**28,795.33**

AUDITED UNCONSOLIDATED STATEMENT OF PROFIT & LOSS

Particulars	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
INCOME		
Revenue from Operations	4,267.10	3,689.41
Other Income	627.85	949.27
TOTAL REVENUE	**4,894.95**	**4,638.68**
EXPENDITURE		
Cost of Sales	2,287.49	2,541.30
Employee Benefits Expense	175.14	60.21
Finance Costs	598.19	688.43
Depreciation	35.38	31.80
Other Expenses	402.70	272.94
TOTAL EXPENSES	**3,498.90**	**3,594.68**
PROFIT BEFORE TAX	1,396.05	1,044.00
Tax Expense		
Current Tax	175.00	251.29
Deferred Tax	(10.65)	(21.67)
Adjustment for Tax of Previous Years (net)	5.02	0.73
	169.37	230.35
PROFIT AFTER TAX	**1,226.68**	**813.65**
Earnings Per Share (Refer Note 40)		
Basic (₹ per share)	15.72	11.63
Diluted (₹ per share)	15.71	11.63

AUDITED UNCONSOLIDATED CASH FLOW STATEMENT

Particulars	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
Cash Flow from Operating Activities		
Profit for the Year before Taxation	1,396.05	1,044.00
Adjustment for:		
Depreciation	35.38	31.81
Interest Paid	598.19	688.43
(Profit)/Loss on sale of Fixed Asset	*	0.10
Provision for Doubtful Advances	-	63.56
ESGS Compensation	20.55	10.46
Interest Income	(601.49)	(751.51)
Dividend Received	(15.47)	(10.82)
Profit on Sale of Long Term Investment	-	(182.76)
Operating Profit before working capital changes	1,433.21	893.27
Adjustment for:		
Increase/(decrease) in Non Current Liabilities	7.50	(3.20)
Increase/(decrease) in Current Liabilities	2,819.82	150.15
(Increase)/decrease in Non Current Assets	(182.24)	(135.13)
(Increase)/decrease in Current Assets	(2,665.67)	(5,100.12)
	1,412.62	(4,195.03)
Taxes Paid (Net)	(206.59)	(333.08)
Net Cash Flow from Operating activities	**1,206.03**	**(4,528.11)**
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(264.36)	(249.00)
Sale of Fixed Assets	1.26	3.22
Purchase of Investments	(55.03)	-
Sale of Investments	46.61	-
Sale of Investment in Subsidiary	-	183.00
Investments in Limited Liability Partnership	(795.92)	(406.73)
Expenses of Amalgamation	(2.90)	-
Interest Received	655.45	758.13
Dividend Received	15.47	10.82
Net Cash Flow from Investing Activities	**(399.42)**	**299.44**
Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital (net of issue expenses)	0.09	4,593.42
Proceeds from Long Term Borrowings (net)	1,858.82	791.90
(Repayment of)/Proceeds from Short Term Borrowings (net)	(5,866.51)	2,920.22
Issue related expenses	(0.88)	-
Interest Paid	(625.48)	(661.17)
Payment of Dividend	(234.06)	(314.33)
Tax on Distributed Profits	(37.98)	(50.99)
Net Cash Flow from Financing Activities	**(4,906.00)**	**7,279.05**
Net Increase in Cash & Cash Equivalent	(4,099.40)	3,050.39

Particulars	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
Cash & Cash Equivalent -Opening Balance	4,351.15	1,300.76
Acquired Pursuant to the Scheme of Amalgamation	195.44	-
Cash & Cash Equivalent -Closing Balance	**447.19**	**4,351.15**

* Represents amount less than ₹ 5,000/-

<u>Notes</u>:

Particulars	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
1. Cash and Cash Equivalents.		
Cash & Cheques on Hand and Balances with Banks	378.74	2,633.29
Investments in Liquid Mutual Funds	95.79	1,781.24
Less: Other Bank Balances	(27.34)	(63.38)
Cash and Cash Equivalents.	**447.19**	**4,351.15**

2. The cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on 'Cash Flow Statement', and presents cash flows by operating, investing and financing activities.

3. Figures for the previous year have been regrouped / restated wherever necessary to conform to this year's classification.

AUDITED CONSOLIDATED BALANCE SHEET

Particulars				As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
I	**EQUITY AND LIABILITIES**				
	1)	**Shareholders' Funds**			
		a)	Share Capital	780.46	780.37
		b)	Reserves & Surplus	13,509.04	13,646.06
		Total Shareholders' Funds		**14,289.50**	**14,426.43**
	2)	**Minority Interest**		1,059.19	466.98
	3)	**Non-Current Liabilities**			
		a)	Long Term Borrowing	3,756.64	1,886.25
		b)	Other Long Term Liabilities	2.85	12.57
		c)	Long Term Provisions	27.95	23.05
		Total Non Current Liabilities		**3,787.44**	**1,921.87**
	4)	**Current Liabilities**			
		a)	Short Term Borrowing	12,876.25	18,246.25
		b)	Trade Payables (Refer Note 31)	8,200.07	9,442.43
		c)	Other Current Liabilities	6,091.13	2,129.75
		d)	Short Term Provisions	484.87	458.44
		Total Current Liabilities		**27,652.32**	**30,276.87**
	Total Equity And Liabilities			**46,788.45**	**47,092.15**
II	**ASSETS**				
	1)	**Non-Current Assets**			
		a)	Fixed Assets		
			Tangible Assets	106.96	117.26
			Intangible Assets	398.56	337.75
			Capital work-in-progress	336.37	177.92
			Intangible Assets under Development	19.40	16.91
			Total Fixed Assets	861.29	649.84
		b)	Non-Current Investments	0.03	0.03
		c)	Deferred Tax Asset	42.79	31.00
		d)	Long Term Loans & Advances	801.00	682.38
		e)	Other Non Current Assets	108.12	30.38
		Total Non Current Assets		**1,813.23**	**1,393.63**
	2)	**Current Assets**			
		a)	Inventories	32,351.93	27,383.97
		b)	Trade Receivables	1,070.20	2,486.27
		c)	Cash & Bank Balances	1,707.15	5,322.70

Particulars	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
d) Short Term Loans & Advances	7,439.35	7,218.76
e) Other Current Assets	2,406.59	3,286.82
Total Current Assets	**44,975.22**	**45,698.52**
Total Assets	**46,788.45**	**47,092.15**

AUDITED CONSOLIDATED STATEMENT OF PROFIT & LOSS

Particulars	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
INCOME		
Revenue from Operations	10,371.23	7,700.52
Other Income	104.47	497.56
TOTAL REVENUE	**10,475.70**	**8,198.08**
EXPENSES		
Cost of Sales	6,915.65	5,783.26
Employee Benefits Expense	176.88	61.91
Finance Costs	30.01	53.09
Depreciation	43.88	38.80
Other Expenses	420.71	275.49
TOTAL EXPENSES	**7,587.13**	**6,212.55**
PROFIT BEFORE TAX	2,888.57	1,985.53
Tax Expense		
Current Tax	928.81	717.63
Deferred Tax	(11.79)	(22.60)
Adjustment for Tax of Previous Years (net)	(1.34)	2.60
	915.68	697.63
PROFIT AFTER TAX BEFORE MINORITY INTEREST	**1,972.89**	**1,287.90**
Share of Minority Interest	(588.54)	(308.64)
PROFIT AFTER MINORITY INTEREST	**1,384.35**	**979.26**
Earnings Per Share (Refer Note 38)		
Basic (₹ per share)	17.74	14.00
Diluted (₹ per share)	17.73	13.99

AUDITED CONSOLIDATED CASH FLOW STATEMENT

Particulars	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
Cash Flow from Operating Activities		
Profit before taxation	2,888.57	1,985.53
Adjustment for:		
Depreciation	43.88	38.80
Interest Paid	30.01	53.09
(Profit)/Loss on sale of Fixed Asset	*	0.10
Provision for Doubtful Advances	-	63.56
ESGS Compensation	20.55	10.46
Preliminary Expenses Written Off	0.13	0.02
Interest Income	(73.81)	(99.80)
Dividend Received	(16.00)	(10.81)
Profit on sale of Long Term & Current Investment	-	(382.76)
Operating Profit before working capital changes	2,893.33	1,658.19
Adjustment for:		
Increase/(decrease) in Non Current Liabilities	(1.98)	6.42
Increase/(decrease) in Current Liabilities	3,355.84	7,879.75
(Increase)/decrease in Non Current Assets	(182.20)	443.51
(Increase)/decrease in Current Assets	(3,808.32)	(21,543.85)
	2,256.67	(11,555.98)
Taxes Paid (Net)	(1,042.91)	(707.69)
Net Cash Flow from Operating activities	**1,213.76**	**(12,263.67)**
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(210.22)	(217.36)
Sale of Fixed Assets	1.26	3.23
Sale of stake in Subsidiaries	-	383.25
Purchase of Shares in Subsidiaries	(55.03)	-
Expenses of Amalgamation	(2.90)	-
Interest Received	103.17	100.69
Dividend Received	16.00	10.81
Preliminary Expenses	(0.03)	(0.03)
Net Cash Flow from Investing Activities	**(147.75)**	**280.59**
Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital (net of issue expenses)	0.09	4,593.42
Capital Contribution in Limited Liability Partnership	-	9.00
Proceeds from Long Term Borrowings (net)	1,877.74	7,896.65
(Repayment of)/Proceeds from Short Term Borrowings (net)	(5,962.36)	3,526.57
Issue related expenses	(0.88)	-
Interest Paid	(66.63)	(19.41)
Payment of Dividend	(234.06)	(314.33)
Tax on Distributed Profits	(37.98)	(50.99)
Net Cash Flow from Financing Activities	**(4,424.08)**	**15,640.90**

Particulars	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
Net Increase in Cash & Cash Equivalent	**(3,358.07)**	**3,657.82**
Cash & Cash Equivalent -Opening Balance	5,034.82	1,377.00
Acquisition of 40% share in Dream World Landmarks LLP	0.02	-
Cash & Cash Equivalent -Closing Balance	**1,676.77**	**5,034.82**

* Represents amounts less than ₹ 5,000/-

NOTES:

Particulars	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
1. Cash and Cash Equivalents.		
Cash & Cheques on Hand and Balances with Banks	651.95	3,541.45
Investments in Liquid Mutual Funds	1,055.20	1,781.24
Less: Other Bank Balances	(30.38)	(287.87)
Cash and Cash Equivalents.	**1,676.77**	**5,034.82**

2. The cash flow statement has been prepared under the ‘Indirect Method’ as set out in the Accounting Standard (AS) 3 on ‘Cash Flow Statement’, and presents cash flows by operating, investing and financing activities.

3. Figures for the previous year have been regrouped/restated wherever necessary to conform to this period/year’s classification.

GENERAL INFORMATION

We were originally incorporated as Sea Breeze Constructions and Investments Private Limited on February 8, 1985 under the Companies Act, 1956 with the RoC. The name of our Company was changed to Godrej Properties and Investments Private Limited pursuant to a special resolution of the shareholders dated July 2, 1990. In the year 1991, the status of our Company was changed to a deemed public company by deletion of the word "Private" from the name of the Company. Subsequently the status was changed to a public limited company pursuant to a special resolution of the members passed at the extraordinary general meeting on August 1, 2001. Our name was further changed to Godrej Properties Limited pursuant to a special resolution of the members passed at the extraordinary general meeting on November 23, 2004.

Registered Office of the Company

Godrej Properties Limited
Godrej Bhavan, 4th Floor,
4A, Home Street, Fort,
Mumbai 400 001
Tel: (91 22) 6651 0200
Fax: (91 22) 2207 2044
Website: www.godrejproperties.com
Corporate Identity Number: L74120MH1985PLC035308

Address of the RoC

The Company is registered with the RoC, which is situated at the following address:

Registrar of Companies
Everest, 5th Floor
100 Marine Drive
Mumbai 400 002

Company Secretary and Compliance Officer

Shodhan A. Kembhavi
Godrej Properties Limited
Godrej Bhavan, 4th Floor,
4A, Home Street, Fort,
Mumbai 400 001
Tel: (91 22) 6651 0200
Fax: (91 22) 2207 2044
Email: secretarial@godrejproperties.com

Lead Manager to the Issue

Kotak Mahindra Capital Company Limited
1st Floor, Bakhtawar
229 Nariman Point
Mumbai 400 021
Tel: (91 22) 6634 1100
Fax: (91 22) 2283 7517
E-mail: gpl.rights@kotak.com
Investor Grievance Email: kmccredressal@kotak.com
Website: www.investmentbank.kotak.com
Contact Person: Ganesh Rane
SEBI Registration No.: INM000008704

Legal Advisor to the Issue

Amarchand & Mangaldas & Suresh A. Shroff & Co.
Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai 400 013
Tel: (91 22) 2496 4455
Fax: (91 22) 2496 3666

Statutory Auditors of our Company

M/s. Kalyaniwalla & Mistry, Chartered Accountants
Kalpataru Heritage, 5th Floor
127, M. G. Road, Fort
Mumbai 400 001

Registrar to the Issue

Karvy Computershare Private Limited
Plot No. 17-24, Vithalrao Nagar
Madhapur, Hyderabad 500 081
Tel: (91 40) 4465 5000
Fax: (91 40) 2343 1551
Email: gpl.rights@karvy.com
Investor Grievance Email: einward.ris@karvy.com
Website: www.karisma.karvy.com
Contact Person: Muralikrishna M
SEBI Registration No.: INR000000221

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer for any pre-Issue/ post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the CAF was submitted by the ASBA Investors.

Experts

Except for the reports of the Statutory Auditor of the Company, M/s. Kalyaniwalla & Mistry, Chartered Accountants on the audited unconsolidated and consolidated financial statements dated August 2, 2013 and the limited review reports on the unaudited unconsolidated and consolidated financial interim results dated July 27, 2013 included in this Letter of Offer, the statement of tax benefits dated May 29, 2013 provided by M/s. Kalyaniwalla & Mistry, Chartered Accountants under the section "*Statement of Special Tax Benefits Available to the Company and its Shareholders*", the licensed surveyor and chartered engineer's certificate dated May 31, 2013 provided by Shashank Mehendale & Associates, architect's certificate dated August 1, 2013 from Perkins Eastman and architect's certificate August 3, 2013 from CnT Architects, the Company has not obtained any expert opinion in respect of the Issue.

Bankers to the Issue

Kotak Mahindra Bank Limited
Kotak Infiniti, 6th Floor, Building No. 21, Infinity Park,
Off Western Express Highway,
General AK Vaidya Marg, Malad (East)
Mumbai 400 097
Tel: (91 22) 6605 6959
Fax: (91 22) 6759 5374

Email: cmsipo@kotak.com
Website: www.kotak.com
Contact Person: Mr. Prashant Sawant
SEBI Registration Number: INBI00000927

State Bank of India
Videocon Heritage (Killick House), Ground Floor,
Chiranjit Rai Marg,
Mumbai 400 001
Tel: (91 22) 2209 4932
Fax: (91 22) 2209 4921
Email: sbi11777@yahoo.co.in
Website: www.statebankofindia.com
Contact Person: Anil Sawant
SEBI Registration Number: INBI00000038

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSB for the ASBA process is provided on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries. Details relating to designated branches of SCSBs collecting the ASBA application forms are available at the above mentioned link.

Statement of responsibilities

Kotak is the sole Lead Manager to this Issue. The list of major responsibilities of the Lead Manager, *inter alia*, is as follows:

Sr. No.	Activities
1.	Capital structuring with the relative components and formalities such as type of instruments, etc.
2.	Undertaking due diligence activities and together with the legal counsel assist in drafting and design of the Draft Letter of Offer and this Letter of Offer and of the advertisement or publicity material including newspaper advertisements.
3.	Selection of various agencies connected with the Issue, such as registrars to the Issue, printers, advertising agencies, etc.
4.	Marketing of the Issue, which shall cover, *inter alia*, formulating marketing strategies, preparation of publicity budget, arrangements for selection of (i) ad-media, (ii) centers for holding conferences of stock brokers, investors, etc., (iii) bankers to the Issue, (iv) collection centers as per schedule III of the SEBI Regulations, (v) distribution of publicity and Issue material including composite application form, Draft Letter of Offer, Letter of Offer, etc., and deciding upon the quantum of Issue material.
5.	Post-Issue activities, including coordination for finalisation of the basis of allotment, listing of instruments and coordination with various agencies connected with the post-Issue activities such as registrars to the Issue, bankers to the Issue, SCSBs, etc and with the Stock Exchanges.

Monitoring Agency

The Company has appointed IDBI Bank Limited as the monitoring agency to monitor the utilization of the Net Proceeds in terms of Regulation 16 of the SEBI Regulations.

Credit Rating

As the Issue is of Equity Shares, there is no requirement of credit rating for this Issue.

Trustees

As the Issue is of Equity Shares, the appointment of trustees is not required.

Appraising Entity

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

Book Building Process

As the Issue is a rights issue, the Issue shall not be made through the book building process.

Minimum Subscription

If the Company does not receive the minimum subscription of 90% of the Issue, the Company shall refund the entire subscription amount received within 15 days from the Issue closing date. If there is delay in the refund of the subscription amount by more than eight days after the Company becomes liable to pay the subscription amount (i.e., 15 days after the Issue Closing Date), the Company and every Director of the Company who is an officer in default shall be jointly and severally liable to pay interest for the delayed period, at rates prescribed under sub-sections (2) and (2A) of Section 73 of the Companies Act, 1956.

Underwriting

This Issue shall not be underwritten.

Principal Terms of Loans and Assets charged as security

For details in relation to the principal terms of loans and assets charged as security in relation to the Company, please see the section "*Financial Indebtedness*" on page 202.

CAPITAL STRUCTURE

The equity share capital of the Company as at the date of this Letter of Offer is as set forth below:

(In ₹, except share data)

		Aggregate Value at Face Value	Aggregate Value at Issue Price
A	**AUTHORISED SHARE CAPITAL**		
	117,000,000 Equity Shares of ₹ 10 each*	1,170,000,000	
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE**		
	78,076,657 Equity Shares of ₹ 10 each	780,766,570	
C	**PRESENT ISSUE IN TERMS OF THIS LETTER OF OFFER**		
	21,538,388 Equity Shares of ₹ 10 each	215,383,880	6,999,976,100
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE**		
	99,615,045 Equity Shares of ₹ 10 each	996,150,450	
SECURITIES PREMIUM ACCOUNT		*(in ₹ million)*	
Before the Issue			**10,198.23**
After the Issue			16,982.82

* The authorized share capital of the Company has increased from ₹ 1,000,000,000 to ₹ 1,170,000,000 with effect from April 1, 2012 pursuant to the scheme of amalgamation of Godrej Waterside Properties Private Limited with the Company becoming effective.

The Board of Directors, at their meeting held on May 9, 2013, has approved the sub-division of the equity share of the Company of nominal value of ₹ 10 to two equity shares of nominal value of ₹ 5, and the consequent division of the authorised capital of the Company of ₹ 1,170,000,000 into 234,000,000 equity shares of ₹ 5 each, subject to the approval of its shareholders. Such approval will be obtained, and other required steps to give effect to the sub-division will be sought, after the completion of the Issue.

The present Issue has been authorized by the Board of Directors, pursuant to its resolution dated May 9, 2013.

Notes to the Capital Structure

1. Intention and extent of participation in the Issue by the Promoters and members of the Promoter Group

The Promoters and the members of the Promoter Group of the Company have confirmed that they intend to subscribe to the full extent of their Rights Entitlement in the Issue. The consequent Allotment shall be subject to the aggregate shareholding of the Promoter and Promoter Group not exceeding 75% of the post-Issue equity share capital of the Company as on the date of Allotment in accordance with clause 40A of the Equity Listing Agreements, and shall further be in compliance with the provisions of Regulation 10(4)(a) of the Takeover Regulations. In addition to subscription to their own Rights Entitlements, the Promoters and members of the Promoter Group have further confirmed that they intend to subscribe to additional Equity Shares for any unsubscribed shares in relation to the Rights Entitlement of the Promoter and Promoter Group, subject to aggregate shareholding of the Promoters and Promoter Group not exceeding 75% of the post-Issue equity share capital of the Company on the date of Allotment, in accordance with clause 40A of the Equity Listing Agreements. The acquisition of such additional Equity Shares by the Promoters and the members of the Promoter Group will be in accordance with Regulation 10(4)(b) of the Takeover Regulations.

However, in the event of an under-subscription in the Issue, specifically in relation to the Rights Entitlement in relation to the public shareholders of the Company, Allotment against the applications made by the Promoter and members of the Promoter Group, for their Rights Entitlement and additional Equity Shares, will be proportionally reduced such that aggregate shareholding of the Promoters and Promoter Group does not exceed 75% of the post-Issue equity share capital of the Company as on the date of Allotment.

2. Shareholding Pattern of the Company as per the format of clause 35 of the Equity Listing Agreement

(i) The shareholding pattern of the Company in accordance with Clause 35 of the Equity Listing Agreements as on July 26, 2013 is as follows:

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHAREHOLDERS	TOTAL NUMBER OF SHARES	NO OF SHARES HELD IN DEMATERIALIZED FORM	TOTAL SHAREHOLDING AS A % OF TOTAL NO OF SHARES		SHARES PLEDGE OR OTHERWISE ENCUMBERED	
					AS A PERCENTAGE of (A+B)	As A PERCENTAGE of (A+B+C)	NUMBER OF SHARES	AS A PERCENTAGE OF TOTAL SHARES
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)=(VIII)/(IV)*100
(A)	**PROMOTER AND PROMOTER GROUP**							
(1)	INDIAN							
(a)	Individual /HUF	9	7,811,250	7,811,250	10.00	10.00	0	0.00
(b)	Central Government/State Government(s)	0	0	0	0.00	0.00	0	0.00
(c)	Bodies Corporate	7	50,716,364	50,716,364	64.96	64.96	0	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0.00	0	0.00
(e)	Others	0	0	0	0.00	0.00	0	0.00
	Sub-Total A(1) :	**16**	**58,527,614**	**58,527,614**	**74.96**	**74.96**	**0**	**0.00**
(2)	FOREIGN							
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0.00	0	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
(c)	Institutions	0	0	0	0.00	0.00	0	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00
(e)	Others	0	0	0	0.00	0.00	0	0.00
	Sub-Total A(2) :	**0**	**0**	**0**	**0.00**	**0.00**	**0**	**0.00**
	Total A=A(1)+A(2)	**16**	**58,527,614**	**58,527,614**	**74.96**	**74.96**	**0**	**0.00**
(B)	**PUBLIC SHAREHOLDING**							
(1)	INSTITUTIONS							
(a)	Mutual Funds /UTI	5	1,509,087	1,509,087	1.93	1.93		
(b)	Financial Institutions /Banks	4	12833	12833	0.02	0.02		
(c)	Central Government / State Government(s)	0	0	0	0.00	0.00		
(d)	Venture Capital Funds	0	0	0	0.00	0.00		
(e)	Insurance Companies	0	0	0	0.00	0.00		
(f)	Foreign Institutional Investors	48	11,711,922	11,711,922	15.00	15.00		
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00		
(h)	Qualified Foreign Investor	1	25	25	0.00	0.00		
(i)	Others	0	0	0	0.00	0.00		
	Sub-Total B(1) :	**58**	**13,233,867**	**13,233,867**	**16.95**	**16.95**		
(2)	NON-INSTITUTIONS							
(a)	Bodies Corporate	479	1,476,249	1,476,249	1.89	1.89		
(b)	Individuals							
	(i) Individuals holding nominal share capital upto ₹1 lakh	20722	2,175,981	2,141,614	2.79	2.79		
	(ii) Individuals holding nominal share capital in excess of ₹1 lakh	25	2,042,334	2,042,334	2.62	2.62		
(c)	Others							
	NON RESIDENT	501	102,790	102,790	0.13	0.13		

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO OF SHAREHOLDERS	TOTAL NUMBER OF SHARES	NO OF SHARES HELD IN DEMATERIALIZED FORM	TOTAL SHAREHOLDING AS A % OF TOTAL NO OF SHARES		SHARES PLEDGE OR OTHERWISE ENCUMBERED	
					AS A PERCENTAGE of (A+B)	As A PERCENTAGE of (A+B+C)	NUMBER OF SHARES	AS A PERCENTAGE OF TOTAL SHARES
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)=(VIII)/(IV)*100
	INDIANS							
	CLEARING MEMBERS	40	24,067	24,067	0.03	0.03		
	TRUSTS	2	493,755	51,055	0.63	0.63		
(d)	Qualified Foreign Investor	0	0	0	0.00	0.00		
	Sub-Total B(2) :	**21,769**	**6,315,176**	**5,838,109**	**8.09**	**8.09**		
	Total B=B(1)+B(2) :	**21,827**	**1,9549,043**	**1,907,1976**	**25.04**	**25.04**		
	Total (A+B) :	21,843	78,076,657	77,599,590	100.00	100.00		
(C)	Shares held by custodians, against which							
	Depository Receipts have been issued							
(1)	Promoter and Promoter Group							
(2)	Public	0	0	0	0.00	0.00		
	GRAND TOTAL (A+B+C) :	**21,843**	**78,076,657**	**77,599,590**	**100.00**	**0.00**	**0**	**0.00**

Note: The post-Issue shareholding pattern shall be available on finalization of the Basis of Allotment

(ii) Statement showing shareholding of persons belonging to the category "Promoter and Promoter Group" as at July 26, 2013:

Sr. No	Name of the Shareholder	Details of Shares held		Encumbered shares (*)			Details of Warrants		Details of convertible securities		Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		No. of Shares held	As a % of grand total (A)+(B)+(C)	Pledge Shares	AS a percentage	AS a % of grand total (A) + (B) + (C) of sub-clause (I)(a)	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same class	
(I)	(II)	(III)	(IV)	(V)	(VI)=(V)/(III)*100	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)
1	GODREJ INDUSTRIES LIMITED	40,747,160	52.19	0	0.00	0.00	0	0.00	0	0.00	52.19
2	GODREJ INDUSTRIES LIMITED	4,648,695	5.95	0	0.00	0.00	0	0.00	0	0.00	5.95
3	GODREJ INDUSTRIES LIMITED	2,569,354	3.29	0	0.00	0.00	0	0.00	0	0.00	3.29
4	NADIR BARJORJI GODREJ	1,562,250	2.00	0	0.00	0.00	0	0.00	0	0.00	2.00
5	RISHAD KAIKHUSHRU NAOROJI	1,562,250	2.00	0	0.00	0.00	0	0.00	0	0.00	2.00
6	FREYAN VIJAY CRISHNA	815,730	1.04	0	0.00	0.00	0	0.00	0	0.00	1.04
7	NAVROZE JAMSHYD GODREJ	815,730	1.04	0	0.00	0.00	0	0.00	0	0.00	1.04
8	GODREJ INVESTMENTS PVT LTD	790,000	1.01	0	0.00	0.00	0	0.00	0	0.00	1.01
9	NYRIKA VIJAY CRISHNA	746,520	0.96	0	0.00	0.00	0	0.00	0	0.00	0.96
10	RAIKA JAMSHYD GODREJ	746,520	0.96	0	0.00	0.00	0	0.00	0	0.00	0.96
11	ENSEMBLE HOLDINGS AND FINANCE LIMITED	691,155	0.89	0	0.00	0.00	0	0.00	0	0.00	0.89
12	GODREJ & BOYCE MANUFACTURING COMPANY LIMITED	690,000	0.88	0	0.00	0.00	0	0.00	0	0.00	0.88
13	GODREJ & BOYCE	580,000	0.74	0	0.00	0.00	0	0.00	0	0.00	0.74

Sr. No	Name of the Shareholder	Details of Shares held		Encumbered shares (*)			Details of Warrants		Details of convertible securities		Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		No. of Shares held	As a % of grand total (A)+(B)+(C)	Pledge Shares	AS a percentage	AS a % of grand total (A) + (B) + (C) of sub-clause (I)(a)	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same class	
(I)	(II)	(III)	(IV)	(V)	(VI)=(V)/(III)*100	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)
	MANUFACTURING COMPANY LIMITED										
14	TANYA ARVIND DUBASH	520,756	0.67	0	0.00	0.00	0	0.00	0	0.00	0.67
15	NISABA ADI GODREJ	520,747	0.67	0	0.00	0.00	0	0.00	0	0.00	0.67
16	PIROJSHA ADI GODREJ	520,747	0.67	0	0.00	0.00	0	0.00	0	0.00	0.67
	TOTAL :	**58,527,614**	**74.96**	**0**	**0.00**	**0.00**	**0**	**0.00**	**0**	**0.00**	**74.96**

(iii) Statement showing shareholding of persons belonging to the category "Public" and holding more than 1% of the total number of Equity Shares as on July 26, 2013:

Sr. No.	Name of the shareholder	Number of shares held	Shares as a percentage of total number of shares {i.e., Grant total (A)+(B)+(C) indicated in Statement at para (I)(a) above}	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital)
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	EASTSPRING INVESTMENTS INDIA EQUITY OPEN LIMITED	1345,897	1.72	0	0.00	0	0.00	1.72
2	JPMORGAN SICAV INVESTMENT COMPANY (MAURITIUS) LIMITED	13,44,537	1.72	0	0.00	0	0.00	1.72
3	EQUINOX PARTNERS LP	1,308,555	1.68	0	0.00	0	0.00	1.68
4	JF INDIA FUND	981,929	1.26	0	0.00	0	0.00	1.26
5	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	979,713	1.25	0	0.00	0	0.00	1.25
6	GOVERNMENT PENSION FUND GLOBAL	933,211	1.20	0	0.00	0	0.00	1.20
	TOTAL :	**6,893,842**	**8.83**	**0**	**0.00**	**0**	**0.00**	**8.83**

(iv) Statement showing details of shareholders holding more than 1% of the total number of Equity Shares as on July 26, 2013:

Sr. No.	Name of the shareholder	Number of shares held	Shares as a percentage of total number of shares (%)

Sr. No.	Name of the shareholder	Number of shares held	Shares as a percentage of total number of shares (%)
1.	Godrej Industries Limited	40,747,160	52.19
2.	Godrej Industries Limited	4,648,695	5.95
3.	Godrej Industries Limited	2,569,354	3.29
4.	Nadir Barjorji Godrej	1,562,250	2.00
5.	Rishad Kaikhushru Naoroji	1,562,250	2.00
6.	Eastspring Investments India Equity Open Limited	1,345,897	1.72
7.	JP Morgan Sicav Investment Company (Mauritius) Limited	1,344,537	1.72
8.	Equinox Partners LP	1,308,555	1.68
9.	Godrej & Boyce Manufacturing Company Limited	1,270,000	1.62
10.	JF India Fund	981,929	1.26
11.	HDFC Standard Life Insurance Company Limited	979,713	1.25
12.	Government Pension Fund Global	933,211	1.20
13.	Freyan Vijay Crishna	815,730	1.04
14.	Navroze Jamshyd Godrej	815,730	1.04
15.	Godrej Investments Private Limited	790,000	1.01
	Total	**61,675,011**	**78.97**

(v) None of the Equity Shares held by any of the shareholders of the Company are locked in.

(vi) The Company does not have any outstanding Depository Receipts.

3. None of the Promoters or members of the Promoter Group have acquired any Equity Shares in the last one year.

4. Employee Stock Option Plan

The employee stock options of the Company presently operate under two schemes, i.e. GPL ESOP and GPL ESGS ("**ESOP Schemes**"). The ESOP Schemes are in compliance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended.

The details of ESOP Schemes of the Company are as follows:

A. GPL ESOP

The Company instituted GPL ESOP pursuant to the shareholders' resolution dated December 24, 2007. The GPL ESOP is administered by an independent trust. The details regarding the GPL ESOP are provided in the following table:

Sr. No.	Description	No. of options
1.	Total number of options under the GPL ESOP	Such number of options convertible into 1,500,000 Equity Shares
2.	Options granted as of July 31, 2013	442,700
3.	Options vested as of July 31, 2013	297,700
4.	Options exercised as of July 31, 2013	Nil
5.	Options lapsed or forfeited as of July 31, 2013	168,000
6.	Total number of options outstanding as of July 31, 2013	274,700

B. GPL ESGS

The GPL ESGS was established pursuant to the resolution dated March 18, 2011 of the shareholders of the Company. The details regarding the GPL ESGS are provided in the following table:

Sr. No.	Description	No. of options
1.	Total number of options under the GPL ESGS	300,000
2.	Options granted as of July 31, 2013	171,104
3.	Options vested as of July 31, 2013	42,738
4.	Options exercised as of July 31, 2013	39,838
5.	Options lapsed or forfeited as of July 31, 2013	17,617
6.	Total number of options outstanding as of July 31, 2013	113,649

5. Except for the outstanding options under the ESOP Schemes, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of filing this Letter of Offer.

6. Except for the allotments to be made under the GPL ESGS, there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this Letter of Offer with the Stock Exchanges until the Equity Shares to be issued pursuant to the Issue have been listed.

7. The ex-rights price of the Equity Shares as per Regulation 10(4) (b) of the Takeover Regulations is ₹ 495.73 per Equity Share.

OBJECTS OF THE ISSUE

The objects of the Issue are:

1. Repayment/ pre-payment, in full or part, of certain loans availed by our Company and certain Subsidiaries; and

2. General corporate purposes.

The main objects set out in the Memorandum of Association enable us to undertake our existing activities. The loans availed by our Company and our Subsidiaries, which are proposed to be repaid/ pre-paid, in full or part, from Net Proceeds of the Issue, are for activities carried out as enabled by the objects clause of the Memorandum of Association.

Requirement of Funds

The details of the Net Proceeds are set forth in the following table:

Sr. No.	Description	Estimated Amount (In ₹ million)
1.	Gross proceeds of the Issue	6,999.98
2.	Less Issue expenses	90.14
3.	Net Proceeds	6,909.84

Means of Finance

Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from the Net Proceeds. Accordingly, the Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

Utilization of Net Proceeds

The details of utilisation of Net Proceeds will be in accordance with the table set forth below:

Sr. No.	Particulars	Estimated Amount to be utilised (In ₹ million)
1.	Repayment/ pre-payment, in full or part, of certain loans availed by our Company and certain Subsidiaries	5,250.00
2.	General corporate purposes	1,659.84
	Total	6,909.84

Schedule of Deployment

Our Company proposes to deploy the entire Net Proceeds towards the objects as described herein during financial year 2014.

The funds deployment described herein is based on management estimates and current circumstances of our business. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the funds requirements described herein.

Details of the Objects of the Issue

The details in relation to objects of the Issue are set forth herein below.

1. **Repayment/ pre-payment, in full or part, of certain loans availed by our Company and certain Subsidiaries**

   Our Company and some of our Subsidiaries have entered into financing arrangements with various banks/ financial institutions. These arrangements include secured and unsecured loans from banks/ financial institutions. For details of our debt financing arrangements, see the section titled "*Financial Indebtedness*" on page 202.

   Our Company proposes to utilize an estimated amount of ₹ 5,250 million from the Net Proceeds towards repayment/ pre-payment, in full or part, of certain loans availed by our Company and our Subsidiaries. We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness and our debt-equity ratio. We believe that reducing our indebtedness will result in an enhanced equity base, assist us in maintaining a favourable debt-equity ratio in the near future and enable utilization of our accruals for further investment in business growth and expansion in new projects. In addition, we believe that the leverage capacity of our Company will improve significantly to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business in the coming years.

   The following table provides details of certain loans availed by the Company, on a consolidated basis, out of which we may repay/ pre-pay, in full or in part, any or all of the loans from the Net Proceeds, without any obligation to any particular bank/ financial institution:

A. Indebtedness of the Company

Sr. No.	Name of Lender	Nature of Loan, Date of the Loan Agreement	Purpose of Loan	Amount Sanctioned	Amount Disbursed up to July 31, 2013*	Total Amount Outstanding as on July 31, 2013*	Rate of Interest (per annum) as on July 31, 2013	Interest Reset	Term/Tenure	Prepayment Penalty	Repayment Schedule
1.	State Bank of India	Nature of loan - Working Capital facility Sanction letter dated March 9, 2013 and Agreement of loan dated September 20, 2002, as amended by supplemental loan agreements dated May 4, 2005, October 18, 2006, December 28, 2007, May 13, 2009, March 16, 2011 and	To meet working capital requirements	Cash credit/working capital demand loan – ₹ 4,000 million (One way interchangeability from Non fund based to Fund based) Letters of credit – ₹ 500 million (One way interchangeability from Non fund based to Fund based) ** Bank guarantees – ₹ 1,000 million (One way interchangeability from Non fund based to Fund based) ** Forward	₹ 4,370.50 million (cash credit account)	₹ 4,370.50 million (cash credit account)	Cash credit/ working capital demand loan – 0.50% above the base rate. Effective rate of interest is 10.20% per annum Letters of credit – 0.40% per annum plus applicable taxes Bank guarantees – 0.80% per	Not applicable	12 months from the date of sanction	Nil	No fixed repayment date

Sr. No.	Name of Lender	Nature of Loan, Date of the Loan Agreement	Purpose of Loan	Amount Sanctioned	Amount Disbursed up to July 31, 2013*	Total Amount Outstanding as on July 31, 2013*	Rate of Interest (per annum) as on July 31, 2013	Interest Reset	Term/Tenure	Prepayment Penalty	Repayment Schedule
		July 09, 2013		contracts – ₹ 5 million			annum plus applicable taxes				
2.	Axis Bank Limited	Nature of loan – Demand/short term credit facility Sanction letter dated September 20, 2012 and Demand/short term credit facility agreement dated October 5, 2012	To meet working capital requirements	Short term loan – ₹ 1,000 million	₹ 1,000 million	₹ 1,000 million	Base rate + 0.90% Effective Rate of Interest is 10.90% per annum	Not applicable	13 months	Not applicable	Repayment at the end of one year from the date of disbursement of each tranche. The date of draw-down is October 5, 2012, hence the date of repayment is October 5, 2013.
3.	IDBI Bank Limited	Nature of facility – working capital facility Sanction letter dated May 4,	To meet the working capital requirements	₹ 1,000 million (includes Interchangeable non Fund Based limit of ₹ 100 million and Interchangeabl	₹ 115.59million	₹ 115.59 million	Base rate plus 3.50% Effective Rate of Interest is 13.75.%	Not applicable	12 months	Nil	No Fixed Repayment Date

Sr. No.	Name of Lender	Nature of Loan, Date of the Loan Agreement	Purpose of Loan	Amount Sanctioned	Amount Disbursed up to July 31, 2013*	Total Amount Outstanding as on July 31, 2013*	Rate of Interest (per annum) as on July 31, 2013	Interest Reset	Term/Tenure	Prepayment Penalty	Repayment Schedule
		2012		e treasury limit of ₹ 10 million)			per annum				
4.	Commercial paper	Date of Issue – March 28, 2013	To meet the working capital requirements	₹ 4,000 million	₹ 1,000 million	₹ 1000 million	9.75%	Not applicable	162 days	Not applicable	Date of maturity – September 6, 2013
		Date of Issue – July 02, 2013			₹ 500 million	₹ 500 million	8.60%	Not applicable	73 days	Not applicable	Date of maturity – September 13, 2013
		Date of Issue – July 04, 2013			₹ 500 million	₹ 500 million	8.60%	Not applicable	74 days	Not applicable	Date of maturity – September 16, 2013
		Date of Issue – July 5, 2013			₹ 250 million	₹ 250 million	8.40%	Not applicable	61 days	Not applicable	Date of maturity – September 4, 2013
		Date of Issue – July 5, 2013			₹ 250 million	₹ 250 million	8.40%	Not applicable	61 days	Not applicable	Date of maturity – September 4, 2013

* *The amount disbursed and outstanding as of July 31, 2013 has been certified by M/s. Kalyaniwalla & Mistry, Chartered Accountants, statutory auditor of our Company, vide their certificate dated August 2, 2013, which further certifies that our Company and Subsidiaries have utilised the above said loan amounts for the purposes for which the loans were raised.*

*** Full interchangeability between LC and BG*

B. Indebtedness of the Subsidiaries

Sr. No.	Name of Lender	Name of the Subsidiary Availing the Loan	Nature of Loan, Date of the Loan Agreement	Purpose of Loan	Amount Sanctioned	Amount Disbursed up to July 31, 2013*	Total Amount Outstanding as on July 31, 2013*	Rate of Interest (per annum) as on July 31, 2013	Interest Reset	Term/Tenure	Prepayment Penalty	Repayment Schedule
1.	State Bank of India	Godrej Developers Private Limited (Our Company holds 51% shareholding in this subsidiary)	Nature of loan – Term loan facility Sanction letter dated June 12, 2009 and Loan agreement dated November 17, 2009	Developing project Godrej Genesis at Kolkata	₹ 1,750 million	₹ 1747.50 million	₹ 347.50 million	3.60% above base rate Effective Rate of Interest is 13.30% per annum	Interest reset every 12 months	Door to door tenor of 4 years	Prepayment penalty of 2%	September 30, 2013 - ₹ 347.50 million
2.	HDFC Limited	Godrej Buildcon Private Limited (wholly owned subsidiary)	Nature of facility - Rupee loan facility Sanction letter dated September 28, 2011	For construction of commercial project at – Plot no. C68, G Block, Bandra Kurla Complex, Mumbai	₹ 7,500 million	₹ 7,500 million	₹ 7,500 million	Interest rate linked to HDFC Corporate Prime Lending Rate (HDFC CPLR) (negative spread of 485 basis point linked with HDFC CPLR) Effective Rate of Interest is 12.40%	Interest shall be reset on 1st of every month in case of change in Lender's CPLR	60 months from the date of first disbursement	Penalty as may be prescribed by the lender at the time of prepayment of the loan	Repayable from the end of 53rd month in eight monthly installments from the date of first drawdown of December 29, 2011

Sr. No.	Name of Lender	Name of the Subsidiary Availing the Loan	Nature of Loan, Date of the Loan Agreement	Purpose of Loan	Amount Sanctioned	Amount Disbursed up to July 31, 2013*	Total Amount Outstanding as on July 31, 2013*	Rate of Interest (per annum) as on July 31, 2013	Interest Reset	Term/Tenure	Prepayment Penalty	Repayment Schedule
								per annum				

* *The amount disbursed and outstanding as of July 31, 2013 has been certified by M/s. Kalyaniwalla & Mistry, Chartered Accountants, statutory auditor of our Company, vide their certificate dated August 2, 2013, which further certifies that our Company and Subsidiaries have utilised the above said loan amounts for the purposes for which the loans were raised.*

Some of our loan agreements provide for the levy of prepayment penalties or premium. We will take such provisions into consideration while deciding the loans to be repaid and/ or pre-paid from the Net Proceeds. Payment of such pre-payment penalty or premium, if any, shall be made by our Company out of the Net Proceeds of the Issue. In the event the Net Proceeds of the Issue are not sufficient for the said payment of pre-payment penalty or premium, our Company shall make such payment from its internal accruals. We may also be required to provide notice to some of our lenders prior to prepayment.

The selection of loans proposed to be repaid and/ or pre-paid from our loan facilities provided above shall be based on various factors including, (i) any conditions attached to the loans restricting our ability to prepay the loans and time taken to fulfill such requirements, (ii) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our respective lenders, (iii) terms and conditions of such consents and waivers, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any law, rules, regulations governing such borrowings, and (vi) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan. For details, please see "*Risk Factors - Our indebtedness and the restrictive covenants imposed upon us in certain debt facilities could, among other things, limit our ability to incur any additional indebtedness or limit our flexibility in utilization of such debt facilities, which would adversely affect our business, growth, financial condition and results of operations*" on page 21.

Given the nature of these borrowings and the terms of repayment/ pre-payment, the aggregate outstanding loan amounts may vary from time to time. In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. In such cases or in case any of the above loans are repaid/ pre-paid or further drawn-down prior to the completion of the Issue, we may utilize the Net Proceeds towards repayment/ pre-payment of such additional indebtedness.

To the extent that the Net Proceeds are utilized to repay/prepay any of the loans availed by the Subsidiaries, we shall be deploying the Net Proceeds in such Subsidiaries in the form of debt or equity or in any other manner as may be mutually decided. The actual mode of such deployment has not been finalized as on the date of this Letter of Offer.

2. General Corporate Purposes

Our Company intends to deploy the balance Net Proceeds for general corporate purposes to drive our business growth, including but not restricted to, strategic initiatives and acquisitions, meeting any expenditures in relation to our Company, subsidiaries or LLPs, including in relation to financing of real estate development projects or acquisition of land development rights, brand building exercises, entering into partnerships or meeting exigencies which the Company in ordinary course of business may face, or any other purposes as may be approved by the Board of Directors.

3. Issue related expenses

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses, and registrar and depository fees. The estimated Issue related expenses are as follows:

Particulars	Estimated Amounts (₹ in million)	As percentage of total expenses	As a percentage of Issue Size
Fees of Lead Manager, Bankers to the Issue, Legal Advisor, Registrar to the Issue, and out of pocket expenses	50.10	55.58%	0.72%
Expenses relating to advertising, printing, distribution, marketing and stationery expenses and ASBA processing fees	30.43	33.76%	0.43%

Particulars	Estimated Amounts (₹ in million)	As percentage of total expenses	As a percentage of Issue Size
Regulatory fees, filing fees, listing fees, depository fees, auditor fees and miscellaneous expenses	9.61	10.66%	0.14%
Total estimated Issue related expenses	**90.14**	**100.00%**	**1.29%**

Interim use of proceeds

Our Board of Directors, in accordance with the policies formulated by them from time to time, will have flexibility in deploying the Net Proceeds. Pending utilization of the Issue Proceeds for the purposes described above, we intend to temporarily invest the funds in interest/ dividend bearing liquid instruments including investments in mutual funds and other financial products, such as principal protected funds, derivative linked debt instruments, other fixed and variable return instruments, listed debt instruments, rated debentures or deposits with banks/ other entities etc. as per our existing investment policy or any other policy that may be approved by our Board of Directors or any committee thereof, from time to time. Such investments would be in accordance with the investment policies approved by our Board of Directors or any committee thereof authorised by our Board of Directors, from time to time.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of the Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Monitoring of Utilisation of Funds

Our Company has appointed IDBI Bank Limited as the monitoring agency. Our Board will monitor the utilisation of the proceeds of the Issue. We will disclose the utilisation of the proceeds of the Issue under a separate head along with details, for all such proceeds of the Issue that have not been utilised. We will indicate investments, if any, of unutilised proceeds of the Issue in the balance sheet of our Company for the relevant fiscal years subsequent to the listing.

Pursuant to clause 49 of the Equity Listing Agreements, our Company shall on a quarterly basis disclose to the audit committee of the Board of Directors the uses and applications of the Issue Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Letter of Offer and place it before the audit committee of the Board of Directors. Such disclosure shall be made only until such time that all the Issue Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with clause 43A of the Equity Listing Agreements, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including material deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the audit committee of the Board of Directors.

No part of the Issue Proceeds will be paid by us to the Promoter and Promoter Group, the Directors, our key management personnel, associates or companies promoted by the Promoters, except in the usual course of business.

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

The Board of Directors
Godrej Properties Limited,
Mumbai.

Dear Sirs,

Statement of special tax benefits available to Godrej Properties Limited ("the Issuer") and its shareholders

We hereby report that there are no special tax benefits available to Godrej Properties Limited ("the Issuer") and to the shareholders of the Issuer under the Income Tax Act, 1961 (as amended by the provisions of Finance Act, 2013), Wealth Tax Act, 1957 and Gift Tax Act, 1958 which are presently in force in India.

This is based on the information, explanations and representations obtained from the Issuer and on the basis of our understanding of the business activities and operations of the Issuer and interpretations of the current relevant laws.

This statement is intended solely for information and for inclusion in the offer document in connection with the proposed Rights Issue of the Issuer in accordance with SEBI Regulations.

For Kalyaniwalla & Mistry
Chartered Accountants
Firm Regn. No.104607W

Ermin K. Irani
Partner
Membership No.35646
Dated: May 29, 2013

SECTION IV: ABOUT THE COMPANY

BUSINESS

Unless otherwise stated, the financial data used in this section has been derived from our Company's audited consolidated financial statements and audited unconsolidated financial statements for the financial years ended on March 31, 2013 and March 31, 2012.

Overview

We are one of the leading real estate development companies in India, with a focus on developing residential projects. We currently have real estate development projects in 12 cities in India. We undertake our projects through our in-house team of professionals and by partnering with companies with domestic and international operations. Our consolidated total revenue for the financial years 2013 and 2012 was ` 10,475.70 million and ` 8,198.08 million, respectively. Our consolidated profit after tax for financial years 2013 and 2012 was ` 1,384.35 million and ` 979.26 million, respectively.

Our Promoters and Promoter Group collectively held 74.96 % of our outstanding equity share capital as of July 26, 2013. We are a part of the Godrej group. We believe that the "Godrej" brand commands a strong resonance among the populace in India and is associated with trust, quality and reliability. The "Godrej" brand was valued at US$ 2.8 billion in October 2010 by Interbrand, a London-based brand consultant. "Godrej" has been ranked as India's second most trusted brand in the "diversified" category and sixth most trusted brand in the "overall" category by the Brand Trust Report in 2013. The real estate business has been identified as one of the key growth businesses of the Godrej group.

We believe that we have high standards of corporate governance and have an eminent Board of Directors. Our Board and management periodically review our internal policies and business practices and have been instrumental in building our reputation in the real estate sector in India. Being part of the Godrej group and our strong business practices and reputation in the real estate sector in India enable us to enter into and execute our joint development model.

We commenced development of our first project in 1991. We initially concentrated our operations in the Mumbai Metropolitan Region and later expanded to include other cities such as Pune, Bengaluru, Kolkata, Hyderabad, Ahmedabad, Mangalore, Chandigarh, Chennai, Kochi, the NCR and Nagpur. As of June 30, 2013, we had completed a total of 32 projects comprising 22 residential and 10 commercial projects, aggregating to approximately 8.14 million sq. ft. of Developable Area and 5.39 million sq. ft. of Saleable Area.

We focus primarily on residential projects. In our residential project portfolio, we develop projects that are focused on the higher end to mid-level range of the real estate market. Residential projects constituted approximately 82.39% of our total Saleable Area as of June 30, 2013. In addition, we also have certain commercial projects at various stages of development, which constituted approximately 17.61% of our total Saleable Area as of June 30, 2013. Two of these projects, The Trees, Mumbai and Godrej Alpine, Mangalore, are mixed-use projects.

Our total Land Reserves, as of June 30, 2013, aggregated to approximately 88.53 million sq. ft. of Developable Area and 78.83 million sq. ft. of Saleable Area, which includes our Ongoing Projects and Forthcoming Projects.

The table below provides our estimated Developable Area and Saleable Area for our Ongoing Projects and Forthcoming Projects by city as of June 30,, 2013:

City	Estimated Developable Area (in million sq. ft.)*	Estimated Saleable Area* (in million sq. ft.)	Number of Projects
Ahmedabad	23.72	23.00	1
Bengaluru	4.94	3.77	6

City	Estimated Developable Area (in million sq. ft.)*	Estimated Saleable Area* (in million sq. ft.)	Number of Projects
Chandigarh	0.69	0.51	1
Chennai	2.69	2.51	1
NCR	5.36	3.70	3
Hyderabad	10.02	7.53	2
Kochi	2.29	2.24	1
Kolkata	6.35	5.69	4
Mangalore	0.83	0.83	1
Mumbai	14.62	12.13	15
Nagpur	2.76	2.76	1
Pune	14.26	14.15	4
Total	**88.53**	**78.83**	**40**

* Total Developable/Saleable Area, irrespective of the revenue, profit or area sharing arrangement.

In addition, we have entered into memoranda of understanding with Godrej & Boyce and Godrej Agrovet Limited for developing land owned by them in various regions across India. The land covered under these memoranda of understanding does not form a part of our Land Reserves and is detailed in the table below:

Group Company	City	Area (in acres)
Godrej & Boyce	Mohali (Chandigarh)	75
Godrej Agrovet Limited	Bengaluru	100
Total		175

We have also entered into a memorandum of understanding with Godrej & Boyce to develop its lands in Vikhroli, Mumbai, under which we are entitled to receive 10.0% of the money received for the sales of units as a development manager fee, with the total area of land to be developed pursuant to the memorandum of understanding not yet determined. In addition, we have entered into an agreement with Godrej & Boyce to develop the Godrej Platinum, Mumbai project, under which we are entitled to 10.0% of the money received for the sales of units as a development manager fee. Godrej Platinum, Mumbai is located on land which is the subject matter of the memorandum of understanding with Godrej & Boyce to develop its lands in Vikhroli, Mumbai. For details of these memoranda of understanding and agreement, see "— *Memoranda of Understanding, Limited Liability Partnership Agreements and Development Agreement with Godrej Group Companies*" on page 81.

We generally use the "joint development model" for developing properties, which entails entering into a development agreement with the owner(s) of the land parcel(s) sought to be developed and developing the project jointly with the land owner. We are, typically, entitled to share in the development property, or a share of the revenue or profits generated from the sale of the developed property, or a combination of both entitlements. We believe that the joint development model allows us to be more capital efficient and hold fewer assets.

In some projects, we offer and sell equity interests in project-specific companies to long-term investors. This business model enables us to hold fewer assets, be more capital efficient, achieve higher returns on our investments in the projects and undertake more projects without investing large amounts of capital towards the purchase of land. We are thereby able to limit our risk through project diversification while maintaining significant management control over these projects. As of June 30, 2013, eight of our projects were being undertaken with long-term equity partners who have invested in project-specific companies.

Additionally, we have created a residential development financing platform of ` 10,725 million, under which a Dutch co-operative representing a group of overseas investors and an Indian investor, is committed to equity investments in our residential projects. The platform intends to focus primarily on the development of FDI-compliant residential projects (other than small joint development projects) in Mumbai, the National Capital Region, Bangalore, Chennai and Pune. The platform will enable us to capture outright land purchase transactions without deviating from our asset light model. The platform shall evaluate investment opportunities from time to time, pursuant to which we may enter into definitive agreements for equity contributions by certain investors in project-specific companies incorporated for the development of some of our projects.

We have also added two projects under the residential development financing platform which are Okhla, New Delhi and Sahakar Nagar 2, Mumbai, which we believe, will significantly reduce our peak investment in the projects.

In addition, we undertake the development of projects as a development manager on a fee basis, which we believe allows us to reduce the number of responsibilities with regard to such projects that we are required to handle including, for example, the responsibility to obtain approvals in relation to such development.

We have incorporated a wholly-owned subsidiary and have established a dedicated internal team that is focused on undertaking residential redevelopment projects in Mumbai. As of June 30, 2013 we had six forthcoming redevelopment projects with Saleable Area aggregating 2.13 million sq. ft.

Our Strengths

We believe that the following are our principal strengths:

Established brand name

We are a part of the Godrej group, among India's oldest and most prominent corporate houses. The diversified business interests of the Godrej group include manufacturing locks and safes, precision equipments, fabrications, white goods, furniture, machine tools and a range of personal care products along with the real estate sector, which has been identified as one of the key growth businesses of the Godrej group. We believe that the "Godrej" brand is instantly recognisable amongst the populace in India due to its long presence in the Indian market, the diversified businesses in which the Godrej group operates and the trust we believe it has developed over the course of its operating history.

We believe that the strength of the "Godrej" brand and its association with trust, quality and reliability helps us in many aspects of our business, including entering into joint development agreements, land sourcing, expanding to new cities and markets, formulating business associations and building relationships with our customers, service providers, process partners, investors and lenders.

We have received several business awards and recognitions, including winning the 'Best Emerging Developer' at NDTV Property Awards, 2013, 'Best Business Practice in Real Estate' National Real Estate Award for Excellence in Real Estate for the year 2012 by Accommodation Times in 2013 and "CWAB Platinum Award for Excellence" in 2012. In a study by the Great Places to Work Institute and the Economic Times, we were ranked amongst India's Top 25 companies to work for in 2013 and were also ranked as the number one company in the real estate and construction sector. We received the 'Brand Excellence Award' in the real estate category at the Zee Business Awards. ET Now has awarded us as the "Developer of the Year – Residential Category", "Integrated Township of the year" for our Godrej Garden City project and "Innovative Real Estate Marketing Campaign". We won the "Best Business Practice in Real Estate" at the National Real Estate Award for Excellence in Real Estate for the year 2012 by Accommodation Times and won awards for "Best Emerging National Developer" and "Best Residential Project – South" at the Zee Business RICS Real Estate Awards in 2011 for our Godrej Woodsman Estate project. Additionally, one of our completed projects, the Planet Godrej, Mumbai project was named "Best Residential

Property" for the western region of India at the CNBC AWAAZ CRISIL CREDAI awards in 2009.

Strong project pipeline

As of June 30, 2013, we had Land Reserves of approximately 88.53 million sq. ft. of Developable Area and 78.83 million sq. ft. of Saleable Area across 12 cities. As of June 30, 2013, we had 22 Ongoing Projects comprising 50.35 million sq. ft. of Developable Area and 46.32 million sq. ft. of Saleable Area. Additionally, we have 18 Forthcoming Projects comprising 38.18 million sq. ft. of Developable Area and 32.52 million sq. ft. of Saleable Area. During the financial year 2013, we entered into definitive agreements for the development of eight projects. We have also entered into memoranda of understanding with Godrej & Boyce and Godrej Agrovet Limited, to develop approximately 175 acres of land owned by them and have entered into a memorandum of understanding with Godrej & Boyce to develop its lands in Vikhroli, Mumbai on a project development management fee basis where the total area of land to be developed pursuant to the memorandum of understanding is not yet determined.

Most of our Land Reserves are located in or near prominent or growing cities across India, such as Mumbai, Pune, Bengaluru, Ahmedabad and Kolkata and include land parcels which we own directly, and land parcels over which we have development rights through definitive agreements or memoranda of understanding.

Track record of joint development projects and strategic investors

We typically undertake projects through the joint development model and enter into development agreements with land owners to develop their land. These agreements provide us with the development rights to land in exchange for a pre-determined portion of revenues, profits or developable area generated from the project. This model reduces our upfront land-acquisition costs and reduces our risk exposure to the project. As of June 30, 2013, 89.16% and 90.26% of our total Developable Area and Saleable Area, respectively, were being undertaken as joint development projects.

Additionally, in some projects, we offer and sell equity interests in project-specific companies to long-term investors. This business model enables us to hold fewer assets, be more capital efficient, achieve higher returns on our investments in the projects and undertake more projects without investing large amounts of capital towards the purchase of land. We are thereby able to limit our risk through project diversification while maintaining significant management control over these projects. As of June 30, 2013, eight of our projects were being undertaken with long-term equity partners who have invested in project-specific companies.

We also undertake the development of projects as a project development manager on a fee basis. In these projects, we have little or no capital investments. For example, we have entered into an agreement with Godrej & Boyce for the development of Godrej Platinum, a project located at Vikhroli, Mumbai, pursuant to which we are entitled to receive 10.0% of the money received for the sales of units as a development manager fee. For details of this agreement, see "— *Memoranda of Understanding, Limited Liability Partnership Agreements and Development Agreement with Godrej Group Companies*" on page 81.

Strong management, eminent Board of Directors, good corporate governance practices and strong employee base

Our Board includes a combination of executive as well as independent Directors with significant business experience. Our Board is committed to implementing best practices of corporate governance and achieving a high level of transparency, with a focus on investors' best interests and the maximisation of shareholder value. Our management personnel are qualified professionals, many of whom have spent a number of years in various functions of real estate development. Our Board and management periodically review our internal policies and business practices and have been instrumental in building our reputation in the real estate sector in India. We believe that our strong business practices and reputation in the real estate sector enable us to execute our joint development model of developing projects across India. Additionally, our Board and our key management personnel have been instrumental in our growth and progress.

We believe that a motivated and empowered employee base is the key to our competitive advantage. Our employee value proposition is based on a strong focus on employee development, an exciting work culture, empowerment and competitive compensation. We strongly focus on the development of talent. Various processes such as the "360-

Degree Feedback" and "Talent Management Process" and customised learning initiatives supported by various online systems are customised for us to foster employee development. The "Executive MBA" program, "Executive Coaching" for leaders and our internal Knowledge Management portal are some of the initiatives we have taken towards employee development. We believe that the skills and diversity of our employees give us the flexibility to adapt to the future needs of our business. We have been ranked the '14th Best Company to Work for' in India in the Financial Year 2013. We also received the '2nd Best Company to Work for' award in the category of companies with less than 1,000 employees and are ranked as the "Best company to work for" in the real estate and construction sector for the Financial Year 2013. This is the first time a real estate developer was ranked among the overall top 25 companies in the list. We believe that this recognition reflects the strength of our employee centric culture and human resource practices.

Financial strength

Our financial strength is a result of several factors. As a Godrej group company and one of the leading real estate development companies in India, we believe we are able to obtain funding at relatively low interest rates. In addition, we have a track record of stable revenues and profitability. Our consolidated total revenue for financial years 2013 and 2012 was ` 10,475.70 million and ` 8,198.08 million, respectively. Our consolidated profit for financial years 2013 and 2012 was ` 1,384.35 million and ` 979.26 million, respectively. As of August 2, 2013, our market capitalisation was ` 37,098.12 million. As of June 30, 2013, we had also secured equity investments for eight of our project-specific companies and may continue to diversify our project capital and other expenditures by seeking to obtain funding in one or more of our project-specific companies, which we believe would allow us to reduce risk and increase capital efficiency.

Our Business Strategies

The following are the key elements of our business strategy:

Enhance and leverage the "Godrej" brand and the group resources

One of our key strengths is our affiliation and 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 that of a trusted provider of quality products and services.

We were actively involved in a group-wide branding initiative that was conducted by Interbrand, a London-based brand consultant. The real estate business has been identified as one of the key growth businesses of the Godrej group. Interbrand also conducted a branded business valuation exercise which measured the economic value added by the "Godrej" brand to our business and demonstrated how the "Godrej" brand could be used to attract future joint ventures and partners in order to build our pipeline of projects. We intend to continue to enhance and leverage the "Godrej" brand through strategic branding initiatives, consumer engagement programs and integrated marketing campaigns. In addition, our association with the Godrej group helps us leverage group resources including the land owned by other companies in the Godrej group.

Focus on developing residential projects in high growth urban areas and redevelopment projects in Mumbai

We believe that the growth opportunity for real estate development in India will be focused 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. By developing these residential projects, we believe we will be able to attract the rapidly growing number of middle and upper middle class home buyers in India. As of June 30, 2013, 82.39% of our Saleable Area comprised residential projects.

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 the Mumbai area. As on June 30, 2013, we have added six redevelopment projects with Saleable Area aggregating 2.13 million sq. ft. to our portfolio.

Build upon extensive portfolio of joint development projects and other innovative structures to optimise resources

We intend to leverage our established track record and existing relationships with land owners 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. As of June 30, 2013, eight of our projects were being undertaken with long-term equity partners who have invested in project-specific companies. We will continue to explore opportunities to undertake projects with such investors on an ongoing basis. We believe this allows us to remain asset light while enabling us to focus on our key core functions of land sourcing, project execution and marketing as we expand our operations. In addition, we have diversified our execution model by undertaking the development of projects as a project development manager on a fee basis. We have also created a residential development financing platform, under which a Dutch co-operative representing a group of overseas investors and an Indian investor, is committed to equity investments in our residential projects. The platform shall evaluate investment opportunities from time to time, pursuant to which we may enter into definitive agreements for equity contributions by certain investors in project-specific companies incorporated for the development of some of our projects. In addition, we have incorporated a wholly-owned subsidiary and have established a dedicated internal team that is focused on undertaking residential redevelopment projects in Mumbai. Further, we may, from time to time, enter into definitive agreements pursuant to term sheets, memoranda of understanding with various parties for acquisition of land development rights.

Focus on execution

We intend to continue to scale up the size of our operations and our project teams. We recognise the importance of delivering quality projects on a timely basis. We intend to increase the scale of our business while staying focused on quality. Selective outsourcing of the development process enables us to undertake more projects and source best-in-class development partners, while optimally utilising our resources. We intend to continue to outsource activities such as design, architecture and construction to skilled partners. For example, we commissioned Pelli Clarke Pelli Architects, who have worked on prestigious projects around the world, such as the Petronas Towers in Kuala Lumpur, One Canada Square at Canary Wharf in London, the World Financial Center in New York City and the International Finance Center in Hong Kong, to master plan and design our development, The Trees, in Vikhroli. We also commissioned them to design the first commercial building within the project which will also house our headquarters - Godrej One. In addition, we commissioned Skidmore, Owings & Merrill LLP to design and provide us with a master plan for our Godrej Garden City, Ahmedabad project. We have also commissioned SOM to design Godrej BKC, Mumbai - a grade A commercial office building. We commissioned Perkins Eastman to design our residential development in Kolkata – Godrej Platinum. Additionally, we use Larsen & Toubro Limited and Shapoorji Pallonji & Company Limited as construction contractors for some of our projects.

We also use information technology to support our execution capabilities. We have adopted an online information management system for garnering competitive advantages and reducing risks associated with communication. We have partnered with Aconex to establish a robust communication and collaboration platform for all of our projects. We have recently completed implementation of ASTA power project to manage our full portfolio. ASTA power project would help us in increasing our existing bandwidth to manage growth efficiently and effectively. We believe that these technologies will help us address execution-related risks with greater precision

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 the green building concept in India with a vision to serve as a single point solutions provider and facilitator for green building activities in India. The Godrej Garden City, Ahmedabad project has been chosen as one among 17 projects around the world by the Climate Positive Development Program, which is a part of the Clinton Climate Initiative, to work towards being climate positive. The Godrej Garden City, Ahmedabad project seeks to achieve carbon emission levels of below zero through the use of economically viable innovations in buildings, generation of clean energy, waste and water management and transportation and outdoor lighting systems. The Godrej group oversees large mangrove holdings in Vikhroli and we have undertaken the “Godrej Good & Green” initiative to achieve certain environmental benchmarks by the year 2020.

We have implemented environmentally-friendly building concepts in many of our projects in line with leading global sustainability practices. We are also 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. The Godrej Waterside, Kolkata project and the Godrej Genesis, Kolkata project have been certified as LEED Gold for its core and shell. The Godrej One, Mumbai project and the Godrej Eternia, Chandigarh project have been pre-certified as LEED Platinum for their core and shell. The Godrej Platinum, Bengaluru project has been pre-certified as Indian Green Building Council Green Homes Gold. The Godrej Palm Grove, Chennai project has been pre-certified as Indian Green Building Council Green Homes Gold. The Godrej Platinum, Mumbai project has been pre-certified platinum for its "B-type towers". The Godrej Horizon, Pune project, Godrej Serenity, Mumbai project and Godrej Gold County, Bengaluru project have been pre-certified as Indian Green Building Council Green Homes Gold.

Description of Our Business

Completed Projects

The following table presents, as of March 31, 2013, the approximate Developable Area and Saleable Area of our completed projects.

Type of Property	Approximate Developable Area* (in million sq. ft.)	Percentage of Developable Area as per Type of Property	Approximate Saleable Area* (in million sq. ft.)	Percentage of Saleable Area as per Type of Property
Residential Projects	6.08	74.7	4.56	84.64
Commercial Projects	2.06	25.3	0.83	15.36
Total	**8.13**	**100.0**	**5.39**	**100**

* Total Developable/Saleable Area, irrespective of the revenue, profit or area sharing arrangement.

Ongoing Projects

The following table presents, as of June 30, 2013, the estimated Saleable Area of our Ongoing Projects:

Type of Property	Estimated Saleable Area* (in million sq. ft.)	Percentage of Saleable Area as per Type of Property
Residential Projects	35.76	77.22
Commercial Projects	10.55	22.78
TOTAL**	**46.32**	**100.0**

* Total Saleable Area, irrespective of the revenue, profit or area sharing arrangement.

** Includes our mixed-use developments.

Forthcoming Projects

The following table presents, as of June 30, 2013, the estimated Saleable Area of our Forthcoming Projects:

Type	Estimated Saleable Area* (in million sq. ft.)	Percentage of Saleable Area as per Type of Property
Residential Projects	29.19	89.76
Commercial Projects	3.33	10.24
TOTAL**	**32.52**	**100.0**

* Total Saleable Area, irrespective of the revenue, profit or area sharing arrangement.

** Includes our mixed-use developments.

Our Residential Projects

Our residential projects are primarily designed for the higher end to mid-level range of the real estate market and are designed with a variety of amenities such as security systems, sports and recreational facilities, play areas and electricity back-up. As of June 30, 2013, we had completed 22 residential projects in and around Mumbai, Pune and Bengaluru with 18 residential Ongoing Projects and 15 residential Forthcoming Projects (including mixed-use projects).

The details of our completed residential projects are as follows:

Project Name	Location	Date of Completion (Financial Year)	Approximate Developable Area* (million sq. ft.)	Approximate Saleable Area* (million sq. ft.)
Godrej Park, Kalyan	Mumbai	1996	0.15	0.15
Godrej Edenwoods – Phases I and II, Thane	Mumbai	2000	0.4	0.17
Godrej Grenville Park, Ghatkopar	Mumbai	2001	0.06	0.03
Godrej Hill, Kalyan	Mumbai	2002	1.07	1.07
Godrej Sky Garden, Panvel	Mumbai	2002	0.31	0.31
Godrej Plaza, Panvel	Mumbai	2002	0.06	0.06
Godrej Indraprastha, Santacruz	Mumbai	2003	0.03	0.01
Godrej Bayview, Worli	Mumbai	2003	0.04	0.01
Godrej Sherwood, Shivaji Nagar, Wakdewadi	Pune	2003	0.09	0.02
Godrej La Vista, Shivaji Park	Mumbai	2006	0.01	0.01
Godrej Glenelg, Cuffe Parade	Mumbai	2007	0.05	0.01
Godrej Waldorf, Oshiwara	Mumbai	2007	0.04	0.02

Project Name	Location	Date of Completion (Financial Year)	Approximate Developable Area* (million sq. ft.)	Approximate Saleable Area* (million sq. ft.)
Planet Godrej, Towers 1, 2, 3 and 4, Mahalaxmi	Mumbai	2008-2009	0.66	0.2
Godrej Woodsman Estate, Towers 1, 2 and 7 Bengaluru	Bengaluru	2009	0.76	0.6
Godrej Eden Woods, Phase III (Regency Park Tower B, Thane	Mumbai	2009	0.09	0.04
Godrej GVD-I, Kalyan	Mumbai	2009	0.06	0.04
Godrej GVD-II, Kalyan	Mumbai	2010	0.12	0.09
Planet Godrej, Tower 5, Mahalaxmi	Mumbai	2010	0.17	0.05
Godrej Riverside, Kalyan	Mumbai	2010	0.28	0.28
Godrej Edenwoods – Phase III (Pine and Row House), Thane	Mumbai	2010	0.06	0.03
Godrej Woodsman Estate – Towers 3, 4, 5, 6, Bengaluru	Bengaluru	2010	1.02	0.81
Godrej Prakriti	Kolkata	2013	0.55	0.55
TOTAL			**6.08**	**4.56**

*Total Developable/Saleable Area, irrespective of the revenue, profit or area sharing arrangement.

The details of our residential Ongoing Projects and Forthcoming Projects are as follows:

Project Name	Location	Estimated Developable* Area (in million sq. ft.)	Estimated Saleable Area** (in million sq. ft.)	Our Economic Interest
Our Residential Ongoing Projects				
Godrej Garden City[1]	Ahmedabad	23.72	20.60	Phase i to iv: area based – 73.6% phase v onwards: revenue based – 67.6%
Electronic City	Bengaluru	1.36	1.0	Development manager fee – 11.0% of revenue

Project Name	Location	Estimated Developable* Area (in million sq. ft.)	Estimated Saleable Area** (in million sq. ft.)	Our Economic Interest
Godrej Crest	Bengaluru	0.09	0.09	Revenue based – 59.0%
Godrej Platinum	Bengaluru	0.79	0.60	GPL – 49.0%, other investor has preferential dividend rights
Godrej Gold County	Bengaluru	0.29	0.29	Revenue based – 63.0%
Godrej Palm Grove	Chennai	2.69	2.51	Area based – 70.0% (for 12.57 acres), 68.0% (for 4.82 acres)[3],
Godrej Summit	Gurgaon	2.59	2.04	Area based – 65.0%, GPL holds 51.0% equity in project
Godrej Frontier	Gurgaon	1.35	0.82	Revenue based – 70.0%
Godrej Prakriti[1]	Kolkata	2.40	1.95	GPL – 51.0%
Godrej Platinum	Kolkata	0.19	0.17	Revenue based – 45%
The Trees[2]	Mumbai	3.50	0.88	Profit based – 60.0%
Godrej Edenwoods	Mumbai	0.03	0.03	Profit based – 50.0% (from 85.0% of revenue for this project)
Godrej Platinum	Mumbai	1.03	0.60	Development manager fee – 10.0% of revenue (net sales)
Godrej Serenity	Mumbai	0.21	0.18	Revenue based – 50.0%
Godrej Palms	Mumbai	0.13	0.13	Area based – 47.5%

Project Name	Location	Estimated Developable* Area (in million sq. ft.)	Estimated Saleable Area** (in million sq. ft.)	Our Economic Interest
Godrej Anandam	Nagpur	2.76	2.76	Development manager fee – ` 400.00 / sq. ft. to 784,790 sq. ft., revenue based for remaining area: First 1,000,000 sq. ft. – 62.0%, next 1,000,000 sq. ft. – 57.0%[3]
Godrej Horizon	Pune	0.69	0.54	Profit based – 51.0%
Godrej Alpine[2]	Mangalore	0.83	0.58	Area based for residential area – 71.5%
Our Residential Forthcoming Projects				
Tumkur Road - Sanjay Khan	Bengaluru	1.09	0.79	Revenue based – 78.0%
Whitefield project	Bengaluru	1.32	1.00	DM Fee 11.0%
Godrej & Boyce Moosapet	Hyderabad	2.83	2.22	Development manager fee – 10% of revenue and a lumpsum payment of ` 150,000,000
Godrej Oasis[1, 5]	Hyderabad	7.19	4.87	100.0% of profits
Kochi-I Project	Kochi	2.29	2.24	Revenue based – 70.0%
Panvel Township	Mumbai	3.50	3.50	Profit based –35% with upside promote to JV partner above certain GPL PBT per sq.ft.
Godrej Central	Mumbai	1.39	0.68	Revenue Based 87.5% GPL owns 51% of equity in the project specific company
Kalyan Township[1,4]	Mumbai.	0.53	0.54	Revenue Based – 95.0%
Godrej Sky	Mumbai	0.60	0.30	Development manager Fee ` 500 million, with upside promote to GPL above certain price threshold

Project Name	Location	Estimated Developable* Area (in million sq. ft.)	Estimated Saleable Area** (in million sq. ft.)	Our Economic Interest
Ghatkopar Redevelopment	Mumbai	0.41	0.19	100% share in the project specific company and in the revenues from the project***
Currey Road	Mumbai	0.58	0.12	Development manager fee 10 % of revenue
Sahakar Nagar 2	Mumbai	1.18	0.75	91% revenue sharing ; GPL owns 51% of equity in the project specific company
Sundar Sangam	Mumbai	0.16	0.10	Development agreement with society
Godrej & Boyce Lawkim, Thane	Mumbai	0.12	0.27	Profit based – 32.0%
Godrej Okhla	NCR	1.42	0.85	Revenue Based – 52.5% ; GPL owns 25.1% of equity in the project specific company
Bhugaon Township[1]	Pune	11.64	9.28	Share in Project-specific company – 11.09%, development manager fee – ` 162.00 / sq. ft., profit sharing if profits exceed certain threshold
Undri 2	Pune	1.43	1.50	Profit based 40%

* Total Developable Area, irrespective of residential or commercial demarcation and revenue, profit or area sharing arrangement.

** Total Saleable Area, irrespective of the revenue, profit or area sharing arrangement.
*** Company to construct space for society in lieu of saleable area
1: Primarily a residential project, with a portion of commercial Saleable Area.
2: Mixed-use project: also included in Ongoing/Forthcoming Commercial Projects, as the case may be.
3: Revenue/area share used is until a threshold selling price per sq. ft. We receive shares of the incremental revenue above the pre-agreed threshold.
4: We are in the process of acquiring the land. Five percent of the revenues will be paid to the aggregator.
5: We have applied for permission to convert the commercial Saleable Area of this project to residential Saleable Area.

Given below is a brief overview of some of our residential Ongoing Projects:

Godrej Garden City, Ahmedabad:

Godrej Garden City is a township development planned in Ahmedabad. It is located in Jagatpur village in the northwest region of Ahmedabad and is located within the Ahmedabad Municipal Corporation administrative limits. The project is expected to feature a clubhouse, full-time security and a mix of apartments, villas and row houses. It is located approximately 1.8 kilometres from Sarkhej-Gandhinagar highway, 14 kilometres from the nearest airport, 20 kilometres from the nearest railway station and 20 kilometres from Gandhinagar. This project is one of 17 projects worldwide of the Climate Positive Development Program that is a part of the Clinton Climate Initiative. In 2011, the estimated Developable Area for this development was reduced from 40.4 million sq. ft. to 24.0 million sq. ft. and the percentage of the total area comprised of residential area increased from 65.0% to 90.0% as a result of a change in the regulations for residential townships promulgated by the State of Gujarat. As of June 30, 2013, approximately 4.62 million sq. ft. of the project had been sold.

Godrej Frontier, Gurgaon

Godrej Frontier is a residential development located in Gurgaon. It is located near National Highway 8 in residential sector 80. It is located approximately 25 kilometres from Indira Gandhi International Airport. The project is expected to feature three-bedroom and four-bedroom homes in addition to 19 penthouses. It is also located adjacent to a golf course project located near Karnal Lake and is in close proximity to a proposed metro station. The project is expected to include a health club, jogging track, swimming pool, gymnasium, indoor games area and a variety of landscaping features. As of June 30, 2013, approximately 0.79 million sq. ft. of the project had been sold.

Godrej Prakriti, Kolkata:

This is a residential project on B. T. Road in the Northern part of Kolkata, with a Developable Area of 2.74 million sq. ft. The project is expected to feature landscaped gardens, a clubhouse and a mix of two-bedroom and three-bedroom units. The project is located approximately two kilometres from the Sodepur railway station and 15 kilometres from the international airport and has access to an expressway. As of June 30, 2013, 1.75 million sq. ft. of the project had been sold.

Our Commercial Projects

Our commercial projects include IT parks, retail space and office complexes. As of June 30, 2013, we had completed 10 commercial projects in and around Mumbai, Pune and Kolkata, with seven commercial Ongoing Projects and five commercial Forthcoming Projects (including mixed-use projects). The details of our completed commercial projects are as follows:

Project Name	**Location**	**Date of Completion (Financial Year)**	**Approximate Developable Area* (million sq. ft.)**	**Approximate Saleable Area** (million sq. ft.)**
M.G.S.M., Bandra	Mumbai	1997	0.03	0.01
Godrej Millennium, Koregaon Road	Pune	2000	0.12	0.04
Godrej Eternia B and C, Shivaji Nagar, Wakdewadi	Pune	2003	0.31	0.08
Godrej Avanti, Shankarsheth Road	Pune	2003	0.02	0.01
Godrej Castlemaine, Bund Garden	Pune	2004	0.29	0.16
Godrej Coliseum, Phases I and II, Sion	Mumbai	2007	0.22	0.06
Godrej Eternia – A, Shivaji Nagar, Wakdewadi	Pune	2009	0.26	0.07
Godrej Waterside, Salt Lake City, Sector V - Phase 1	Kolkata	2010	0.62	0.36

Project Name	Location	Date of Completion (Financial Year)	Approximate Developable Area* (million sq. ft.)	Approximate Saleable Area** (million sq. ft.)
Godrej Coliseum, Phase III, Sion	Mumbai	2010	0.17	0.04
Godrej Eternia – C (10th Floor), Shivaji Nagar, Wakdewadi	Pune	2010	0.02	0.00
TOTAL			**2.06**	**0.83**

* Total Developable/Saleable Area, irrespective of the revenue, profit or area sharing arrangement.

The details of our commercial Ongoing Projects and Forthcoming Projects are as follows:

Project Name	Location	Estimated Developable Area (in million sq. ft.)*	Estimated Saleable Area (in million sq. ft.)	Our Economic Interest
Our Commercial Ongoing Projects				
Godrej Garden City[4]	Ahmedabad	23.72	2.40	Phase i to iv: area based – 73.6% phase v onwards: revenue based – 67.6%
Godrej Eternia	Chandigarh	0.69	0.51	revenue based – 44.5% to 47.0%[1]
Godrej Genesis	Kolkata	1.59	1.34	GPL owns 51.0% equity in project-specific company, area based – 62.0%
Godrej Prakriti	Kolkata	2.40	0.42	GPL – 51.0%
Godrej Waterside	Kolkata	2.17	1.81	Area based – 61.0%
The Trees[2]	Mumbai	3.50	2.62	Profit based – 60.0%
Godrej BKC[3]	Mumbai	1.26	1.20	Profit based – 50.0%
Our Commercial Forthcoming Projects				
Godrej Oasis[4,6]	Hyderabad	7.19	0.44	100.0% of Profits
Godrej Alpine[2]	Mangalore	0.83	0.25	Revenue Based – 71.5% for Commercial Area
Kalyan Township[4, 5]	Mumbai	0.53	0.06	Revenue Based – 95.0%
Godrej Genesis	Pune	0.50	0.48	GPL Owns 51.0% Equity in Project-Specific

Project Name	Location	Estimated Developable Area (in million sq. ft.)*	Estimated Saleable Area (in million sq. ft.)	Our Economic Interest
				company, Revenue Based – 58.0%
Bhugaon Township[4]	Pune	11.64	2.36	Share in Project-Specific Company – 11.09%, Development Manager Fee – ` 162.00 / Sq. Ft., Profit Sharing if profits exceed certain threshold

* Total Developable Area, irrespective of residential or commercial demarcation and revenue, profit or area sharing arrangement.

** Total Saleable Area, irrespective of the revenue, profit or area sharing arrangement.

1: Revenue share is until certain threshold selling price per sq. ft. We receive shares of the incremental revenue above the pre-agreed threshold.
2: Mixed-use project: also included in Ongoing/Forthcoming Residential Projects, as the case may be.
3: Includes approximately 0.16 million sq. ft. of carpet area to be handed over to the counterparty at cost.
4: Primarily a residential project, with a portion of Commercial Saleable Area.
5: We are in the process of acquiring the land. Five percent of the revenues will be paid to the aggregator.
6: We have applied for permission to convert the commercial Saleable Area of this project to residential Saleable Area

Given below is a brief overview of some of our commercial projects:

The Trees, Vikhroli, Mumbai

The Trees is expected to have approximately 3.5 million sq. ft. of office space, residential apartments, retail and hotel space. . We have commissioned Pelli Clarke Pelli Architects to master plan and design the project and we have commissioned them for designing the first commercial building within the project. We have commissioned Atelier Ten, a sustainability consulting firm, to guide us in achieving environmentally responsible design that will result in reduced operating costs. The project is expected to feature a four acre landscaped park in the centre. The Trees is located between the Eastern Express Highway and LBS Marg, thereby offering connectivity to Vikhroli station, LBS Marg bus terminus, the proposed Mumbai Metro terminus at Ghatkopar and Mumbai airport. The project will also have access to the Jogeshwari-Vikhroli Link Road (JVLR).

Godrej BKC Project, Mumbai

This project is a commercial project located at Bandra Kurla Complex, Mumbai. The project is being developed on 2.5 acres of land and is expected to have approximately 1.2 million sq. ft. of office space. The project is located approximately six and nine kilometres away from Mumbai's domestic and international airports, respectively, and has access to both the western and eastern express highways. As of June 30, 2013, approximately 0.19 million sq. ft. of the project had been sold.

Memoranda of Understanding, Limited Liability Partnership Agreements and Development Agreement with Godrej Group Companies

We have entered into memoranda of understanding with Godrej & Boyce and Godrej Agrovet Limited, for developing land owned by them in India. Under these memoranda of understanding, we are expected to be appointed as the developer to develop their land. The land covered by these memoranda of understanding does not form a part of our Land Reserves and the memoranda of understanding do not constitute definitive agreements for the development of this land. Such appointments entail developing the land the entities own in India, providing advice on the regulations affecting a proposed project and on the feasibility and the design of the project. We may also be responsible for overseeing the quality, cost, schedule, aesthetics, pricing and marketing of the project.

We have entered into a memorandum of understanding and an agreement with Godrej & Boyce (collectively, the "**G&B Agreements**"), each dated October 4, 2011, to appoint us as the "Development Manager" for the development of Godrej & Boyce's lands in Vikhroli and the development of two of Godrej & Boyce's residential towers in Vikhroli, respectively. As the Development Manager for the lands, we are required to provide our expertise and advice as regards, among other things, FSI/FAR regulations and project feasibility, design and marketing plans. Under the terms of the G&B Agreements, we are responsible for bearing all costs related to management, sales and marketing and Godrej & Boyce is required to pay to us 10.0% of the money received for the sales of units plus all related statutory levies (excluding monies received towards taxes, other levies, infrastructure provided by Godrej & Boyce and certain other charges and fees) and is responsible for arranging financing, obtaining all necessary development approvals and permissions, performing all construction work and for bearing all costs related to development.

We have entered into an agreement with Godrej & Boyce dated September 14, 2012, to appoint us as the "Development Manager" for the development of Godrej & Boyce's lands in Kutakpally, Hyderabad. As the Development Manager for the lands, we are required to provide our expertise and advice as regards, among other things, planning, designing, architecture, pricing and marketing plans. Under the terms of the agreement, we are responsible for bearing all costs related to management, sales and marketing and Godrej & Boyce is required to pay to us 10.0% of the money received for the sales of units plus all related statutory levies (excluding monies received towards taxes, other levies, infrastructure provided by Godrej & Boyce and certain other charges and fees) and is responsible for arranging financing, obtaining all necessary development approvals and permissions, performing all construction work and for bearing all costs related to development.

We have entered into limited liability partnership agreements with Godrej & Boyce and Godrej Industries Limited for the joint development of certain real estate projects (the "**LLP Agreements**"). Under the terms of the LLP Agreements, we and the counterparties are required to contribute certain amounts as fixed capital contributions and are entitled to certain shares of the partnership profits.

The table below provides details of the LLP Agreements we have entered into with Godrej group companies:

Counterparty	**Acreage**	**Project Location**	**Profit Sharing Arrangement**
Godrej & Boyce	3.0	Thane	GPL: 32.0%; Godrej & Boyce: 68.0%
Godrej & Boyce	9.16	Hyderabad	DM Fee – 10.0% of Revenue
Godrej Industries Limited	34.2	Vikhroli	GPL: 60.0%; Godrej Industries: 40.0%

Other Agreements

Our Company, from time to time, enters into shareholders agreements with private equity investors in respect of our Subsidiaries which have equity investments by such investors. Such Subsidiaries are project-specific companies incorporated for the development of specific projects. In terms of the shareholders agreements in respect of investment in some of our Subsidiaries, our Company has an option to purchase all or any of the shares held by such investor, with the consent of the investor ("**Buyout Option**"). Our Company also has the right to require the investor to sell all the shares held by it in such Subsidiaries after the expiry of the period specified for exercising the Buyout Option ("**Call Option**"). Our Company may, from time to time, exercise such Buyout and Call Options in accordance with the provisions of the shareholder agreements.

As part of our strategy of acquisition of land development rights, we enter into term sheets, memoranda of understanding with various parties. These are not definitive agreements and the lands that are the subject matter of these agreements do not form a part of our Land Reserves.

OUR MANAGEMENT

Board of Directors

The Company's Articles of Association provide that the minimum number of Directors shall be three and the maximum number of Directors shall be 16. As of the date of this Letter of Offer, the Company has 14 directors. The Company may, subject to the provisions of the Articles of Association and the Companies Act, alter the minimum or the maximum number of Directors by approval of its shareholders, subject to approval of the Government, if the increase is beyond the maximum permissible limits under its Articles of Association as first registered.

Not less than two-thirds of the total number of Directors shall be elected Directors who are liable to retire by rotation. At the Company's annual general meeting, one-third of the Directors for the time being who are liable to retire by rotation shall retire from office. A retiring director is eligible for re-election. The Executive Directors of the Company are not liable to retire by rotation. The Company's Articles of Association permit certain banks, government entities, financial institutions and other persons which are its lenders to appoint Directors to the Board while any loan amount remains outstanding to them from the Company. The quorum for meetings of the Board of Directors is one-third of the total number of Directors, or two Directors, whichever is higher, provided that where at any time the number of interested Directors exceeds or is equal to two-third of the total strength the number of remaining Directors present at the meeting, being not less than two, shall be the quorum.

The Company's Directors are not required to hold any Equity Shares to qualify to be a Director.

The following table sets forth details regarding the Board of Directors of the Company as of the date of filing this Letter of Offer:

Name, Designation, Term, DIN, Occupation and Address	Age (in years)	Other Directorships/ /Trusteeships
Mr. Adi B. Godrej ***Designation***: Chairman (Non-Executive) ***Term***: Liable to retire by rotation ***DIN***: 00065964 ***Occupation***: Industrialist ***Address***: Aashraye, Godrej House, 67 H, Walkeshwar Road, Mumbai - 400 006	71	Godrej Consumer Products Limited Godrej Hygiene Products Limited Godrej Industries Limited Swadeshi Detergents Limited Vora Soaps Limited Godrej & Boyce Manufacturing Company Ltd Godrej Investments Pvt. Ltd. Godrej Agrovet Limited Argencos S.A Consell S.A. DGH Mauritius Pvt. Ltd. Godrej Argentina Dutch Cooperatief U.A. Godrej Consumer Holdings (Netherlands) B.V. Godrej Consumer Products (Netherlands) B.V. Godrej Consumer Products (UK) Ltd. Godrej Consumer Products Dutch Cooperatief U.A. Godrej Consumer Products Holding (Mauritius) Ltd. Godrej Consumer Products Mauritius Ltd. Godrej Global Mid East FZE Godrej Indonesia Netherlands Holding BV Godrej International Ltd. Godrej Kinky Holdings Ltd. Godrej Netherlands Argentina B.V. Godrej Netherlands Argentina Holding B.V. Godrej Nigeria Ltd. Indian School of Business Keyline Brands Ltd. Laboratoria Cuenca S.A.

Name, Designation, Term, DIN, Occupation and Address	Age (in years)	Other Directorships/ /Trusteeships
		Panamar Procuccioness Sri, Argentina PT Ekamas Sarijaya PT Indomas Susemi Jaya PT Megasari Makmur PT Sarico Indah PT Intrasari Raya Rapidol (Pty) Limited Kinky Group Pty. Ltd.
Mr. Jamshyd N. Godrej ***Designation:*** Non-Executive Director ***Term:*** Liable to retire by rotation ***DIN:*** 00076250 ***Occupation****:* Industrialist ***Address:*** 40-D, The Trees, B.G. Kher Marg, Malabar Hill, Mumbai - 400 006	64	Geometric Limited Godrej Consumer Products Limited Godrej Industries Limited Godrej & Boyce Manufacturing Company Ltd Godrej Investments Private Limited Godrej & Khimji (Middle East) LLC Godrej (Malaysia) Sdn. Bhd. Godrej (Singapore) Pte. Ltd. Godrej (Vietnam) Company Ltd. Godrej Agrovet Limited Bajaj Auto Limited Breach Candy Hospital Trust Climate Works Foundation, USA Haldia Petrochemicals Limited Illinois Institute of Technology (India) Private Limited Indian Institute for Human Settlements Shakti Sustainable Energy Foundation Singapore-India Partnership Foundation, Singapore Singapore-India Partnership Foundation (India) World Resources Institute, USA Raptor Research and Conservation Foundation Global Footprint Network, USA WWF India Foundation Indian Machine Tool Manufacturers Association IMTMA Machine Tool Industry Park
Mr. Nadir B. Godrej ***Designation***: Non-Executive Director ***Term:*** Liable to retire by rotation ***DIN:*** 00066195 ***Occupation:*** Industrialist ***Address:*** 40-D, The Trees, B.G. Kher Marg, Malabar Hill, Mumbai - 400 006	61	Godrej Consumer Products Limited Godrej Industries Limited Godrej & Boyce Manufacturing Company Ltd Godrej Agrovet Limited ACI Godrej Agrovet Pvt. Ltd. Bangladesh Godrej Global Mid East FZE Godrej International Ltd. Godrej Investments Pvt Ltd Godrej Nigeria Ltd. Godrej Tyson Foods Limited Keyline Brands Ltd. Mahindra & Mahindra Limited Poultry Processors' Association of India Rapidol (Pty) Limited Swadeshi Detergents Limited Tata Teleservices (Maharashtra) Limited The Indian Hotels Company Limited

Name, Designation, Term, DIN, Occupation and Address	Age (in years)	Other Directorships/ /Trusteeships
		Isprava Technologies Ltd Vora Soaps Limited
Mrs. Parmeshwar A. Godrej ***Designation***: Non-Executive Director ***Term:*** Liable to retire by rotation ***DIN:*** 00432572 ***Occupation:*** Company Director ***Address:*** Aashraye, Godrej House, 67 H, Walkeshwar Road, Mumbai 400 006	68	Heroes Aids Project Gates Foundation (Avahan) The Gere Foundation Cine Blitz Publications The American Indian Foundation The Palace School in Jaipur
Mr. Pirojsha Godrej ***Designation***: Managing Director and Chief Executive Officer ***Term:*** April 1, 2012 to March 31, 2015 ***DIN:*** 00432983 ***Occupation:*** Industrialist ***Address:*** Aashraye, Godrej House, 67 H, Walkeshwar Road, Mumbai 400 006	32	Godrej Developers Private Limited Godrej Buildwell Private Limited Godrej Projects Development Private Limited Godrej Landmark Redevelopers Private Limited Godrej Realty Private Limited Godrej Redevelopers (Mumbai) Private Limited
Mr. V. Srinivasan ***Designation***: Executive Director ***Term:*** April 1, 2012 to March 31, 2015 ***DIN:*** 00208978 ***Occupation:*** Service ***Address:*** B 503, Runwal Heights, Opposite Nirmal Lifestyles, L.B.S Marg, Mulund West, Mumbai 400 080	47	Godrej Sea View Properties Private Limited Godrej Real Estate Private Limited Godrej Developers Private Limited Happy Highrises Limited Godrej Estate Developers Private Limited Godrej Buildcon Private Limited Godrej Premium Builders Private Limited Godrej Garden City Properties Private Limited Godrej Nandhi Hills Project Private Limited Godrej Redevelopers (Mumbai) Private Limited
Mr. K.T. Jithendran ***Designation***: Executive Director ***Term:*** May 17, 2013 to May 16, 2016 ***DIN:*** 01181998 ***Occupation:*** Service ***Address:*** 103, Raheja Acropolis Atlantis	46	Godrej Sea View Properties Private Limited Godrej Real Estate Private Limited Godrej Developers Private Limited Happy Highrises Limited Godrej Estate Developers Private Limited Godrej Buildcon Private Limited Godrej Buildwell Private Limited Godrej Projects Development Private Limited Godrej Premium Builders Private Limited Godrej Garden City Properties Private Limited

Name, Designation, Term, DIN, Occupation and Address	Age (in years)	Other Directorships/ /Trusteeships
Building, Deonar Pada Road, Chembur, Mumbai 400 088		Godrej Nandhi Hills Project Private Limited Godrej Landmark Redevelopers Private Limited Godrej Realty Private Limited
Mr. Amit B. Choudhury ***Designation***: Independent Director ***Term:*** Liable to retire by rotation ***DIN:*** 00557547 ***Occupation:*** Company Director ***Address:*** C – 304, Golden Oaks CHS, Hiranandani Gardens, Powai, Mumbai 400 076	70	Swadeshi Detergents Limited Vora Soaps Limited Godrej Agrovet Limited Wadala Commodities Limited Godrej Industries Limited
Mr. Keki B. Dadiseth ***Designation***: Independent Director ***Term:*** Liable to retire by rotation ***DIN:*** 00052165 ***Occupation:*** Company Director ***Address:*** 8A, Manek, L. D. Ruparel Marg, Malabar Hill, Mumbai 400 006	67	Britannia Industries Limited ICICI Prudential Life Insurance Company Limited Piramal Enterprises Limited ICICI Prudential Trust Limited Siemens Limited JM Financial Limited JM Financial Services Limited The Indian Hotels Company Limited Omnicom India Marketing Advisory Services Private Limited Breach Candy Hospital Trust
Mrs. Lalita D. Gupte ***Designation***: Independent Director ***Term:*** Liable to retire by rotation ***DIN:*** 00043559 ***Occupation:*** Banker/Financial expert ***Address:*** Mhaskar Building, 153 – C, Sir Bhalchandra Road, Matunga, Mumbai 400 019	64	ICICI Venture Funds Management Company Limited Bharat Forge Limited Kirloskar Brothers Limited Swadhaar Finserve Private Limited Alstom (A Public Limited French Company)
Mr. Pranay Vakil ***Designation***: Independent Director ***Term:*** Liable to retire by rotation ***DIN:*** 00433379	66	Deepak Fertilisers and Petrochemicals Corporation Limited Onward Technologies Limited Usha Breco Limited Praron Consultancy (India) Private Limited Eden Design & Development Limited Governing Advisory Board for India Rental Yields and Appreciation Portfolio established under Anand Rathi CITADEL platform

Name, Designation, Term, DIN, Occupation and Address	Age (in years)	Other Directorships/ /Trusteeships
Occupation: Company director ***Address:*** 701, A Wing, Olympus Apartments, 5C, Altamount Road, Mumbai 400 026		India Asset Growth Fund Indian Merchant Chamber Trustee Dignity Lifestyle Trust Trustee Sir Shapurji Billimoria Foundation Trustee Prakash Charities
Dr. Pritam Singh ***Designation***: Independent Director ***Term:*** Liable to retire by rotation ***DIN:*** 00057377 ***Occupation:*** Professor ***Address:*** H. No. A-2/14, PWO Complex, Plot No. 1A, Sector 43, Gurgaon 122 001	71	Hero MotoCorp Limited Parsvnath Developers Limited Local Board of the Reserve Bank of India
Mr. S. Narayan ***Designation***: Independent Director ***Term:*** Liable to retire by rotation ***DIN:*** 00094081 ***Occupation:*** Retired IAS officer ***Address:*** 8, Golf Apartments, Suraj Singh Park, New Delhi 110 003	69	Apollo Tyres Limited Dabur India Limited Artemis Medicare Services Limited Seshasayee Paper and Board Limited Castlewood Trading Private Limited Aviva Life Insurance Company India Limited India Infoline Limited Yogya Systems Private Limited
Mr. Amitava Mukherjee ***Designation***: Independent Director ***Term:*** Liable to retire by rotation ***DIN:*** 00003285 ***Occupation:*** Company Director/Investment Banker ***Address:*** 52, Panchsheel, 64 Pali Hill, Bandra, Mumbai 400 050	60	Saksoft Limited Modest Infrastructure Limited Aquatar Securities Private Limited Dystar Global Private Limited Impact Foundation (India)

Relationship between the Directors

The details of relationship between the Directors of the Company are as follows:

S. No	Name of Director	Related to	Nature of Relationship
1.	Mr. Adi. B. Godrej	Mr. Jamshyd N. Godrej Mr. Nadir B. Godrej	Brother (Cousin) Brother

S. No	Name of Director	Related to	Nature of Relationship
		Mrs. Parmeshwar A. Godrej Mr. Pirojsha Godrej	Wife Son
2.	Mr. Jamshyd N. Godrej	Mr. Adi. B. Godrej Mr. Nadir B. Godrej Mrs. Parmeshwar A. Godrej Mr. Pirojsha Godrej	Brother (Cousin) Brother (Cousin) Brother's wife Nephew
3.	Mr. Nadir B. Godrej	Mr. Adi. B. Godrej Mr. Jamshyd N. Godrej Mrs. Parmeshwar A. Godrej Mr. Pirojsha Godrej	Brother Brother (Cousin) Brother's wife Nephew
4.	Mrs. Parmeshwar A. Godrej	Mr. Adi. B. Godrej Mr. Jamshyd N. Godrej Mr. Nadir B. Godrej Mr. Pirojsha Godrej	Husband Brother-in-law (Cousin) Brother-in-law Son
5.	Mr. Pirojsha Godrej	Mr. Adi. B. Godrej Mrs. Parmeshwar A. Godrej Mr. Nadir B. Godrej Mr. Jamshyd N. Godrej	Father Mother Father's brother Father's brother (Cousin)

Brief Biographies

Mr. Adi B. Godrej has been a Director of the Company since 1990 and is the Chairman of the Company. He holds a Bachelor's degree and a Master's degree in engineering from the Massachusetts Institute of Technology, U.S.A. He is the Chairman of Godrej Consumer Products, Godrej Industries and several other companies in the Godrej group. Mr. Godrej is a director of several companies, including Godrej & Boyce, Godrej Agrovet and Godrej International. He is the Chairman of the board of the Indian School of Business. He has been elected as the president of the Confederation of Indian Industry for the year 2012-13. He has also participated actively in the field of management education as a former chairman of the governing council of the Narsee Monjee Institute of Management Studies, as a former member of the Dean's Advisory Council of the MIT Sloan School of Management and the Wharton Asian Executive Board. Mr. Godrej is a member of Tau Beta Pi (the engineering honor society). For his contribution to Indian industry, Mr. Godrej has been the recipient of several awards and recognitions including the Rajiv Gandhi Award 2002, the Entrepreneur of the Year for the Asia Pacific Entrepreneurship Awards 2010, Best Businessman of the Year for the GQ Men of the Year Awards 2010, Chemexcil's Life Time Achievement Award 2010, AIMA-JRD Tata Corporate Leadership Award 2010, BMA-Management Man of the Year Award 2010-2011 and the Qimpro Platinum Standard award for business in 2011 and has also been awarded Padma Bhushan in 2013 by the President of India, the award being one of the highest Civilian Awards in India.

Mr. Jamshyd N. Godrej has been a Director of the Company since 1990. He is the Chairman and Managing Director of Godrej & Boyce. He graduated in mechanical engineering from Illinois Institute of Technology, USA. Mr. Godrej is the chairman emeritus of Aspen Institute India. He is the trustee and president emeritus of World Wide Fund for Nature – India. He is the chairperson of the board of directors of Shakti Sustainable Energy Foundation and chairman of India Resources Trust. He is a director of World Resources Institute, USA; director of Climate Works Foundation, USA and director of Global Footprint Network, USA. He is a member of the Toyota Motor Asia Pacific Regional Advisory Committee. He has served as the past president of Confederation of Indian Industry and also the past president of the Indian Machine Tool Manufacturers' Association. Mr. Godrej is the Chairman of the CII Sohrabji Godrej Green Business Centre. The President of India conferred on Mr. Godrej the "Padma Bhushan" on April 3, 2003.

Mr. Nadir B. Godrej has been a Director of the Company since 1990. He holds a Bachelor of Science degree in chemical engineering from the Massachusetts Institute of Technology, U.S.A., a Master of Science degree in chemical engineering from Stanford University, U.S.A. and a Master of Business Administration degree from Harvard Business School, U.S.A. Mr. Nadir B. Godrej is the chairman of Godrej Agrovet. He is on the board of several companies. He has played an important role in developing the animal feed, agricultural input and chemicals businesses. He has also contributed to the development of a variety of industries by participating keenly in industry bodies such as the Compound Livestock Feed Manufacturers Association of India, Indian Chemical Manufacturers Association and Oil Technologists' Association of India. Currently, he is the president of Alliance Francaise Mumbai. For his contribution to Indo-French relations, the French Government has honored him with the awards of "Chevalier de L'Ordre National due Merite" and "The National Order of the Legion of Honour".

Mrs. Parmeshwar A. Godrej has been a Director of the Company since 1989. Mrs. Godrej has completed her Senior Cambridge and studied Fine Arts and Commercial Art at J. J. School of Arts, Mumbai. Mrs. Godrej serves on the board of Heroes Aids Project, Gates Foundation (Avahan), The Gere Foundation, Cine Blitz Publication, American India Foundation and the Palace School in Jaipur.

Mr. Pirojsha Godrej has been an Executive Director of the Company since 2008. He has been appointed as the Managing Director and Chief Executive Officer of the Company with effect from April 1, 2012.He holds a Bachelor's degree in economics from the Wharton School at the University of Pennsylvania, a Master's degree in international affairs from Columbia University's School of International and Public Affairs, U.S.A and a Master's degree in business administration from Columbia Business School, U.S.A. He serves on the board of several subsidiary companies.

Mr. V. Srinivasan has been appointed as an Executive Director of the Company with effect from April 1, 2012. Mr. Srinivasan was the chief financial officer of Godrej Industries Limited and is a qualified chartered accountant and company secretary. He has been associated with the Godrej group since 1989 and has headed finance, company secretarial and information systems function at various Godrej group companies. He completed middle and senior management courses at IIM Ahmedabad and the University of Michigan, respectively.

Mr. K. T. Jithendran has been an Executive Director of the Company since 2010. He holds a degree in civil engineering from the Indian Institute of Technology and has also completed his Post Graduate Diploma in management from the Indian Institute of Management. He began his career with Metallurgical Engineering Consultants and joined the Company in 1994. He has over 18 years of experience in the real estate development and has handled various functions of marketing, sales and human resources.

Mr. Amit B. Choudhury is an Independent Director of the Company since May 2003. He holds a Master's degree in economics and a Master's degree in management studies from Jamnalal Bajaj Institute of Management Studies. Mr. Choudhury also serves on the board of Swadeshi Detergents Limited, Vora Soaps Limited, Godrej Agrovet Limited, Wadala Commodities Limited and Godrej Industries Limited.

Mr. Keki B. Dadiseth has been an Independent Director of the Company since 2008. He is a Fellow of the Institute of Chartered Accountants of England and Wales. He joined Hindustan Lever Limited in India in 1973. His tenure in Hindustan Lever Limited included a three-year secondment to Unilever PLC in London from 1984 to 1987 and in 1987, Mr. Dadiseth joined the board of Hindustan Lever Limited, until he became its chairman in 1996. He was appointed as director on the board of Unilever plc and Unilever NV in May 2000 and a member of the executive committee. He retired from Unilever in May 2005. Mr. Dadiseth is closely associated with various industry, educational, management and medical bodies and is currently on the boards of The Indian Hotels Company Limited, Britannia Industries Limited, Piramal Enterprises Limited, Siemens Limited, ICICI Prudential Life Insurance Company Limited and ICICI Prudential Trust Limited. He is a member of the executive board of the Indian School of Business. He is the chairman of Omnicom India, member of International Advisory Board of Fleishman-Hillard Inc. and chairman of the Convening Board of Marsh & McLennan Companies Group, India and member of the Strategic Advisory Board of Atos India Private Limited and has recently become Member of the India Advisory Boards of Accenture India and Pricewaterhouse and Audit Commitee of Prudential Corp Asia (based in Hong Kong). He is a trustee of Sir Ratan Tata Trust and Bai Hirabai J. N. Tata Navsari Charitable Institution. He is also chairman and member of the Finance Committee of Breach Candy Hospital Trust.

Mrs. Lalita D. Gupte has been an Independent Director of the Company since 2008. She holds a Bachelor's degree in economics and a Master's degree in management studies. Mrs. Gupte is currently the chairperson of ICICI Venture Funds Management Company Limited. In October 2006, she retired as joint managing director and member of the board of ICICI Bank Limited. Mrs. Gupte is on the board of several companies and an educational institution and has received several awards and recognitions.

Mr. Pranay Vakil has been an Independent Director of the Company since 2008. Mr. Vakil served as the Founder chairman of Knight Frank (India) Private Limited until his retirement in September 2012. Mr. Vakil is a Chartered Accountant and a law graduate by qualification. Mr. Vakil holds Board and advisory positions at Deepak Fertilisers and Petrochemicals Corporation Limited, Onward Technologies Limited, Usha Breco Limited and Praron Consultancy (India) Private Limited. Mr. Vakil is on the Global Governing Council of Royal Institute of Chartered Surveyors (RICS) UK and on the Management Board of Indian Merchants Chamber (IMC). He continues to be associated with Federation of Indian Chambers of Commerce and Industry (FICCI), Real Estate Committee.

Dr. Pritam Singh has been an Independent Director of the Company since 2008. He 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. Dr. Singh is author of seven academically reputed books and published over 50 research papers. During his tenure as director of Indian Institute of Management at Lucknow and Management Development Institute, he developed collaborations across the world and signed several MoUs with American, European, Australian and Asian Management Schools. Currently, he is on the board of Hero MotoCorp Limited, Parsvnath Developers Limited and also a member on the local board of RBI. He has been conferred the Padma Shri in 2003 and has been also conferred many prestigious management awards such as UP Ratna Award (2001) and Best Director Award of Indian Management Schools (1998).

Mr. S. Narayan has been an Independent Director of the Company since 2008. He holds Master's degree in business administration from the University of South Australia, M.Phil in economics from the University of Cambridge and Ph.D from the Indian Institute of Technology (New Delhi). He has experience of over 40 years in public services in various capacities in both state governments and the central Government, in development administration. During the period 2003-2004, he was the economic adviser to the Prime Minister of India and was responsible for implementation of economic policies of several economic ministries including finance, trade and commerce, energy and infrastructure. He is on the board of several companies, including Apollo Tyres Limited, Dabur India Limited and Seshasayee Papers & Board Limited.

Mr. Amitava Mukherjee has been an Independent Director of the Company since 2010. He holds a Master's degree in management from Asian Institute of Management, Manila, a Master's degree in business economics from Delhi School of Economics, New Delhi and Post Graduation in foreign trade from the Indian Institute of Foreign Trade, New Delhi. He has 20 years of experience in investment banking. He has served as the Managing Director and Board Member at Lazard India and Ambit Corporate Finance.

Confirmations

None of the Directors is or was a director of any listed company during the last five years preceding the date of filing of this Letter of Offer, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.

Except for Mr. Adi B. Godrej and Mr. Nadir B. Godrej, whose details are provided below, none of the Directors is or was a director of any listed company which has been or was delisted from any recognised stock exchange in India during the term of their directorship in such company.

(i) Adi B. Godrej

S.No	Name of the company	Name of the stock exchange(s) on which the company was listed	Date of delisting on stock exchanges	Whether the delisting was compulsory or voluntary delisting:	Reasons for delisting	Whether the company has been relisted	Date of relisting, in the event the company is relisting	Term of directorship (along with relevant dates) in the company
1.	Godrej Industries Limited	The Stock Exchange, Ahmedabad	March 8, 2004	Voluntary	Negligible trading	No	N.A.	March 7, 1988 till date
2.	Godrej	The Delhi	February	Voluntary	Negligible	No	N.A.	March 7,

S.No	Name of the company	Name of the stock exchange(s) on which the company was listed	Date of delisting on stock exchanges	Whether the delisting was compulsory or voluntary delisting:	Reasons for delisting	Whether the company has been relisted	Date of relisting, in the event the company is relisting	Term of directorship (along with relevant dates) in the company
	Industries Limited	Stock Exchange Association Limited	11, 2004		trading			1988 till date
3.	Godrej Industries Limited	Madras Stock Exchange Limited	February 19, 2004	Voluntary	Negligible trading	No	N.A.	March 7, 1988 till date
4.	Godrej Industries Limited	The Calcutta Stock Exchange Association Limited	*	Voluntary	Negligible trading	No	N.A.	March 7, 1988 till date
5.	Godrej Consumer Products Limited	The Stock Exchange, Ahmedabad	October 15, 2004	Voluntary	Negligible trading	No	N.A.	November 29, 2000 till date
6.	Godrej Consumer Products Limited	The Delhi Stock Exchange Association Limited	January 20, 2005	Voluntary	Negligible trading	No	N.A.	November 29, 2000 till date
7.	Godrej Consumer Products Limited	Madras Stock Exchange Limited	January 19, 2005	Voluntary	Negligible trading	No	N.A.	November 29, 2000 till date
8.	Godrej Consumer Products Limited	The Calcutta Stock Exchange Association Limited	March 30, 2005	Voluntary	Negligible trading	No	N.A.	November 29, 2000 till date

***** Godrej Industries Limited had applied to The Calcutta Stock Exchange (CSE) for delisting in November 2003. The shares are delisted from CSE, though no formal intimation has been received from CSE.

(ii) Nadir B. Godrej

S.No	Name of the company	Name of the stock exchange(s) on which the company was listed	Date of delisting on stock exchanges	Whether the delisting was compulsory or voluntary delisting:	Reasons for delisting	Whether the company has been relisted –	Date of relisting, in the event the company is relisting	Term of directorship (along with relevant dates) in the company
1.	Godrej Industries	The Stock Exchange,	March 8, 2004	Voluntary	Negligible trading	No	N.A.	March 7, 1988 till

S.No	Name of the company	Name of the stock exchange(s) on which the company was listed	Date of delisting on stock exchanges	Whether the delisting was compulsory or voluntary delisting:	Reasons for delisting	Whether the company has been relisted –	Date of relisting, in the event the company is relisting	Term of directorship (along with relevant dates) in the company
	Limited	Ahmedabad						date
2.	Godrej Industries Limited	The Delhi Stock Exchange Association Limited	February 11, 2004	Voluntary	Negligible trading	No	N.A.	March 7, 1988 till date
3.	Godrej Industries Limited	Madras Stock Exchange Limited	February 19, 2004	Voluntary	Negligible trading	No	N.A.	March 7, 1988 till date
4.	Godrej Industries Limited	The Calcutta Stock Exchange Association Limited	*	Voluntary	Negligible trading	No	N.A.	March 7, 1988 till date
5.	Godrej Consumer Products Limited	The Stock Exchange, Ahmedabad	October 15, 2004	Voluntary	Negligible trading	No	N.A.	November 29, 2000 till date
6.	Godrej Consumer Products Limited	The Delhi Stock Exchange Association Limited	January 20, 2005	Voluntary	Negligible trading	No	N.A.	November 29, 2000 till date
7.	Godrej Consumer Products Limited	Madras Stock Exchange Limited	January 19, 2005	Voluntary	Negligible trading	No	N.A.	November 29, 2000 till date
8.	Godrej Consumer Products Limited	The Calcutta Stock Exchange Association Limited	March 30, 2005	Voluntary	Negligible trading	No	N.A.	November 29, 2000 till date

* Godrej Industries Limited had applied to The Calcutta Stock Exchange (CSE) for delisting in November 2003. The shares are delisted from CSE, though no formal intimation has been received from CSE

(iii) Keki B. Dadiseth

S.No	Name of the company	Name of the stock exchange(s) on which the company was listed	Date of delisting on stock exchanges	Whether the delisting was compulsory or voluntary delisting:	Reasons for delisting	Whether the company has been relisted –	Date of relisting, in the event the company is relisting	Term of directorship (along with relevant dates) in the company
1.	Britannia Industries Limited	Calcutta Stock exchange	Jan 12, 2011	Voluntary	Negligible Trading	No	N.A	May 31, 2006 till date
2.	Piramal Enterprises Limited	Ahmedabad Stock Exchange	November 6, 2006	Voluntary	Negligible Trading	No	N.A	December 1, 2005 till date
3.	Indian Hotels Company Limited	Bangalore Stock Exchange	September 18, 2006	Voluntary	Negligible Trading	No	N.A	May 9, 2000 till date
4.	Indian Hotels Company Limited	Madras Stock Exchange	October 13, 2006	Voluntary	Negligible Trading	No	N.A	May 9, 2000 till date
5.	Indian Hotels Company Limited	Delhi Stock Exchange Association Ltd.	November 23, 2006	Voluntary	Negligible Trading	No	N.A	May 9, 2000 till date

(iv) S. Narayan

S. No	Name of the company	Name of the stock exchange(s) on which the company was listed	Date of delisting on stock exchanges	Whether the delisting was compulsory or voluntary delisting:	Reasons for delisting	Whether the company has been relisted –	Date of relisting, in the event the company is relisting	Name of the stock exchange (s) on which the company was relisted	Term of directorship (along with relevant dates) in the company
1.	Apollo Tyres Limited	Delhi Stock Exchange Association Ltd.	March 1, 2005	Voluntary	Negligible Trading	No	N.A	N.A	February 14, 2005 till date

Service agreements with the Directors

No service contracts have been entered into by the directors with the Company providing for benefits upon termination of employment.

As of the date of this Letter of Offer there are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which the Company has appointed a director or a member of senior management.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Report of the Independent Auditors on Financial Statements

The Board of Directors
Godrej Properties Limited,
Godrej Bhavan,
4th Floor, 4A Home Street,
Fort, Mumbai - 400 001

Dear Sirs,

1. We have examined the attached unconsolidated financial information of Godrej Properties Limited (the "Company"), for the years ended on March 31, 2013 and 2012 as approved by the Board of Directors of the Company, prepared in terms of applicable provisions of the Companies Act, 1956 (the "Act"), Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("ICDR Regulations") and in terms of our engagement agreed upon with you in accordance with the appointment letter dated May 9, 2013 and our engagement letter dated May 10, 2013, in connection with the proposed Right Issue of Equity Shares by the Company.

   The preparation and presentation of this unconsolidated financial information is the responsibility of the Company's Management.

2. The attached unconsolidated financial information has been correctly extracted by the Management from the Company's audited unconsolidated financial statements for the years ended on March 31, 2013 and 2012.

   We, the statutory auditors of the Company have audited in accordance with IGAAS, the unconsolidated balance sheet of the Company as on March 31, 2013 and 2012 and the related unconsolidated statement of profit and loss and the unconsolidated cash flow statement for the year then ended and the related notes thereto, prepared in accordance with generally accepted accounting principles in India ("Indian GAAP") in respect of which we have issued an unqualified audit report.

3. We have performed such tests and procedures, which in our opinion, were necessary for the examination of the attached unconsolidated financial information. These tests and procedures, mainly involved comparison of the attached unconsolidated financial information with the Company's audited unconsolidated financial statements for the respective years.

4. Based on the above, we report that in our opinion and according to the information and explanations given to us, we have found the attached unconsolidated financial information to be correct and the same have been used appropriately.

5. Based on Para 2, 3, and 4 above, we report that in our opinion and according to the information and explanations given to us, we have found the information as mentioned in Para 1 and 4 to be correctly extracted from the audited unconsolidated financial statements and the same has been prepared in accordance with the ICDR Regulations and the applicable provisions of the Act.

6. The attached unconsolidated financial information, do not reflect the effect of events that occurred subsequent to the date of our report on those unconsolidated financial statements.

7. This report is intended solely for use of the management and for inclusion in the Letter of Offer in connection with Right Issue of the Equity Shares of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS

Firm Registration No.104607W

ERMIN K. IRANI
PARTNER
Membership No. 035646

Place: Mumbai
Dated: August 2, 2013

GODREJ PROPERTIES LIMITED

BALANCE SHEET

Particulars	Note No.	As At 31.03.2013 ₹ in Million	As At 31.03.2012 ₹ in Million
I EQUITY AND LIABILITIES			
1) Shareholders Fund			
a) Share Capital	**2**	780.46	780.37
b) Reserves & Surplus	**3**	12,862.48	13,215.46
Total Shareholders' Funds		**13,642.94**	**13,995.83**
2) Non-Current Liabilities			
a) Long Term Borrowing	**4**	3,460.92	1,602.10
b) Other Long Term Liabilities	**5**	2.77	0.12
c) Long Term Provisions	**6**	27.82	22.96
Total Non Current Liabilities		**3,491.51**	**1,625.18**
3) Current Liabilities			
a) Short Term Borrowing	**7**	4,256.15	9,586.65
b) Trade Payables (Refer Note 30)		1,088.10	1,438.35
c) Other Current Liabilities	**8**	4,773.53	1,829.55
d) Short Term Provisions	**9**	420.13	319.77
Total Current Liabilities		**10,537.91**	**13,174.32**
Total Equity And Liabilities		**27,672.36**	**28,795.33**
II ASSETS			
1) Non-Current Assets			
a) Fixed Assets	**10**		
Tangible Assets		83.47	89.68
Intangible Assets		37.02	22.84
Capital work-in-progress		440.98	222.13
Intangible Assets under Development		19.40	16.91
Total Fixed Assets		**580.87**	**351.56**
b) Non-Current Investments	**11**	1,700.32	995.24
c) Deferred Tax Asset (Net)	**12**	40.58	29.86
d) Long Term Loans & Advances	**13**	763.04	655.69
e) Other Non Current Assets	**14**	108.19	9.05
Total Non Current Assets		**3,193.00**	**2,041.40**
2) Current Assets			
a) Current Investment	**15**	-	58.65
b) Inventories	**16**	6,506.11	2,573.57
c) Trade Receivables	**17**	631.59	1,063.78
d) Cash & Bank Balances	**18**	474.54	4,414.53
e) Short Term Loans & Advances	**19**	15,393.89	16,758.37
f) Other Current Assets	**20**	1,473.23	1,885.03
Total Current Assets		**24,479.36**	**26,753.93**
Total Assets		**27,672.36**	**28,795.33**

Particulars	Note No.	As At 31.03.2013 ₹ in Million	As At 31.03.2012 ₹ in Million
ACCOUNTING POLICIES	**1**		

GODREJ PROPERTIES LIMITED

STATEMENT OF PROFIT & LOSS

Particulars	Note No.	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
INCOME			
Revenue from Operations	**21**	4,267.10	3,689.41
Other Income	**22**	627.85	949.27
TOTAL REVENUE		**4,894.95**	**4,638.68**
EXPENDITURE			
Cost of Sales	**23**	2,287.49	2,541.30
Employee Benefits Expense	**24**	175.14	60.21
Finance Costs	**25**	598.19	688.43
Depreciation		35.38	31.80
Other Expenses	**26**	402.70	272.94
TOTAL EXPENSES		**3,498.90**	**3,594.68**
PROFIT BEFORE TAX		1,396.05	1,044.00
Tax Expense			
Current Tax		175.00	251.29
Deferred Tax		(10.65)	(21.67)
Adjustment for Tax of Previous Years (net)		5.02	0.73
		169.37	230.35
PROFIT AFTER TAX		**1,226.68**	**813.65**
Earnings Per Share (Refer Note 40)			
Basic (₹ per share)		15.72	11.63
Diluted (₹ per share)		15.71	11.63
ACCOUNTING POLICIES	**1**		

GODREJ PROPERTIES LIMITED

CASH FLOW STATEMENT

Particulars	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
Cash Flow from Operating Activities		
Profit for the Year before Taxation	1,396.05	1,044.00
Adjustment for:		
Depreciation	35.38	31.81
Interest Paid	598.19	688.43
(Profit)/Loss on sale of Fixed Asset	*	0.10
Provision for Doubtful Advances	-	63.56
ESGS Compensation	20.55	10.46
Interest Income	(601.49)	(751.51)
Dividend Received	(15.47)	(10.82)
Profit on Sale of Long Term Investment	-	(182.76)
Operating Profit before working capital changes	1,433.21	893.27
Adjustment for:		
Increase/(decrease) in Non Current Liabilities	7.50	(3.20)
Increase/(decrease) in Current Liabilities	2,819.82	150.15
(Increase)/decrease in Non Current Assets	(182.24)	(135.13)
(Increase)/decrease in Current Assets	(2,665.67)	(5,100.12)
	1,412.62	(4,195.03)
Taxes Paid (Net)	(206.59)	(333.08)
Net Cash Flow from Operating activities	**1,206.03**	**(4,528.11)**
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(264.36)	(249.00)
Sale of Fixed Assets	1.26	3.22
Purchase of Investments	(55.03)	-
Sale of Investments	46.61	-
Sale of Investment in Subsidiary	-	183.00
Investments in Limited Liability Partnership	(795.92)	(406.73)
Expenses of Amalgamation	(2.90)	-
Interest Received	655.45	758.13
Dividend Received	15.47	10.82
Net Cash Flow from Investing Activities	**(399.42)**	**299.44**
Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital (net of issue expenses)	0.09	4,593.42
Proceeds from Long Term Borrowings (net)	1,858.82	791.90
(Repayment of)/Proceeds from Short Term Borrowings (net)	(5,866.51)	2,920.22
Issue related expenses	(0.88)	-
Interest Paid	(625.48)	(661.17)
Payment of Dividend	(234.06)	(314.33)
Tax on Distributed Profits	(37.98)	(50.99)
Net Cash Flow from Financing Activities	**(4,906.00)**	**7,279.05**

Particulars	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
Net Increase in Cash & Cash Equivalent	(4,099.40)	3,050.39
Cash & Cash Equivalent -Opening Balance	4,351.15	1,300.76
Acquired Pursuant to the Scheme of Amalgamation	195.44	-
Cash & Cash Equivalent -Closing Balance	**447.19**	**4,351.15**

* Represents amount less than ₹ 5,000/-

Notes:

Particulars	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
1. Cash and Cash Equivalents.		
Cash & Cheques on Hand and Balances with Banks	378.74	2,633.29
Investments in Liquid Mutual Funds	95.79	1,781.24
Less: Other Bank Balances	(27.34)	(63.38)
Cash and Cash Equivalents.	**447.19**	**4,351.15**

2. The cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on 'Cash Flow Statement', and presents cash flows by operating, investing and financing activities.

3. Figures for the previous year have been regrouped / restated wherever necessary to conform to this year's classification.

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) Operating Cycle

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

c) Fixed Assets

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

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

d) Depreciation / Amortization

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

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

Leasehold improvements are amortized over a period of lease

Intangible Assets 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.

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 Statement of Profit & Loss in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the Company on transfer of significant risk and rewards to the buyer. Up to 31st March 2012 revenue was recognized only if the actual project cost incurred is 20% or more of the total estimated project cost.

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

(a) All critical approvals necessary for the commencement have been obtained;

(b) The expenditure incurred on construction and development costs is not less than 25 per cent of the total estimated construction and development costs;

(c) At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and

(d) At least 10 percent of the agreement value is realized at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

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

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

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

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

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

h) Development Manager Fees

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

i) Employee Benefits

a) Short-term employee benefits:

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

b) Post-employment benefits:

(i) **Defined Contribution Plans**:

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

(ii) **Defined Benefit Plans:**

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

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

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

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

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

j) Borrowing Cost

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

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

k) Earnings Per Share

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

l) Provision For Taxation

Tax expense comprises both current and deferred tax.

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

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

m) Foreign Currency Transactions

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

n) Allocation of Expenses

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

o) Provisions and Contingent Liabilities

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

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

NOTE 2

	As at 31.03.2013 ₹ in million	**As at 31.03.2012 ₹ in million**
SHARE CAPITAL AUTHORISED		
117,000,000 Equity Shares of ₹. 10/- each	1,170.00	1,000.00
	1,170.00	**1,000.00**
ISSUED, SUBSCRIBED & PAID UP		
	780.46	780.37
	780.46	**780.37**

(a) Reconciliation of number of shares:

	31.03.2013		**31.03.2012**	
	No. of Share	**₹ in Million**	**No. of Share**	**₹ in Million**
Number of Shares outstanding at the beginning of the year	78,036,819	780.37	69,850,009	698.50
Movement during the year	9,284	0.09	8,186,810	81.87
Number of Shares outstanding at the end of the year	78,046,103	780.46	78,036,819	780.37

(b) Shareholding information:

	31.03.2013	**31.03.2012**
	No. of Share	**No. of Share**
Equity Shares are held by:		
Godrej Industries Limited (Holding Company)	**47,965,209**	**47,965,209**
Godrej & Boyce Manufacturing Company Limited (Ultimate Holding Company)	1,270,000	1,270,000

	31.03.2013	31.03.2012
	No. of Share	No. of Share
Ensemble Holdings & Finance Limited (Subsidiary of Holding Company)	691,155	691,155

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

	31.03.2013		31.03.2012	
	No. of Share	%	No. of Share	%
Godrej Industries Limited	47,965,209	61.46%	47,965,209	61.46%

(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 & Profit & Loss Account during the last five years

31-3-2013	-	-
31-3-2012	-	-
31-3-2011	-	-
31-3-2010	-	-
31-3-2009	-	-
31-3-2008	51,556,360	51,556,360

(f) Equity Shares Reserved for Issue Under Options

		31.03.2013		31.03.2012	
		No. of Share	₹ in Million	No. of Share	₹ in Million
i)	14,928 Employee Stock Grants eligible for 14,928 equity shares ₹ 10/-each. Out of which 7,464 is vesting on 06/05/2013 and 7,464 is vesting on 06/05/2014	14,928	0.15	27,765	0.28
ii)	1,252 Employee Stock Grants eligible for 1,252 equity shares of ₹10/- each. Out of which 626 is vesting on 30/09/2013 and 626 is vesting on 30/09/2014	1,252	0.01	1,878	0.02
iii)	36,208 Employee Stock Grants eligible for 36,208 equity shares of ₹ 10/-each. Out of which 12,070 is vesting on 31/05/2013, 12,070 is vesting on 31/05/2014 and 12,068 is vesting on 31/05/2015	36,208	0.36	-	-
iv)	11,020 Employee Stock Grants eligible for 11,020 equity shares of ₹10/-each. Out of which 11,020 is vesting on 31/05/2013	11,020	0.11	-	-
v)	2,218 Employee Stock Grants eligible for 2,218 equity shares of ₹ 10/- each. Out of which 1109 is vesting on 31/07/2013 and 1109 is vesting on 31/05/2014	2,218	0.02	-	-
vi)	345 Employee Stock Grants eligible for 345 equity shares of ₹10/- each. Out of which 115 is vesting on 31/10/2013, 115 is vesting on 31/10/2014 and 115 is vesting on 31/10/2015	345	*	-	-
vii)	360 Employee Stock Grants eligible for 360 equity	360	*	-	-

		31.03.2013		31.03.2012	
		No. of Share	₹ in Million	No. of Share	₹ in Million
	shares of ₹ 10/-each. Out of which 120 is vesting on 31/01/2014, 120 is vesting on 31/01/2015 and 120 is vesting on 31/01/2016				

* Represents amount less than ₹ 5,000/-

NOTE 3

	As at 31.03.2013 ₹in million	As at 31.03.2012 ₹in million
RESERVES & SURPLUS		
Securities Premium		
As per last Balance Sheet	10,174.73	5,663.18
Addition during the year	6.10	4,625.55
Utilisation during the year (Refer Note 3 (a))	0.88	114.00
Closing Balance	**10,179.95**	**10,174.73**
General Reserve		
As per last Balance Sheet	462.00	380.00
Utilisation during the year (Refer Note (27))	462.00	-
Addition during the year	123.00	82.00
Closing Balance	**123.00**	**462.00**
Employee Stock Grant Scheme Reserve		
As per last Balance Sheet	10.46	-
Addition during the year	20.55	10.46
Utilisation during the year	6.11	-
Closing Balance	**24.90**	**10.46**
Surplus in Statement of Profit and Loss		
As per last Balance Sheet	2,568.28	2,108.75
Utilisation during the year (Refer Note (27))	771.95	-
Profit for the year	1,226.68	813.65
Appropriations during the year		
- Proposed Dividend - Final (Refer Note 3(b)	312.30	234.14
- Tax on Distributed Profit	53.08	37.98
- Transfer to General Reserve	123.00	82.00
Closing Balance	**2,534.63**	**2,568.28**
Total Reserves & Surplus	**12,862.48**	**13,215.46**

a) Securities Premium amount has been utilised towards the share issue expenses incurred for the purpose of Institutional Placement Programme.

b) The Board of Directors of the company has proposed dividend ₹ 4/-(40%) per equity share for the year 2012-13 amounting to ₹ 312.31 Million (Previous Year ₹ 3/- (30%) amounting to ₹ 234.14 Million)

NOTE 4

	As at 31.03.2013 ₹in million	As at 31.03.2012 ₹ in million
LONG TERM BORROWINGS		
Deposits (Unsecured) (Refer Note 4(a))		
From Directors	5.20	-
From Shareholders	298.15	71.86
From Public	3,157.57	1,530.24
	3,460.92	**1,602.10**

a) Deposits (Unsecured) having maturity of two years amounting to ₹ 1,469.01 Million and three years amounting to ₹ 1,991.92 Million bearing interest rate @ 8.50 % to 10.50% payable half yearly.

NOTE 5

	As at 31.03.2013 ₹ in million	As at 31.03.2012 ₹ in million
OTHER LONG TERM LIABILITIES		
Deposits - Lease	0.12	0.12
Trade Payable (Refer Note 30)	2.65	-
	2.77	**0.12**

NOTE 6

	As at 31.03.2013 ₹ in million	As at 31.03.2012 ₹ in million
LONG TERM PROVISIONS		
Provision for Employee Benefits		
Gratuity (Refer Note 36 (b))	19.07	12.67
Unavailed Leave	8.75	10.29
	27.82	**22.96**
a) Movement in Unavailed Leave		
Opening Provision - Unavailed Leave (Current+ Non Current)	11.16	15.59
Add: Addition during the Year	15.59	8.16
Less: Paid during the Year	(10.09)	(12.59)
Closing Provision	16.66	11.16
Less: Short term Provision of Unavailed Leave	(7.91)	(0.87)
Long term Provision of Unavailed Leave	8.75	10.29

NOTE 7

	As at 31.03.2013 ₹ in million	As at 31.03.2012 ₹ in million
SHORT TERM BORROWINGS		
From Banks		
Secured Loan (Refer Note 7 (a))		
Cash Credit	2,249.08	447.35
Working Capital Demand Loan	-	3,100.00
Unsecured Loan		

	As at 31.03.2013 ₹ in million	As at 31.03.2012 ₹ in million
Cash Credit (Refer Note 7(b))	7.07	39.30
Other Loans (Refer Note 7(c))	2,000.00	6,000.00
	4,256.15	**9,586.65**

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. Current Assets of Godrej Real Estate Private Limited (wholly owned subsidiary) has been hypothecated as collateral security and carries interest at Base Rate + 0.5% p.a. effective rate 10.20%

b) Unsecured -Over Draft facility availed from IDBI Bank Ltd. carries interest at Base Rate + 350 basis point

c) Other loans include:

i. ₹ 1,000 Million availed from Axis Bank carrying interest at Base Rate + 90 basis point p.a. Repayable on 5th October 2013

ii. ₹ 1,000 Million availed from Commercial Papers carrying interest at 9.75% p.a. Repayable in 162 days from the date of issue.

NOTE 8

	As at 31.03.2013 ₹ in million	As at 31.03.2012 ₹ in million
OTHER CURRENT LIABILITIES		
Current maturities of long term debt		
Unsecured Deposit (Refer Note 4 (a))		
From - Directors	-	4.70
From - Shareholders	0.68	12.17
From - Public	146.27	666.09
Advances from Related Parties (Refer Note 8 (a))	2,892.14	334.16
Investor Education and Protection Fund	-	-
Advances received against sale of flats	1,294.82	345.48
Other Deposits	-	0.13
Unclaimed Fixed Deposits & Interest	5.49	0.48
Unclaimed Dividend	0.29	0.21
Statutory Dues	76.85	75.87
Other liabilities	298.52	292.80
Due to Management Projects	58.47	67.80
Interest accrued but not due on Loans	-	29.66
	4,773.53	**1,829.55**
a) Loans and Advances from Related Parties		
From Subsidiary		
Godrej Realty Pvt. Ltd.	0.16	119.73
Godrej Vikhroli Properties LLP	2,674.46	-
Godrej Nandhi Hills Projects Pvt. Ltd.	217.52	214.43
	2,892.14	**334.16**

NOTE 9

	As at 31.03.2013 ₹ in million	As at 31.03.2012 ₹ in million
SHORT TERM PROVISIONS		
Provision for Employee Benefits		
Gratuity (Refer Note 36 (b))	0.29	0.23
Unavailed Leave (Refer Note 6 (a))	7.91	0.87
Other Provision		
For Taxation	46.54	46.55
(Net of Advance Tax & Tax deducted at source ₹ 452.53 Million Previous Year ₹ 452.52 Million)		
Proposed Dividend	312.31	234.14
Tax on Dividend	53.08	37.98
	420.13	**319.77**

NOTE 10

FIXED ASSETS

(₹ in million)

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April 2012	Additions/ * Taken Over	Deductions	As at 31st March 2013	Upto 1st April 2012	For the Year	Deductions	Upto 31st March 2013	As at 31st March 2013	As at 31st March 2012
Tangible Assets										
Land	-	0.36	-	0.36	-	-	-	-	0.36	-
Building	17.03	-	-	17.03	1.66	0.77	-	2.43	14.60	15.37
Leasehold Improvement	44.99	-	-	44.99	33.46	6.21	-	39.67	5.32	11.54
Office Equipment	27.00	3.18	1.72	28.46	9.63	3.24	0.82	12.05	16.41	17.37
Site Equipments	0.24	-	-	0.24	0.02	0.03	-	0.05	0.19	0.22
Furniture & Fixtures	31.29	1.44	0.49	32.24	13.63	3.61	0.37	16.87	15.37	17.67
Computer	35.30	12.46	0.91	46.85	24.94	6.76	0.81	30.89	15.96	10.36
Motor Vehicle	29.24	3.30	0.40	32.14	12.09	5.06	0.27	16.88	15.26	17.15
Intangible Assets										
Licenses & Software	49.37	23.87	-	73.24	26.52	9.70	-	36.22	37.02	22.84
Total	**234.46**	**44.61**	**3.52**	**275.55**	**121.95**	**35.38**	**2.27**	**155.06**	**120.49**	**112.52**
Previous Year	*215.78*	*23.76*	*5.08*	*234.46*	*91.90*	*31.81*	*1.76*	*121.95*		
Capital Work-in-progress									**440.98**	**222.13**
Intangible Assets under Development									**19.40**	**16.91**
							TOTAL		**580.87**	**351.56**

* Taken over relates to Assets taken over by the Company as per the scheme of Amalgamation (Refer Note 27). The Value of the Assets taken over is stated here under:

Land ₹ 0.36 Million
Office Equipment ₹ 0.38 Million
Furniture & Fixture ₹ 0.37 Million
Computers ₹ 0.29 Million
Motar vehicle ₹ 0.19 Million

NOTE 11

	As at 31.03.2013 ₹ in million	As at 31.03.2012 ₹ in million
NON-CURRENT INVESTMENTS		
I Trade Investments		
Investments in Subsidiary Companies		
Unquoted Investments		
884,850 (Previous Year 510,000) Equity Shares of ₹ 10/- each of		
Godrej Realty Private Limited	55.21	5.10
Nil (Previous Year 510,000) Equity Shares of ₹ 10/- each of		
Godrej Waterside Properties Private Limited	-	5.10
250,500 Equity Shares of ₹ 1/- each of		
Godrej Seaview Properties Private Limited	0.25	0.25
50,000 Equity Shares of ₹ 10/- each of		
Godrej Real Estate Private Limited	0.50	0.50
34,032 Equity Shares of ₹ 10/- each of		
Godrej Developers Private Limited	0.34	0.34
103,592 Equity Shares of ₹ 10/- each of		
Happy Highrises Limited	163.57	163.57
255,500 Equity Shares of ₹ 1/- each of		
Godrej Estate Developers Private Limited	0.26	0.26
24,500 Equity Shares (Class-A) of ₹ 10/- each of		
Godrej Buildwell Private Limited	0.24	0.24
1,000 Equity Shares (Class-D) of ₹ 10/- each of		
Godrej Buildwell Private Limited	0.01	0.01
50,000 Equity Shares of ₹ 10/- each of		
Godrej Buildcon Private Limited	0.50	0.50
50,000 Equity Shares of ₹ 10/- each of		
Godrej Projects Development Private Limited	0.50	0.50
25,500 Equity Shares of ₹ 10/- each of		
Godrej Premium Builders Private Limited	0.26	0.26
50,000 Equity Shares of ₹ 10/- each of		
Godrej Garden City Properties Private Limited	0.50	0.50
100,000 Equity Shares of ₹ 10/- each of		
Godrej Nandhi Hills Project Private Limited	245.61	245.61
	467.75	**422.74**

	As at 31.03.2013 ₹ in million	As at 31.03.2012 ₹ in million
II Investment in Debentures (Fully paid)		
Investments in Subsidiary Companies		
2,989,095 (Previous Year 1,785,000) 1% Secured Redeemable Optionally Convertible Debentures of ₹ 10 each of		
Godrej Realty Private Limited	29.89	17.85
Nil (Previous Year 14,790,000) 1% Secured Redeemable Optionally Convertible Debentures of ₹ 10 each of		
Godrej Waterside Properties Private Limited	-	147.90
	29.89	**165.75**
III Investments In Limited Liability Partnership		
Unquoted Investments		
Mosiac Landmarks LLP	1.10	1.10
Godrej Vikhroli Properties LLP	1,201.54	405.63
	1,202.64	**406.73**
At Cost		
IV Non trade Investments		
(a) Investment in Fully paid up Equity Instruments		
Quoted Investments		
100 Equity Shares of ₹ 10/- each of		
Alacrity Housing Limited	*	*
100 Equity Shares of ₹ 10/- each of		
Ansal Buildwell Limited	*	*
100 Equity Shares of ₹ 10/- each of		
Ansal Housing & Construction Limited	*	*
600 Equity Shares of ₹ 5/- each of		
Ansal Properties & Infrastructure Limited	*	*
100 Equity Shares of ₹ 10/- each of		
Lok Housing & Construction Limited	*	*
100 Equity Shares of ₹ 10/- each of		
Global Infrastructure & Technologies Limited	*	*
100 Equity Shares of ₹ 10/- each of		
Premier Energy & Infrastructure Limited	*	*

	As at 31.03.2013 ₹ in million	As at 31.03.2012 ₹ in million
100 Equity Shares of ₹ 10/- each of		
D.S. Kulkarni Developers	*	*
13,000 Equity Shares of ₹ 2/- each of		
Unitech Limited	0.01	0.01
72 Equity Shares of ₹ 10/- each of		
The Great Eastern Shipping Company Limited	*	*
18 Equity Shares of ₹ 10/- each of		
The Great Offshore Limited	*	*
1,000 Equity Shares of ₹ 1/- each of		
Radhe Developers Limited	*	*
23,700 Equity Shares of ₹ 10/- each of		
United Textiles Limited	*	*
	0.02	**0.02**
Less: Provision for Diminution in Value	0.01	0.01
	0.02	**0.02**
Unquoted Investments		
1,000 Equity Shares of ₹ 10/- each of		
Saraswat Co-operative Bank Limited	0.01	0.01
25,000 Equity Shares of ₹ 10/- each of		
Amitabh Bachchan Corporation Limited	*	*
	0.01	**0.01**
Total Long Term Investments	**1,700.32**	**995.24**
1. Cost of Quoted Investments	0.02	0.02
2. Market Value of Quoted Investments	0.42	0.49

* Represents amount less than ₹ 5,000/-

NOTE 12

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
DEFERRED TAX ASSET (NET)		
On Fixed Asset	2.21	1.43
On Others	38.37	28.43
	40.58	**29.86**

NOTE 13

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
LONG TERM LOANS & ADVANCES		
Secured & considered good		
Deposits - Projects (Refer Note 13 (a))	655.40	582.56
Unsecured Considered good		
Deposits	33.36	23.03
Advance Tax & Tax deducted at source (Net of Provision for tax ₹ 1,126.31 Million (Previous Year ₹ 933.05 Million)	74.28	50.10
	763.04	**655.69**

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

NOTE 14

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
OTHER NON CURRENT ASSETS		
Expenses Recoverable	5.52	4.45
Interest Accrued	0.07	-
Others - Deposit with Banks	102.60	4.60
(Deposit with Bank is held as Margin Money)		
	108.19	**9.05**

NOTE 15

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
CURRENT INVESTMENTS		
Investments in Subsidiary Companies		
Nil (Previous Year 5,865,000) 1% Secured Redeemable optionally Convertible Debentures of ₹ 10 each of	-	58.65
Godrej Realty Private Limited		
	-	**58.65**

NOTE 16

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
INVENTORIES		
Finished Goods (Refer Note 16(a))	2.86	1.96
Construction Work in progress	6,503.25	2,571.61
	6,506.11	**2,573.57**

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

   i) 70 Equity shares of ₹ 100/- each, ₹ 20/- paid up

   ii) 75 Redeemable Preference Class A shares of ₹ 100/- each, ₹ 70/- paid

NOTE 17

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
TRADE RECEIVABLES		
Unsecured Considered good		
Outstanding for a period exceeding six months from the date they are due for payment	272.74	139.92
Others	358.85	923.86
	631.59	**1,063.78**

NOTE 18

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
CASH & BANK BALANCES		
Cash & Cash Equivalents		
Cash-on-Hand	0.17	0.17
Cheques-on-Hand	193.63	0.52
Balance with Banks		
on Current Accounts (Refer Note 18 (a))	132.57	37.07
on Fixed Deposit Accounts (Refer Note 18 (b)	25.03	2,532.15
Investments in Mutual Funds (Refer Note 18 (c))	95.79	1,781.24
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))	27.34	63.38
	474.54	**4,414.53**

a) Current account balance of ₹ 0.29 Million (Previous Year ₹ 0.21 Million) is earmarked balance for unclaimed dividend.

b) i) Fixed Deposit of ₹ 6.07 Million (Previous Year ₹ 6.07 Million) held as margin money.

   ii) Balances with scheduled banks on deposit accounts include ₹ 31.06 Million (Previous year ₹ 26.07 Million) received from flat buyers and held in trust on their behalf in a corpus fund.

c) Investment in Mutual Funds:

   i) (In Debt Mutual Funds)

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
Kotak Floater - LT - Daily Dividend Reinvest	29.17	27.23
ICICI Prudential Floating Rate Plan D - Daily Dividend Reinvest	3.24	3.03
SBI Premier Liquid Fund Super IP DDR	-	250.17
Birla Sun Life Cash Plus-Instl Prem-Daily Dividend	-	250.12
J P Morgan India Liquid Fund-Super IP-Daily Dividend	-	250.11

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
ICICI Prudential Liquid - Super IP-Daily Dividend	-	250.11
Religare Liquid Fund - Super IP - Daily Dividend Reinvest	-	250.11
HDFC Cash Management Fund -Saving Plan-Daily Dividend	-	250.18
JM High Liquidity Super IP - Daily Dividend - Reinvest	-	250.18
JM High Liquidity Fund - Growth	63.38	-
	95.79	**1,781.24**

NOTE 19

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
SHORT TERM LOANS & ADVANCES		
Secured Advances		
Secured Deposits - Projects (Refer Note 19 (a))	3,309.64	3,915.20
Other Advances (Refer Note 19 (b))	49.20	59.82
Unsecured Considered good		
Loan to GIL ESOP Trust (Refer Note 32 (b))	70.68	85.17
(Net of provision for doubtful loan of ₹ 4.64 Million Previous Year ₹ 4.64 Million)		
Loan to GPL ESOP Trust (Refer Note 32 (a))	384.48	344.73
(Net of provision for doubtful loan of ₹ 58.92 Million Previous Year ₹ 58.92 Million)		
Advances to Related Parties (Refer Note (19 (c))	10,636.00	11,560.86
Loans And Advances to Others	379.11	253.46
Due on Management Projects (Refer Note 19 (d))	504.56	482.10
Development Management Fees Accrued but not due (Refer Note 19 (e))	44.46	44.46
Deposits - Others	15.76	12.57
	15,393.89	**16,758.37**

		As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
a)	Secured Deposits - Projects are Secured against Terms of Development Agreement.		
b)	Secured Loan & Advances Others are secured against Bank Guarantee received from Vendors		
c)	**Advances to Related Parties:**		
	To Ultimate Holding Company:		
	Godrej & Boyce Manufacturing Company Limited	0.66	0.62
	To Holding Company:		
	Godrej Industries Ltd.	0.02	0.02
	To Subsidiaries Company, Sub Subsidiary and Fellow Subsidiary		
	Godrej Waterside Properties Private Limited.	-	3,355.13
	Godrej Real Estate Private Limited.	1,385.92	1,308.58
	Godrej Sea View Properties Private Limited.	806.57	519.92
	Happy Highrises Limited	1,787.25	1,628.45
	Godrej Developers Private Limited.	1,380.92	601.96
	Godrej Estate Developers Private Limited.	1,783.40	1,309.54
	Godrej Buildwell Private Limited.	1,192.88	879.61
	Godrej Buildcon Private Limited.	966.08	4.86
	Godrej Projects Development Private Limited.	503.21	25.98

		As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
	Godrej Premium Builders Private Limited.	591.51	610.90
	Godrej Garden City Properties Private Limited.	0.05	0.05
	Godrej Landmark Redevelopers Private Limited	-	1.50
	Godrej Nandhi Hills Projects Private Limited.	7.64	6.53
	To Limited Liability Partnership		
	Godrej Buildcorp LLP	-	1.37
	Godrej Property Developers LLP	0.22	0.13
	Mosiac Landmarks LLP	229.57	150.68
	Godrej Vikhroli Properties LLP	-	1,155.03
	From Company under same Management:		
	Godrej Consumer Products Limited	0.10	-
		10,636.00	**11,560.86**

d) Due on Management Projects include a sum of ₹ 21.57 Million (Previous Year ₹ 21.57 Million) on account of a project, where the matter is sub-judice with arbitrators.

e) The Company has entered into Development Agreement with landlords. Development Management Fee amounting to ₹ 44.46 Million (Previous Year ₹ 44.46 Million) accrued as per terms of the Agreement are receivable by the Company based upon progress milestones specified in the respective Agreements and have been disclosed as Development Management Fee accrued but not due.

NOTE 20

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
OTHER CURRENT ASSETS		
Unbilled Revenue	1,436.98	1,794.75
Interest Accrued	36.25	90.28
	1,473.23	**1,885.03**

NOTE 21

	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
REVENUE FROM OPERATIONS		
Sale of Products	2,711.83	3,135.64
Other Operating Revenues		
Sale of Services	607.11	201.71
Compensation Received from Project	163.98	-
Other Income from Customers	23.11	24.73
Share of Profit in Limited Liability Partnership	761.05	327.31
Lease Rent	0.01	0.01
License Fees	0.01	0.01
	4,267.10	**3,689.41**

NOTE 22

	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
OTHER INCOME		
Interest Income		
Projects and landlords	552.88	665.33
Others	48.61	86.18
Dividends	15.47	10.82
Profit on sale of Fixed Assets (Net)	*	-
Profit on sale of Long Term Investments	-	182.75
Miscellaneous Income	10.89	4.19
	627.85	**949.27**

* Represents amount less than ₹ 5,000/-

NOTE 23

	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
COST OF SALES		
Opening Stock:	2,573.57	1,924.30
Add: Expenditure/ Transfers from Advances during the year		
Stock-In Trade Acquired on Amalgamation	1,993.78	-
Stock-In-Trade Acquired during the year	382.37	-
Development Rights	59.57	-
Construction, Material & Labour	2,468.04	3,428.35
Architect Fees	57.46	97.72
Advertisement Expenses	73.53	151.36
Overheads	839.08	857.89
Interest (Net of Recovery from Landlord ₹ 53.65 Million (Previous Year ₹ 66.19 Million))	346.20	424.35
	6,220.03	4,959.67
Less: Project transferred to Subsidiaries	-	1,769.10
Less: Closing Stock:	6,506.11	2,573.57
	2,287.49	**2,541.30**

NOTE 24

	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
EMPLOYEE BENEFIT EXPENSES		
Salaries, Bonus, Gratuity & Allowances	114.39	34.14
Contribution to Provident & other funds	20.17	15.61
Other Employee Benefits	20.03	-
Expense on Employee Stock Option Scheme (Refer Note 32)	20.55	10.46
	175.14	**60.21**

NOTE 25

	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
FINANCE COST		
Interest Expense		
Banks	608.21	962.25
Inter Corporate Deposits	1.08	36.81
Projects and landlords	36.02	10.34
Others	306.94	143.78
Interest on Income Tax	2.38	-
Total Interest Expenses	**954.63**	**1,153.18**
Other Borrowing cost	53.30	35.34
Total Finance Cost	**1,007.93**	**1,188.52**
Less: Capitalised to Projects	402.32	500.09
Less: Capitalised to Capital WIP	7.42	-
NET FINANCE COST	**598.19**	**688.43**

NOTE 26

	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
OTHER EXPENSES		
Consultancy Charges	26.01	2.46
Rent	37.56	27.11
Insurance	3.75	1.61
Rates & Taxes	0.61	0.59
Service Charges	-	0.06
Loss on sale of Fixed Assets (Net)	-	0.10
Advertisement & Marketing Expense	90.87	39.20
Provision for Doubtful Advances	-	63.56
Other Expenses	243.90	138.25
	402.70	**272.94**

NOTE 27

(a) A Scheme of Amalgamation ("**the Scheme**") for the amalgamation of Godrej Waterside Properties Private Limited ("**GWPPL**" or "**the Transferor Company**") (a wholly owned subsidiary) with Godrej Properties Limited ("**GPL**" or "**the Transferee Company**"), with effect from April 1, 2012, ("**the Appointed date**") was sanctioned by the Hon'ble High Court of Judicature at Bombay ("**the Court**"), vide its Order dated April 12, 2013 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on April 29, 2013 (the "**Effective Date**"). Accordingly the standalone results of the Company for the year ended March 31, 2013, include the results of the erstwhile GWPPL for the financial year ended March 31, 2013.

(b) The amalgamation has been accounted for under the "Purchase method" as prescribed by Accounting Standard (AS-14) on "Accounting for Amalgamation" notified under the Companies (Accounting Standards) Rules, 2006. The Company has carried out the accounting treatment prescribed in the Scheme as sanctioned by the Hon'ble High Court of Judicature at Bombay. The required disclosures as per paragraph 42 of Accounting Standard 14 (AS-14) 'Accounting for Amalgamations' as prescribed under the Companies (Accounting Standards) Rules, 2006 has been provided. Accordingly, the Scheme has been given effect to in these accounts and all the assets and liabilities of GWPPL stands transferred to and vested in the Transferee Company with effect from the Appointed Date. In accordance with the Scheme, the assets and liabilities of GWPPL have been taken over and recorded at their fair values as determined by the Board of Directors of GPL.

(c) The value of the Net Assets of the Transferor Company taken over by the Transferee Company on Amalgamation is as under:

Particulars	₹ in Million
Fixed Assets	1.58
Cash & Bank Balances	195.44
Inventories	1,993.78
Debtors and other Receivables	437.82
Less: Creditors and other Payables	322.98
Net Assets taken over	2,305.63
Less: Cancellation of inter-company investments, loans and advances	3,534.28
Difference arising pursuant to the Scheme of Amalgamation	1,228.65

(d) To give effect to the Honorable Bombay High Court’s order dated April 12, 2013 regarding scheme of Amalgamation, the following actions have been performed:

(i) The Cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting ₹ 5.30/- Million have been directly adjusted against the opening balance of Surplus in Statement of Profit & Loss of the Transferee Company.

(ii) The amount of ₹ 1,228.65/- Million arising out of the difference between the fair value of the net assets of the Transferor Company taken over and cancellation of intercompany investments loans and advances between the Transferor Company and the Transferee Company has been adjusted from the opening balance of General Reserve and opening balance of Surplus in the Statement of Profit & Loss as per the Scheme.

(e) The following amounts have been adjusted from the opening balance of General Reserve and Opening balance in the Statement of Profit & Loss.

Particulars	₹ in Million
Difference arising pursuant to Scheme of Amalgamation	1,228.65
Cost and Expenses of Amalgamation	5.30
Total	1,233.95
Less: Adjustment against opening balance of General Reserve	462.00
Less: Adjustment against Opening balance in the Statement of Profit & Loss Account	771.95
Balance	NIL

(f) In accordance with the scheme of Amalgamation, an amount of ₹ 1,228.65 Million on account of Goodwill on merger has been adjusted from the opening balance in the General Reserve and Opening balance of Surplus in the Statement of Profit & Loss instead of amortising the same in the Statement of Profit & Loss over a period of five years. The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to ₹ 5.30 Million have been directly adjusted from the Opening balance of Surplus in the Statement of Profit & Loss of the Company. Had the scheme not prescribed the above treatment, the profit for the year would have been lower by ₹ 251.03 Million, the Goodwill would have been higher by ₹ 982.92 Million (net written down value), the General Reserve Account would have been higher by ₹ 462.00 Million and the surplus in the Statement of Profit & Loss would have been higher by ₹ 520.92 Million.

Since the entire issued, subscribed and paid-up capital of the Transferor Company was held by the Transferee Company, upon the Scheme becoming effective, no shares of the Transferee Company have been allotted in lieu or exchange of its holding in GWPPL and the share capital of GWPPL stands cancelled.

(g) Since the aforesaid Scheme of amalgamation of the above mentioned Company with the Company, which is effective from April 1, 2012, has been given effect to in these accounts, the figures for the current year to that extent are not comparable with those of the previous year.

NOTE 28

a) Contingent Liabilities:

Matters	**As on March 31, 2013 ₹in Million**	**As on March 31, 2012 ₹in Million**
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.	83.00	30.14
ii) Claims against the Company under the Labour Laws for disputed cases	1.99	1.99
iii) Claims against the Company under Bombay Stamp Act, 1958	14.85	14.85
iv) Other Claims against the Company not acknowledged as debts	3.93	3.93
v) Claims against the Company under Income Tax Act, Appeal preferred to Commissioner of Income Tax (Appeals)	2.20	14.83
vi) Claims against the Company under Sales Tax Act, Appeal preferred to The Joint Commissioner of Commercial Taxes (Appeals)	12.13	12.13
vii) Appeal preferred to Customs, Excise and Service Tax Appellate tribunal at Bangalore	316.50	-
II) Guarantees;		
i) Guarantees given by Bank, counter guaranteed by the Company	174.17	260.24
III) Other Money for which Company is contingently liable		
i) Letter of credit opened by Bank on behalf of the Company	113.43	49.33

b) Commitments

Particulars	**As on March 31, 2013 ₹in Million**	**As on March 31, 2012 ₹in Million**
I) Capital Commitment	116.46	349.49
II) Uncalled amount of partly paid shares of Tahir Properties Limited	0.01	0.01
III) Major Contracts Commitment Outstanding for Civil, Elevator, External Development, MEP work etc	3,307.93	4,965.97

NOTE 29

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

(₹ in Million)

Particulars	As on March 31, 2013
Amount Received from IPO	4,688.47
* Utilization of Funds up to the reporting date:	
Funding to part finance the acquisition of land developments rights and construction costs	2,179.11
Repayment of Loans	2,011.70
Issue Expenses	405.35
Balance unutilized amount temporarily invested in	
Mutual Funds	92.31
TOTAL	**4,688.47**

As on 31st March, 2013, unutilized funds have been temporarily invested in mutual funds schemes as mentioned in the prospectus of the Company.

*Revised Amount Proposed to be 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:

(₹ in Million)

Particulars	As on March 31, 2013
Amount Received from IPP	4,707.42
Utilization of Funds up to the reporting date:	
Repayment of Loans	4,593.42
Issue Expenses	114.00
TOTAL	**4,707.42**

IPP proceeds have been utilized as per the offer document of the Company.

NOTE 30

Dues to Micro and Small Enterprise

Disclosure of trade payables and other liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small & Medium Enterprises Development Act 2006". There is no amount overdue as on 31st March, 2013 to Micro & Small Enterprises on account of principal amount together with interest and also during the previous year.

NOTE 31

Amounts paid to Auditors:

(₹ in Million)

Particulars	FY 2012-13	FY 2011-12
Audit Fees	5.62	5.36
Audit Under Other Statutes	1.92	3.96

Particulars	FY 2012-13	FY 2011-12
Consultancy Charges	1.43	1.39
Other Certificates	0.24	0.30
Reimbursement of Expenses	0.01	*
	9.22	**11.01**

* Represents amount less than ₹ 5,000/-

NOTE 32

Employee Stock Option Plan:

a) During the financial year ended 31st March, 2008, the Company instituted an Employee Stock Option Plan (GPL ESOP) approved by the Board of Directors, Shareholders and the Remuneration Committee, which provided allotment of 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 28th December, 2007.

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

Particulars	No. of Options		Weighted Average Exercise Price (₹)
	As on March 31, 2013	As on March 31, 2012	
Options Outstanding at the beginning of the year	317,700	372,700	620.00 (plus interest) till March 31,2012
Options granted	-	-	
Options exercised	-	-	
Less: Forfeited / Lapsed /Idle/ Available for Reissue	37,000	55,000	
Options Outstanding at the year end	280,700	317,700	620.00 (plus interest) (till March 31,2012)

All the Option Outstanding as on March 31, 2013 are vested.

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 ₹ 443.40 Million (Previous Year ₹ 443.91 Million) 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, 2013, of the shares held by the ESOP trust is lower than the holding cost of these shares by ₹ 124.00 Million (Net of Provision of ₹ 58.92 Million), Previous year ₹ 82.35 Million (Net of Provision ₹ 58.92 Million). 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 ₹ 75.32 Million (Previous Year ₹89.80 Million) to Godrej Industries Limited Employee Stock Option Scheme (GIL ESOP), which is administered by an independent ESOP Trust which purchases shares of GIL from the market equivalent to the number of stock options granted from time to time to eligible employees. The repayment of the loans granted by the Company to ESOP trust is dependent on the exercise of the options by the employees and the market price of the underlying shares of the unexercised options at the end of the exercise period.

NOTE 33

Employee Stock Grant Scheme

a) During the period April 1, 2011 to March 31, 2013, 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 93,232 options convertible into 93,232 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 7th May, 2011, 1,878 options w.e.f. 1st October 2011, 36,208 w.e.f. 1st June 2012, 11,020 w.e.f. 1st June 2012, 2,218 w.e.f. 1st August 2012, 345 w.e.f. 1st November 2012 and 360 w.e.f. 1st February 2013. Out of the total 93,232 stock grants 17,617 stock grants have lapsed on account of employees leaving the service of the company before the vesting date, 9,284 stock grants have vested and hence 66,331 stock grants are outstanding as at March 31, 2013.

Particulars	No. of Options		Exercise Price (₹)
	As on March 31, 2013	As on March 31,2012	
Options Outstanding at the beginning of the year	29,643	-	10.00
Options granted	50,151	43,081	
Options exercised	9,284	NIL	
Less: Option lapsed	4,179	13,438	
Options Outstanding at the year end	66,331	29,643	10.00

Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of option is ₹15.71 per share as on March 31, 2013.

b) Employee compensation cost using the intrinsic value method recognized by the company in the Statement of Profit & Loss as on March 31, 2013 is is ₹ 20.55 Million

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.

(₹ in Million)

Particulars	FY 2012-13	FY 2011-12
Net Profit (as reported)	1,226.68	813.65
Add: Stock based compensation expense determined under Intrinsic Value method recognized in Statement of Profit & Loss	20.55	10.46
Less: Stock based compensation expense determined under fair value based method (Pro Forma)	20.39	10.40
Net Profit (Pro Forma)	1,226.84	813.71
Basic Earnings per share (as reported) ₹ per share	15.72	11.63
Diluted Earnings per share (as reported) ₹ per share	15.71	11.63
Basic Earnings per share (Pro Forma) ₹ per share	15.72	11.63
Diluted Earnings per share (Pro Forma) ₹ per share	15.71	11.63

NOTE 34

The amount of exchange difference included in the Statement of Profit and Loss, is ₹ 0.06 Million (net gain) under the head Other Income (Previous Year ₹ 0.64 Million (net loss)).

NOTE 35

i) Expenditure in Foreign Currency

(₹ in Million)

Particulars	FY 2012-13	FY 2011-12
Architect Fees	1.79	35.56
Advertisement & Brokerage Expenses	7.65	14.79
Consultancy Fees	4.82	40.61
Other Expense	11.05	3.37
Total	**25.31**	**94.33**

ii) Un-hedged Foreign Currency Exposures

Particulars	FY 2012-13		FY 2011-12	
Uncovered Foreign currency exposure as at the year end	**Foreign Currency**	**Amount in ₹Million**	**Foreign Currency**	**₹ in Million**
US Dollar (In Million)	0.04	2.18	0.20	10.27
Euro (In Million)	*	0.33	-	-
Australian Dollar (In Million)	0.01	0.63	-	-
Kuwait Dinar (In Million)	-	-	*	0.07
GBP (In Million)	-	-	0.02	1.27

* Represents amount less than 5,000 in Foreign Currency

NOTE 36

Employee Benefits

(a) Defined Contribution Plans:

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

(₹ in Million)

Particulars	FY 2012-13	FY 2011-12
Employers' Contribution to Provident Fund	20.05	15.49
Employers' Contribution to ESIC	0.12	0.12

(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:

(₹ in Million)

Particulars	FY 2012-13	FY 2011-12
Change in present value of obligation		
Present value of obligation as at beginning of the year	12.89	12.34
Interest Cost	1.10	1.02
Service Cost	3.34	2.32
Benefits Paid	(1.86)	(9.74)
Effect of Liability Transfer in	3.97	0.33
Effect of Liability Transfer out	-	(0.04)
Actuarial (gain)/loss on obligation	(0.08)	6.66
Present value of obligation, as at end of the year	**19.36**	**12.89**
Amount recognized in the Balance Sheet		
Present value of obligation, as at end of the year	19.36	12.89
Fair value of plan assets as at end of the year	-	-
Net obligation as at end of the year	**19.36**	**12.89**
Net gratuity cost for the year ended		
Current Service Cost	3.33	2.32
Interest Cost	1.10	1.02
Expected return on plan assets	-	-
Past Service Cost (Vested Benefit)	-	-
Net Actuarial (gain)/loss to be recognized	(0.08)	6.66
Net gratuity cost	**4.35**	**10.00**
Assumptions used in accounting for the gratuity plan		
	(In %)	(In %)
Discount Rate	8.00	8.50
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 37

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 38

Related Party Disclosures:

Related party disclosures as required by AS - 18, "Related Party Disclosures", are given below:

(i) Relationships

Shareholders (Holding Company)

Godrej Industries Limited (GIL) holds 61.46% (Previous Year – 61.46%) shares in the Company. GIL is the subsidiary of Godrej & Boyce Mfg. Co. Limited, the Ultimate Holding Company.

(ii) Subsidiaries

Godrej Realty Private Limited (51%)

Godrej Waterside Properties Private Limited (Till March 31,2012)

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 (100%)

Godrej Landmark Redevelopers Private Limited (51%) (Sub Subsidiary)

Godrej Redevelopers (Mumbai) Private Limited (100%) (Sub Subsidiary)

(iii) Limited Liability Partnership

Godrej Buildcorp LLP

Godrej Property Developers LLP

Godrej Vikhroli Properties LLP

Mosiac Landmarks LLP

Dream World Landmarks LLP

(iv) Other Related Parties in Godrej Group, where common control exists:

Godrej Investments Private Ltd.

Godrej Infotech Ltd.

Wadala Commodities Ltd.

Vora Soaps Limited

Cartini India Limited

Bahar Agrochem & Feeds Private Limited

Godrej (Malaysia) Sdn. Bhd. (incorporated in Malaysia)

Godrej (Singapore) Pte. Ltd. (incorporated in Singapore)

Veromatic International BV (incorporated in the Netherlands)

Busbar Systems (India) Ltd (formerly, Busbar Systems (India) Private Limited), (a Wholly-owned subsidiary w.e.f. 1st February, 2013)(name changed w. e. f. 15th March, 2013)

A Subsidiaries of Godrej Industries Ltd

1 Godrej Agrovet Ltd. (GAVL)

2 Ensemble Holdings & Finance Ltd.

3 Godrej International Ltd. (incorporated in the Isle of Man)

4 Natures Basket Ltd.

5 Godrej International Trading & Investments Pte Ltd. (Incorporated in Singapore) (a subsidiary of Godrej Industries Ltd w.e.f. 1st August, 2011)

6 Swadeshi Detergents Limited (a subsidiary of Godrej Industries Ltd w.e.f. 20th March, 2013)

B Subsidiaries of GAVL:

1 Golden Feed Products Ltd.

2 Godrej Seeds & Genetics Limited

3 Goldmuhor;Agrochem Feeds Limited (w.e.f. 2nd January, 2013)

C Subsidiary of Godrej (Malaysia) Sdn. Bhd.:

1 G&B Enterprises (Mauritius) Pvt. Ltd. (incorporated in Mauritius) (a wholly-owned subsidiary of Godrej (Malaysia) Sdn. Bhd.)

D Subsidiaries of Godrej (Singapore) Pvt. Ltd.:

1 JT Dragon Pte. Ltd. (Incorporated in Singapore)

2 Godrej (Vietnam) Co. Ltd. (Incorporated in Vietnam) (a wholly owned subsidiary of JT Dragon Pte. Ltd.)

E Subsidiaries of Veromatic International BV:

1 Veromatic Services BV (incorporated in the Netherlands)

2 Water Wonder Benelux BV (incorporated in the Netherlands)

F Other Subsidiaries (where the Group Company owns directly and/or indirectly through one or more subsidiaries, more than one half of the equity share capital)

1 Mercury Mfg. Co. Ltd.

2 Godrej Consumer Products Ltd. (GCPL)

G Subsidiaries and Sub-subsidiaries of GCPL:

1 Rapidol (Pty) Ltd. (incorporated in South Africa)

2 Godrej Netherlands BV (incorporated in th Netherlands)

3 Godrej Global MidEast FZE (incorporated in Sharjah, U.A.E.)

4 Godrej Consumer Products Mauritius Ltd.

5 Godrej Hygiene Products Ltd.

6 GodrejConsumerProductsHolding(Mauritius)Ltd.(incorporatedinMauritius)

7 Godrej Household Products Lanka Pvt. Ltd. (incorporated in Sri Lanka)

8 Godrej Household Products Bangladesh Pvt. Ltd. (incorporated in Bangladesh)

9 Godrej Consumer Products Bangladesh Ltd. (incorporated in Bangladesh)

10 Godrej Mauritius Africa HoldingsLtd.(incorporatedinMauritius)

11 Godrej Weave Holdings Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)

12 Godrej Consumer Products (UK) Ltd. (incorporated in the United Kingdom) (a subsidiary of Godrej Netherlands BV)

13 KeylineBrandsLtd.(asubsidiaryof Godrej Consumer Products(UK) Ltd)

14 Inecto Manufacturing Ltd. (a subsidiary of Keyline Brands Ltd.)

15 Godrej Kinky Holdings Ltd. (a subsidiary of Godrej Consumer Products Mauritius Ltd)

16 Kinky Group Pty Ltd.(a subsidiary of Godrej Kinky Holdings Ltd)

17 Godrej Nigeria Ltd. (incorporated in Nigeria) (a subsidiary of Godrej Nigeria Holdings Ltd)

18 Indovest Capital Ltd. (incorporated in Malaysia) (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)

19 Godrej Consumer Products Dutch Cooperatief UA, (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd)

20 Godrej Consumer Holdings (Netherlands) BV (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA)

21 Godrej Consumer Products (Netherlands) BV (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA)

22 Godrej Indonesia Netherlands Holding BV (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA)

23 PT Megasari Makmur (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)

24 PT Intrasari Raya (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)

25 PT Simba Indosnack Makmur (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)

26 PT Ekamas Sarijaya (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)

27 PT Indomas Susemi Jaya (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)

28 PT Sarico Indah (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)

29 Godrej Argentina Dutch Cooperatief UA (incorporated in Netherlands) (a subsidiary of Godrej Consumer Products Mauritius Ltd.)

30 Godrej Netherlands Argentina Holding BV. (incorporated in Netherlands) (a subsidiary of Godrej Argentina Dutch Cooperatief UA)

31 Godrej Netherlands Argentina BV (incorporated in the Netherlands) (a subsidiary of Godrej Argentina Dutch Cooperatief UA)

32 Panamar Procuccioness Srl (incorporated in Argentina) (a subsidiary of Godrej Netherlands Argentina BV)

33 Argencos S.A. (incorporated in Argentina) (a subsidiary of Godrej Netherlands Argentina BV)

34 Laboratoria Cuenca S.A. (incorporated in Argentina) (a subsidiary of Godrej Netherlands Argentina BV)

35 Issue Group Uruguay S.A. (incorporated in Uruguay) (a subsidiary of Laboratoria Cuenca S.A.)

36 Deciral S.A. (incorporated in Uruguay) (a subsidiary of Laboratoria Cuenca S.A.)

37 Issue Group Brazil Ltd. (incorporated in Brazil) (a subsidiary of Laboratoria Cuenca S.A.)

38 Consell S.A. (incorporated in Argentina) (a subsidiary of Laboratoria Cuenca S.A.)

39 Godrej Consumer Products Nepal Pvt. Ltd.

40 Subinite Pty Ltd. (incorporated in South Africa) (a subsidiary of Weave BusinessHoldings Mauritius Pvt. Ltd.)

41 Lorna Nigeria Ltd (incorporated in Nigeria) (a subsidiary of Weave Business Holdings Mauritius Pvt. Ltd.

42 Weave IP Holding Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of Weave Business Holdings Mauritius Pvt. Ltd. w.e.f. 1st September, 2011)

43 DGH Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Weave Holdings Ltd.)

44 Weave Business Holdings Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of DGH Mauritius Pvt.Ltd. w.e.f. 1st September, 2011)

45 Weave Trading Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Weave Holdings Ltd. w.e.f. 1st September, 2011)

46 Hair Trading (offshore) S. A. L. (incorporated in Lebanon) (a wholly-owned subsidiary of Weave Trading Mauritius Pvt Ltd w.e.f. 1st October, 2011)

47 Weave Mozambique Limitada (incorporated in Mozambique) (a subsidiary of Weave Business Holdings Mauritius Pvt Ltd w.e.f. 13th October, 2011)

48 Godrej Consumer Investments (Chile) Spa, (incorporated in Chile) (a subsidiary of Godrej Netherlands BV w.e.f. 5th April, 2012)

49 Godrej Holdings (Chile) Limitada, (incorporated in Chile) (a subsidiary of Godrej Consumer Investments Spa w.e.f. 5th April, 2012)

50 Cosmetica Nacional, (incorporated in Chile) (a subsidiary of Godrej Holdings (Chile) Limitada w.e.f. 20th April, 2012)

51 Plasticos Nacional, (incorporated in Chile) (a subsidiary of Cosmetica Nacional w.e.f. 20th April, 2012)

52 Godrej East Africa Holdings Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Consumer Products Ltd. w.e.f. 20th July, 2012)

53 Style Industries Ltd. (incorporated in Kenya) (a subsidiary of DGH Phase 2 w.e.f. 1st November, 2012)

54 DGH Phase 2 (incorporated in Mauritius) (a subsidiary Godrej East Africa Holdings Limited w.e. f 1st November, 2012)

55 Godrej Tanzania Holdings Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Consumer Products Ltd. w.e.f. 30th November, 2012)

56 DGH Tanzania Ltd (incorporated in Tanzania) (a subsidiary of Godrej Tanzania Holdings Ltd. w.e.f. 6th December, 2012)

57 Sigma Hair Ind Ltd (incorporated in Tanzania) (a subsidiary of DGH Tanzania Ltd w.e.f. 19th December, 2012)

(v) Key Management Personnel:

Mr. Pirojsha Godrej

Mr. V. Srinivasan

Mr. K.T. Jithendran

(vi) Individuals exercising Significant Influence:

Mr. A. B. Godrej

Mr. N. B. Godrej

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

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

(₹ in Million)

Sr. No	Description	Godrej & Boyce Mfg Co Ltd	Godrej Industries Ltd	Subsidiaries & Limited Liability Partnership	Other Related Parties In Godrej Group
		(i)	(i)	(ii) & (iii)	(iv)
1.	Investment in Equity Share / Capital Account	- -	- -	- *13.10*	- -
2.	Purchase of fixed assets	1.05 *2.65*	- -	- -	- -
3.	Purchase of Units	- -	- -	147.73 *232.92*	- -
4.	Loans & Advances given	- -	- -	10,057.52 *6,763.52*	- -
5.	Amount paid against Purchase of Unit	- -	- -	240.47 *238.91*	- -
6.	Advances repaid	- -	- -	11,306.89 *4,472.01*	- -
7.	Deposit given	- -	1.32 *2.70*	- -	- -
8.	Deposit repaid	- -	1.60 *0.80*	- -	- -
9.	Income Received from other Companies	444.39 *45.92*	0.03 *0.03*	34.35 *9.53*	0.14 -
10.	Expenses charged by other Companies	52.89 *148.75*	65.64 *55.19*	36.02 *10.34*	7.33 *4.98*
11.	Expenses charged to other Companies	- -	- -	1,210.41 *1,156.35*	- -
12.	Share of Profit in LLP	- -	- -	761.05 *327.31*	- -
13.	Amount received on transfer of Employee (Net)	- -	11.58 *0.08*	- -	1.51 -
14.	Dividend Paid / (Received)	3.81 *3.11*	143.90 *222.01*	- *(0.01)*	5.75 *8.63*
16.	Outstanding receivables, net of (payables)	(8.45) *2.14*	(17.93) *(9.09)*	8,504.20 *11,553.37*	0.05 -
17.	Deposits Receivable	- -	5.94 *6.23*	- -	- -
18	Project taken over	- -	- -	1.77 -	- -
19	Redemption of Debentures	- -	- -	46.61 -	- -

Figures in italics are for previous year

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

(₹ in Million.)

Sr. No	Key Management Personnel (KMP)	FY 2012-13	FY 2011-12
1.	Remuneration	67.81	75.31
2.	Dividend Paid	1.57	2.39
3.	Deposit accepted from KMP & their relative	-	1.00
4.	Repayment of Deposit	-	1.50
5.	Interest paid on Deposit	0.02	0.21
6.	Deposit Outstanding	-	2.25
7.	Amount received from Sale of Flats/ Units to KMP & their relative	8.59	5.91
	Individuals exercising significant Influence:		
	Dividend paid - Mr. N.B.Godrej	4.69	7.03
	Amount received from Sale of Flats/ Units- Mr. N.B.Godrej	1.45	1.23

3 Significant Related Party Transactions.

S. No	Name of the Party	Relationship	Nature of Transaction	Volume of Transaction during FY 2012-13	Outstanding (Payable) / Receivable As on March 31, 2013	Volume of Transaction during FY 2011-12	Outstanding (Payable) / Receivable As on March 31, 2012
1	Godrej & Boyce Mfg. Co. Limited	Ultimate Holding Company	Expenses charged by other companies	52.89		148.75	
			Income received from other Companies	444.39		45.92	
			Purchase of fixed assets	1.05		2.65	
2	Godrej Industries Limited	Holding Company	Amount Received on transfer of employee	11.58	-	0.08	-
			Deposits given	1.32		2.70	
			Deposits Receivable	5.94		6.23	
			Deposits Repaid	1.60		0.80	
			Dividend Paid / (Received)	143.90		222.01	
			Expenses charged by other companies	65.64		55.19	
3	Godrej Realty	Subsidiary	Expenses charged by	6.88	-	10.34	

S. No	Name of the Party	Relationship	Nature of Transaction	Volume of Transaction during FY 2012-13	Outstanding (Payable) / Receivable As on March 31, 2013	Volume of Transaction during FY 2011-12	Outstanding (Payable) / Receivable As on March 31, 2012
	Private Limited		other companies				
			Redemption of Debentures	46.61		-	
4	Godrej Real Estate Private Limited	Subsidiary	Expenses charged to other companies	54.85	1,385.92	129.13	1,308.58
5	Godrej Developers Private Limited	Subsidiary	Expenses charged to other companies	84.92	1,380.92	48.88	601.96
			Loans & Advances given	1,307.19		1,391.83	
			Loans & Advances repaid	605.00		1,268.00	
6	Godrej Sea View Properties Private Limited	Subsidiary	Expenses charged to other companies	183.50	-	87.04	-
7	Godrej Estate Developers Private Limited	Subsidiary	Expenses charged to other companies	214.52	1,783.40	129.08	1,309.54
			Loans & Advances given	561.51		513.15	
			Loans & Advances repaid	291.81		473.37	
8	Godrej Buildwell Private Limited	Subsidiary	Loans & Advances given	527.90		166.54	-
9	Godrej Buildcon Private Limited	Subsidiary	Expenses charged to other companies	75.94	-	254.76	-
			Loans & Advances given	1,683.09		568.76	
			Loans & Advances repaid	793.54		818.49	
10	Happy	Subsidiary	Expenses	191.86	1,787.26	171.28	1,628.45

S. No	Name of the Party	Relationship	Nature of Transaction	Volume of Transaction during FY 2012-13	Outstanding (Payable) / Receivable As on March 31, 2013	Volume of Transaction during FY 2011-12	Outstanding (Payable) / Receivable As on March 31, 2012
	Highrises Limited		charged to other companies				
			Loans & Advances given	1,031.90		499.33	
			Loans & Advances repaid	122.77		554.54	
11	Godrej Waterside Properties Private Limited	Subsidiary	Expenses charged to other companies	-	-	274.20	3376.15
			Loans & Advances given	-		681.90	
			Loans & Advances repaid	-		348.15	
12	Mosiac Landmarks LLP	Limited Liability Partnership	Investment in Equity Share Capital/ capital Account	-		1.10	
13	Godrej Vikhroli Properties LLP	Limited Liability Partnership	Amount paid against Purchase of Unit	240.47		238.91	-
			Expenses charged by other companies	29.15		-	
			Expenses charged to other companies	234.63		-	
			Loans & Advances given	3,470.88		1,870.34	
			Loans & Advances repaid	7,508.78		715.21	
			Purchase of Units	147.73		232.92	
			Share in Profit of LLP	761.05		327.31	
			Investment in Equity	-		12.00	

S. No	Name of the Party	Relationship	Nature of Transaction	Volume of Transaction during FY 2012-13	Outstanding (Payable) / Receivable As on March 31, 2013	Volume of Transaction during FY 2011-12	Outstanding (Payable) / Receivable As on March 31, 2012
			Share Capital/ capital Account				
14	Godrej Buildcorp LLP	Limited Liability Partnership	Project taken over by Partner	1.77	-		
15	Godrej Consumer Products Limited	Fellow Subsidiary	Amount Received on transfer of employee	1.51	-	-	-

NOTE 39

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:

(₹ in Million)

Particulars	As on March 31, 2013	As on March 31, 2012
Future minimum lease receipts under non-cancellable operating leases		
• Not later than 1 year	0.03	0.03
• Later than 1 year and not later than 5 years	0.11	0.11

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:

(₹ in Million)

Particulars	As on March 31, 2013	As on March 31, 2012
Future minimum lease payments under operating leases		
• Not later than 1 year	62.49	34.97
• Later than 1 year and not later than 5 years	38.69	58.71
• Later than 5 years	-	1.20

NOTE 40

Earnings Per Share

Particulars	FY 2012-13	FY 2011-12
Profit after tax and prior year's tax adjustments as per Statement of Profit & Loss. (₹ in Million)	1,226.68	813.65
Number of Shares at the beginning of the year	78,036,819	69,850,009
Number of Equity shares outstanding at the end of the year	78,046,103	78,036,819
Weighted average no. of equity shares outstanding	78,044,133	69,961,851
Add: Weighted average number of potential equity shares on account of employee stock options	26,615	12,780
Weighted average no. of common & dilutive common equity shares outstanding (Numbers)	78,070,748	69,974,631
Basic earnings per share	₹ 15.72	₹ 11.63
Diluted earnings per share	₹ 15.71	₹ 11.63
Nominal value of shares	₹ 10 /-	₹ 10 /-

NOTE 41

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, 2013	Percentage of Ownership interest as at March 31, 2012
Godrej Buildcorp LLP	India	Real Estate	35%	35%
Godrej Property Developers LLP	India	Real Estate	32%	32%

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:

(₹in Million.)

Particulars	Current Year	Previous Year
LIABILITIES	0.09	0.69
ASSETS	0.09	0.69
INCOME	-	-
EXPENDITURE	0.01	*

* Represents amount less than ₹ 5,000/-

NOTE 42

Information in respect of Joint Ventures.

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

Godrej Woodsman Estate, Bangalore	-	Revenue Sharing
Godrej Gold County, Bangalore	-	Revenue 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 / Revenue Sharing
Godrej Crest,Bangalore	-	Area Sharing / Revenue Sharing
Kochi	-	Revenue Sharing
Umbarde, Kalyan	-	Revenue Sharing
Frontier, Gurgaon	-	Area Sharing / Revenue Sharing
Godrej Palms, Mumbai	-	Revenue Sharing
Godrej Anandam, Nagpur	-	Revenue Sharing
Godrej Platinum, Mumbai	-	Revenue Sharing
Godrej Serenity, Mumbai	-	Revenue Sharing
Electronic City, Bangalore	-	Revenue Sharing
Godrej Panvel	-	Profit Sharing
Godrej Platinum, Kolkota	-	Revenue Sharing
Godrej Waterside, Kolkata	-	Area Sharing
G&B Moosapet, Hyderabad	-	Revenue Sharing

NOTE 43

Previous year figures have been regrouped wherever necessary to confirm to current year’s classification.

Report of the Independent Auditors on Consolidated Financial Statements

The Board of Directors
Godrej Properties Limited,
Godrej Bhavan,
4th Floor, 4A Home Street,
Fort, Mumbai - 400 001

Dear Sirs,

1. We have examined the attached consolidated financial information of Godrej Properties Limited (the "Company"), its subsidiaries and Limited Liability Partnerships (collectively referred to as the "Group") for the years ended on March 31, 2013 and 2012 as approved by the Board of Directors of the Company, prepared in terms of applicable provisions of the Companies Act, 1956 (the "Act"), Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("ICDR Regulations") and in terms of our engagement agreed upon with you in accordance with the appointment letter dated May 9, 2013 and our engagement letter dated May 10, 2013, in connection with the proposed Right Issue of Equity Shares by the Company.

   The preparation and presentation of this consolidated financial information is the responsibility of the Company's Management.

2. The attached consolidated financial information has been correctly extracted by the Management from the Group Companies' audited financial statements for the years ended on March 31, 2013 and 2012.

   We, the statutory auditors of the Company have audited in accordance with IGAAS, the consolidated balance sheet of the Company as on March 31, 2013 and 2012 and the related consolidated statement of profit and loss and the consolidated cash flow statement for the year then ended and the related notes thereto, prepared in accordance with generally accepted accounting principles in India ("Indian GAAP") in respect of which we have issued an unqualified audit report.

3. We have performed such tests and procedures, which in our opinion, were necessary for the examination of the attached consolidated financial information. These tests and procedures, mainly involved comparison of the attached consolidated financial information with the Group Companies audited financial statements for the respective years.

4. Based on the above, we report that in our opinion and according to the information and explanations given to us, we have found the attached consolidated financial information to be correct and the same have been used appropriately.

5. Based on Para 2, 3, and 4 above, we report that in our opinion and according to the information and explanations given to us, we have found the information as mentioned in Para 1 and 4 to be correctly extracted from the audited consolidated financial statements and the same has been prepared in accordance with the ICDR Regulations and the applicable provisions of the Act.

6. The attached consolidated financial information, do not reflect the effect of events that occurred subsequent to the date of our report on those consolidated financial statements.

7. This report is intended solely for use of the management and for inclusion in the Letter of Offer in connection with Right Issue of the Equity Shares of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration No.104607W

ERMIN K. IRANI
PARTNER
Membership No. 035646

Place: Mumbai
Dated: August 2, 2013

GODREJ PROPERTIES LIMITED

CONSOLIDATED BALANCE SHEET

Particulars			Note No.	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
I	**EQUITY AND LIABILITIES**				
	1)	**Shareholders' Funds**			
		a) Share Capital	**2**	780.46	780.37
		b) Reserves & Surplus	**3**	13,509.04	13,646.06
		Total Shareholders' Funds		**14,289.50**	**14,426.43**
	2)	**Minority Interest**		1,059.19	466.98
	3)	**Non-Current Liabilities**			
		a) Long Term Borrowing	**4**	3,756.64	1,886.25
		b) Other Long Term Liabilities	**5**	2.85	12.57
		c) Long Term Provisions	**6**	27.95	23.05
		Total Non Current Liabilities		**3,787.44**	**1,921.87**
	4)	**Current Liabilities**			
		a) Short Term Borrowing	**7**	12,876.25	18,246.25
		b) Trade Payables (Refer Note 31)		8,200.07	9,442.43
		c) Other Current Liabilities	**8**	6,091.13	2,129.75
		d) Short Term Provisions	**9**	484.87	458.44
		Total Current Liabilities		**27,652.32**	**30,276.87**
	Total Equity And Liabilities			**46,788.45**	**47,092.15**
II	**ASSETS**				
	1)	**Non-Current Assets**			
		a) Fixed Assets	**10**		
		Tangible Assets		106.96	117.26
		Intangible Assets		398.56	337.75
		Capital work-in-progress		336.37	177.92
		Intangible Assets under Development		19.40	16.91
		Total Fixed Assets		861.29	649.84
		b) Non-Current Investments	**11**	0.03	0.03
		c) Deferred Tax Asset	**12**	42.79	31.00
		d) Long Term Loans & Advances	**13**	801.00	682.38
		e) Other Non Current Assets	**14**	108.12	30.38
		Total Non Current Assets		**1,813.23**	**1,393.63**
	2)	**Current Assets**			
		a) Inventories	**15**	32,351.93	27,383.97

Particulars	Note No.	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
b) Trade Receivables	**16**	1,070.20	2,486.27
c) Cash & Bank Balances	**17**	1,707.15	5,322.70
d) Short Term Loans & Advances	**18**	7,439.35	7,218.76
e) Other Current Assets	**19**	2,406.59	3,286.82
Total Current Assets		**44,975.22**	**45,698.52**
Total Assets		**46,788.45**	**47,092.15**
ACCOUNTING POLICIES	**1**		

GODREJ PROPERTIES LIMITED

CONSOLIDATED STATEMENT OF PROFIT & LOSS

Particulars	Note No.	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
INCOME			
Revenue from Operations	**20**	10,371.23	7,700.52
Other Income	**21**	104.47	497.56
TOTAL REVENUE		**10,475.70**	**8,198.08**
EXPENSES			
Cost of Sales	**22**	6,915.65	5,783.26
Employee Benefits Expense	**23**	176.88	61.91
Finance Costs	**24**	30.01	53.09
Depreciation		43.88	38.80
Other Expenses	**25**	420.71	275.49
TOTAL EXPENSES		**7,587.13**	**6,212.55**
PROFIT BEFORE TAX		2,888.57	1,985.53
Tax Expense			
Current Tax		928.81	717.63
Deferred Tax		(11.79)	(22.60)
Adjustment for Tax of Previous Years (net)		(1.34)	2.60
		915.68	697.63
PROFIT AFTER TAX BEFORE MINORITY INTEREST		**1,972.89**	**1,287.90**
Share of Minority Interest		(588.54)	(308.64)
PROFIT AFTER MINORITY INTEREST		**1,384.35**	**979.26**
Earnings Per Share (Refer Note 38)			
Basic (₹ per share)		17.74	14.00
Diluted (₹ per share)		17.73	13.99
ACCOUNTING POLICIES	**1**		

GODREJ PROPERTIES LIMITED

CONSOLIDATED CASH FLOW STATEMENT

Particulars	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
Cash Flow from Operating Activities		
Profit before taxation	2,888.57	1,985.53
Adjustment for:		
Depreciation	43.88	38.80
Interest Paid	30.01	53.09
(Profit)/Loss on sale of Fixed Asset	*	0.10
Provision for Doubtful Advances	-	63.56
ESGS Compensation	20.55	10.46
Preliminary Expenses Written Off	0.13	0.02
Interest Income	(73.81)	(99.80)
Dividend Received	(16.00)	(10.81)
Profit on sale of Long Term & Current Investment	-	(382.76)
Operating Profit before working capital changes	2,893.33	1,658.19
Adjustment for:		
Increase/(decrease) in Non Current Liabilities	(1.98)	6.42
Increase/(decrease) in Current Liabilities	3,355.84	7,879.75
(Increase)/decrease in Non Current Assets	(182.20)	443.51
(Increase)/decrease in Current Assets	(3,808.32)	(21,543.85)
	2,256.67	(11,555.98)
Taxes Paid (Net)	(1,042.91)	(707.69)
Net Cash Flow from Operating activities	**1,213.76**	**(12,263.67)**
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(210.22)	(217.36)
Sale of Fixed Assets	1.26	3.23
Sale of stake in Subsidiaries	-	383.25
Purchase of Shares in Subsidiaries	(55.03)	-
Expenses of Amalgamation	(2.90)	-
Interest Received	103.17	100.69
Dividend Received	16.00	10.81
Preliminary Expenses	(0.03)	(0.03)
Net Cash Flow from Investing Activities	**(147.75)**	**280.59**
Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital (net of issue expenses)	0.09	4,593.42
Capital Contribution in Limited Liability Partnership	-	9.00
Proceeds from Long Term Borrowings (net)	1,877.74	7,896.65
(Repayment of)/Proceeds from Short Term Borrowings (net)	(5,962.36)	3,526.57
Issue related expenses	(0.88)	-
Interest Paid	(66.63)	(19.41)
Payment of Dividend	(234.06)	(314.33)
Tax on Distributed Profits	(37.98)	(50.99)

Particulars	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
Net Cash Flow from Financing Activities	**(4,424.08)**	**15,640.90**
Net Increase in Cash & Cash Equivalent	**(3,358.07)**	**3,657.82**
Cash & Cash Equivalent -Opening Balance	5,034.82	1,377.00
Acquisition of 40% share in Dream World Landmarks LLP	0.02	-
Cash & Cash Equivalent -Closing Balance	**1,676.77**	**5,034.82**

* Represents amounts less than ₹ 5,000/-

NOTES:

Particulars	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
1. Cash and Cash Equivalents.		
Cash & Cheques on Hand and Balances with Banks	651.95	3,541.45
Investments in Liquid Mutual Funds	1,055.20	1,781.24
Less: Other Bank Balances	(30.38)	(287.87)
Cash and Cash Equivalents.	**1,676.77**	**5,034.82**

2. The cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on 'Cash Flow Statement', and presents cash flows by operating, investing and financing activities.

3. Figures for the previous year have been regrouped/restated wherever necessary to conform to this period/year's classification.

NOTE 1

Accounting Policies:

a) Principle of Consolidation

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

The Consolidated Financial Statements include the financial statements of the Company and all its Subsidiaries & Limited Liability Partnership, which are more than 50 percent owned or controlled and Joint Ventures whose financial statement are drawn up to the same reporting date as of the Company i.e. 31st March 2013.

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) Operating Cycle

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

d) Fixed Assets

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

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

e) Depreciation / Amortization

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

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

Leasehold improvements are amortized over a period of lease

Intangible Assets are amortized over a period of six years.

f) Investments

Investments are classified into long term and current investments.

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

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

g) Inventories

Inventories are valued as under:

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

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

h) Revenue Recognition

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

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

(a) All critical approvals necessary for the commencement have been obtained;

(b) The expenditure incurred on construction and development costs is not less than 25 per cent of the total estimated construction and development costs;

(c) At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and

(d) At least 10 percent of the agreement value is realized at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

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

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

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

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

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

i) Development Manager Fees

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

j) Employee Benefits

a) Short-term employee benefits:

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

b) Post-employment benefits:

(i) **Defined Contribution Plans:**

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

(ii) **Defined Benefit Plans:**

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

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

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

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

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

k) Borrowing Cost

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

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

l) Earnings Per Share

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

m) Provision For Taxation

Tax expense comprises both current and deferred tax.

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

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

n) Foreign Currency Transactions

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

o) Allocation of Expenses

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

p) Provisions and Contingent Liabilities

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

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

NOTE 2

	As at 31.03.2013 ₹ In Million	As at 31.03.2012 ₹ In Million
SHARE CAPITAL		
AUTHORISED		
117,000,000 Equity Shares ₹ 10/- each	1,170.00	1,000.00
	1,170.00	**1,000.00**
ISSUED, SUBSCRIBED & PAID UP		
78,046,103 (Previous Year 78,036,819) Equity Shares of ₹ 10/- each fully paid up.	780.46	780.37
	-	-
	780.46	**780.37**

(a) Reconciliation of number of shares:

	31.03.2013		31.03.2012	
	No. of Share	₹ In Million	No. of Share	₹ In Million
Number of Shares outstanding at the beginning of the year	78,036,819	780.37	69,850,009	698.50
Movement during the year	9,284	0.09	8,186,810	81.87
Number of Shares outstanding at the end of the year	78,046,103	780.46	78,036,819	780.37

(b) Shareholding information

	31.03.2013	31.03.2012
	No. of Share	No. of Share
Equity Shares are held by:		
Godrej Industries Limited (Holding Company)	47,965,209	47,965,209
Godrej & Boyce Manufacturing Company Limited (Ultimate Holding Company)	1,270,000	1,270,000
Ensemble Holdings & Finance Limited (Subsidiary of Holding Company)	691,155	691,155

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

	31.03.2013		31.03.2012	
	No. of Share	%	No. of Share	%
Godrej Industries Limited	47,965,209	61.46%	47,965,209	61.46%

(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 & Profit & Loss Account during the last five years

31-3-2013	-	-
31-3-2012	-	-
31-3-2011	-	-
31-3-2010	-	-
31-3-2009	-	-
31-3-2008	51,556,360	51,556,360

(f) Equity Shares Reserved for Issue Under Options

		31.03.2013		**31.03.2012**	
		No. of Share	**₹ In Million**	**No. of Share**	**₹ In Million**
i)	14,928 Employee Stock Grants eligible for 14,928 equity shares of ₹ 10/-each. Out of which 7,464 is vesting on 06/05/2013 and 7,464 is vesting on 06/05/2014	14,928	0.15	27,765	0.28
ii)	1,252 Employee Stock Grants eligible for 1,252 equity shares of ₹ 10/- each. Out of which 626 is vesting on 30/09/2013 and 626 is vesting on 30/09/2014	1,252	0.01	1,878	0.02
iii)	36,208 Employee Stock Grants eligible for 36,208 equity shares of ₹ 10/-each. Out of which 12,070 is vesting on 31/05/2013, 12,070 is vesting on 31/05/2014 and 12,068 is vesting on 31/05/2015	36,208	0.36	-	-
iv)	11,020 Employee Stock Grants eligible for 11,020 equity shares of ₹ 10/-each. Out of which 11,020 is vesting on 31/05/2013	11,020	0.11	-	-
v)	2,218 Employee Stock Grants eligible for 2,218 equity shares of ₹ 10/- each. Out of which 1109 is vesting on 31/07/2013 and 1109 is vesting on 31/05/2014	2,218	0.02	-	-
vi)	345 Employee Stock Grants eligible for 345 equity shares of ₹ 10/- each. Out of which 115 is vesting on 31/10/2013, 115 is vesting on 31/10/2014 and 115 is vesting on 31/10/2015	345	*	-	-
vii)	360 Employee Stock Grants eligible for 360 equity shares of ₹ 10/-each. Out of which 120 is vesting on 31/01/2014, 120 is vesting on 31/01/2015 and 120 is vesting on 31/01/2016	360	*	-	-

* Represents amounts less than ₹ 5,000/-

NOTE 3

	As at 31.03.2013 ₹ in Million	**As at 31.03.2012 ₹ in Million**
RESERVES & SURPLUS		
Securities Premium		
As per last Balance Sheet	10,174.72	5,663.18
Addition during the year	6.11	4,625.55
Utilisation during the year (Refer Note 3 (a))	0.88	114.00
Closing Balance	**10,179.95**	**10,174.73**

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
General Reserve		
As per last Balance Sheet	496.39	414.39
Utilisation during the year (Refer Note (27))	462.00	-
Addition during the year	123.00	82.00
Closing Balance	**157.39**	**496.39**
Employee Stock Grant Scheme Reserve		
As per last Balance Sheet	10.46	-
Addition during the year	20.55	10.46
Utilisation during the year	6.11	-
Closing Balance	**24.90**	**10.46**
Surplus in Statement of Profit and Loss		
As per last Balance Sheet	2,964.48	2,339.86
Utilisation during the year (Refer Note (27))	771.95	-
Profit for the year	1,384.35	979.26
Appropriation during the year		
- Proposed Dividend - Final (Refer Note 3(b))	312.30	234.14
- Tax on Distributed Profit	53.08	37.98
- Transfer to General Reserve	123.00	82.00
Adjustment of opening profit/(loss) of subsidiaries	(58.30)	0.51
Closing Balance	**3,146.80**	**2,964.48**
Total Reserves & Surplus	**13,509.04**	**13,646.06**

a) Securities Premium amount has been utilised 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 ₹ 4/-(40%) per equity share for the year 2012-13 amounting to ₹ 312.31 Million (Previous Year ₹ 3/- (30%) amounting to ₹ 234.14 Million)

NOTE 4

	As at 31.03.2013 ₹ In Million	As at 31.03.2012 ₹ In Million
LONG TERM BORROWINGS		
Debentures		
2,871,876 1% Secured Redeemable optionally Convertible Debentures (Refer Note 4(a) & Note 30 (a))	28.72	17.15
267,000, 12% Compulsorily Convertible Debentures (Refer Note 4(b) & Note 30 (b)	267.00	267.00
Deposits (Unsecured)		
Fixed Deposit (Refer Note 4(c))		
From Directors	5.20	-
From Shareholders	298.15	71.86
From Public	3,157.57	1,530.24
	3,756.64	**1,886.25**

a) 2,871,876, 1% secured optionally convertible debentures of ₹ 10/- each are redeemable on 10th April, 2015 and are secured to the extent of specific immovable assets of the Company disclosed under the head “Fixed Assets” (Refer Note 10).

b) 267,000, 12% Compulsorily Convertible Debentures of face value of ₹ 1,000/- each were alloted on December 29, 2011. Maximum term of these compulsorily convertible debentures is 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) Deposits (Unsecured) having maturity of two years amounting to ₹ 1,469.01 Million and three years amounting to ₹ 1,991.92 Million bearing interest rate @ 8.50 % to 10.50% payable half yearly.

NOTE 5

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
OTHER LONG TERM LIABILITIES		
Deposit	0.12	9.65
Trade Payables (Refer Note 31)	2.65	-
Interest Accrued but not due	0.08	2.92
	2.85	**12.57**

NOTE 6

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
LONG TERM PROVISIONS		
Provision for Employee Benefits		
Gratuity (Refer Note 35 (b))	19.14	12.70
Unavailed Leave	8.81	10.35
	27.95	**23.05**
a) Movement in Unavailed Leave		
Opening Provision - Unavailed Leave (Current+ Non Current)	11.46	15.59
Add: Addition during the Year	15.60	8.46
Less: Paid during the Year	(10.12)	(12.59)
Closing Provision	16.94	11.46
Less: Short term Provision of Unavailed Leave	(8.13)	(1.11)
Long term Provision of Unavailed Leave	8.81	10.35

NOTE 7

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
SHORT TERM BORROWINGS		
Debentures		
4,226,000, 10% Secured Cumulative Optionally Convertible Debentures Class B (Refer Note 7 (a) & 30(c))	422.60	-
1% Secured Redeemable optionally Convertible Debentures	-	142.10
From Banks		
Secured		
Term Loan (Refer Note 7 (b))	697.50	1,497.50
Cash Credit (Refer Note 7 (c))	2,249.08	447.35
Working Capital Demand Loan	-	3,100.00
Unsecured		
Cash Credit (Refer Note 7(d))	7.07	39.30
Other Loan (Refer Note 7(e))	2,000.00	6,000.00
From Others		
Secured Loan (Refer Note 7 (f))	7,500.00	7,020.00

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
	12,876.25	**18,246.25**

a) 4,226,000, 10% Cumulative Optionally Convertible Debentures of face value of ₹ 100/- each are secured by way of mortgage over the development rights of Project Godrej Central. The debentures are redeemable out of Remainder Amounts as defined in Share Purchase, Subscription and Shareholders Agreement dated 31st March, 2012 after the completion of the project. The interest shall be accrued on an annual basis.

b) The Term Loan taken from State Bank of India is secured against Company's share of undivided interest in the project Godrej Genesis at Kolkata. Repayable in two installments ₹ 350 Million on June 2013 and ₹ 347.5 Million on September 2013. Interest rate is Base Rate + 3.60% payable monthly. Effective Rate of Interest as on 31.03.2013 is 13.30% p.a.

c) 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. Current Assets of Godrej Real Estate Private Limited (wholly owned subsidiary) has been hypothecated as collateral security and carries interest at Base Rate + 0.5% p.a. effective rate 10.20%

d) Unsecured -Over Draft facility availed from IDBI Bank Ltd. carries interest at Base Rate + 350 basis point

e) Other loans include:

   i) ₹ 1,000 Million availed from Axis Bank carrying interest at Base Rate + 90 basis point p.a. Repayable on 5th October 2013

   ii) ₹ 1,000 Million availed from Commercial Papers carrying interest at 9.75% p.a. Repayable in 162 days from the date of issue.

f) Secured term loan from HDFC Ltd: Total Sanction amount ₹ 7,500 Million 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 Million
At the end of 53rd Month	6500
At the end of 54th Month	5500
At the end of 55th Month	4500
At the end of 56th Month	3500
At the end of 57th Month	2500
At the end of 58th Month	1500
At the end of 59th Month	500
At the end of 60th Month	NIL

NOTE 8

	As at 31.03.2013 ₹ In Million	As at 31.03.2012 ₹ In Million
OTHER CURRENT LIABILITIES		
Current maturities of long term debt		
Secured Loan		
1% Secured Redeemable optionally Convertible Debentures	-	56.35
Unsecured Deposit (Refer Note 4(c))		
From - Directors	-	4.70
From - Shareholders	0.68	12.17

	As at 31.03.2013 ₹ In Million	As at 31.03.2012 ₹ In Million
From - Public	146.27	666.09
Investor Education and Protection Fund	-	-
Advances received against sale of flats	5,003.49	581.23
Other Deposits	-	5.13
Unclaimed Fixed Deposits & Interest	5.49	0.48
Unclaimed Dividend	0.29	0.21
Statutory Dues	213.14	167.27
Other liabilities	622.11	369.57
Due to Management Projects	58.47	67.80
Interest Accrued but not due	41.19	81.15
Debenture Application Money	-	117.60
	6,091.13	**2,129.75**

NOTE 9

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
SHORT TERM PROVISIONS		
Provision for Employee Benefits		
Gratuity (Refer Note 35 (b))	0.30	0.32
Unavailed Leave (Refer Note 6 (a))	8.13	1.11
Other Provision		
For Taxation	111.05	184.87
(Net of Advance Tax & Tax deducted at source ₹ 1,472.82 Million/- (Previous Year ₹ 848.46 Million))	-	-
Proposed Dividend - Final	312.31	234.14
Tax on Dividend	53.08	37.98
	484.87	**458.44**

NOTE 10

FIXED ASSETS

(₹ in million)

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April 2012	Additions	Deductions / Adjustments	As at 31st March 2013	Upto 1st April 2012	For the Year	Deductions / Adjustments	Upto 31st March 2013	As at 31st March 2013	As at 31st March 2012
Tangible Assets										
Land (Refer Note 30(a))	0.87	0.36	0.36	0.87	-	-	-	-	0.87	0.87
Building	17.03	-	-	17.03	1.66	0.77	-	2.43	14.60	15.37
Leasehold Improvements	59.08	-	-	59.08	38.09	10.31	-	48.40	10.68	20.98
Office Equipment	32.72	4.66	2.40	34.98	10.85	3.95	1.12	13.68	21.30	21.87
Site Equipments	0.24	0.01	-	0.25	0.02	0.04	-	0.06	0.19	0.22
Furniture & Fixtures	43.09	3.80	1.48	45.41	17.10	5.38	0.99	21.49	23.92	26.00
Computer	41.25	14.58	2.60	53.23	28.32	8.22	2.21	34.33	18.90	12.93
Motor Vehicle	32.73	3.30	1.24	34.79	13.71	5.50	0.92	18.29	16.50	19.02
Intagible Assets										
Goodwill	314.90	46.37	-	361.27	-	-	-	-	361.27	314.91
Licenses & Software	49.37	24.15	-	73.52	26.52	9.71	-	36.23	37.29	22.84
Total	**591.28**	**97.23**	**8.08**	**680.43**	**136.27**	**43.88**	**5.24**	**174.91**	**505.52**	**455.01**
Previous Year	***560.04***	***36.33***	***5.09***	***591.28***	***99.23***	***38.80***	***1.76***	***136.27***		
Capital Work-In-Progress									**336.37**	177.92

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April 2012	Additions	Deductions / Adjustments	As at 31st March 2013	Upto 1st April 2012	For the Year	Deductions / Adjustments	Upto 31st March 2013	As at 31st March 2013	As at 31st March 2012
Intangible Assets under Development									**19.40**	16.91
								Total	**861.29**	**649.84**

NOTE 11

		As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
	NON-CURRENT INVESTMENTS		
	At Cost		
(a)	**Investment in Fully paid up Equity Instruments**		
	Quoted Investments		
	100 Equity Shares of ₹ 10/- each of	*	*
	Alacrity Housing Limited		
	100 Equity Shares of ₹ 10/- each of	*	*
	Ansal Buildwell Limited		
	100 Equity Shares of ₹ 10/- each of	*	*
	Ansal Housing & Construction Limited		
	600 Equity Shares of ₹ 5/- each of	*	*
	Ansal Properties & Infrastructure Limited		
	100 Equity Shares of ₹ 10/- each of	*	*
	Lok Housing & Construction Limited		
	100 Equity Shares of ₹ 10/- each of	*	*
	Global Infrastructure & Technologies Limited		
	100 Equity Shares of ₹ 10/- each of	*	*
	Premier Energy & Infrastructure Limited		
	100 Equity Shares of ₹ 10/- each of	*	*
	D.S. Kulkarni Developers		
	13,000 Equity Shares of ₹ 2/- each of	0.01	0.01
	Unitech Limited		
	72 Equity Shares of ₹ 10/- each of	*	*
	The Great Eastern Shipping Company Limited		
	18 Equity Shares of ₹ 10/- each of	*	*
	The Great Offshore Limited		
	1000 Equity Shares of ₹ 1/- each of	*	*
	Radhe Developers Limited		
	23,700 Equity Shares of ₹ 10/- each of	*	*
	United Textiles Limited		
	Cost of Quoted Investments	**0.02**	**0.02**
	Less: Provision for Diminution in Value	0.01	0.01
		0.02	**0.02**

		As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
	Unquoted Investments		
	1,000 Equity Shares of ₹ 10/- each of Saraswat Co-operative Bank Limited	0.01	0.01
	25,000 Equity Shares of ₹ 10/- each of Amitabh Bachchan Corporation Limited	*	*
		0.01	**0.01**
	Total Long Term Investments	**0.03**	**0.03**
	1. Cost of Quoted Investments	0.02	0.02
	2. Market Value of Quoted Investments	0.42	0.49

* Represent amount less than ₹ 5,000

NOTE 12

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
DEFERRED TAX ASSET (NET)		
On Fixed Asset	4.38	2.57
On Others	38.41	28.43
	42.79	**31.00**

NOTE 13

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
LONG TERM LOANS & ADVANCES		
Secured & considered good		
Deposits – Projects (Refer Note 13(a))	660.40	587.55
Unsecured Considered good		
Deposits	40.11	29.78
Advance Tax & Tax deducted at source (Net of Provision for Tax ₹ 1,467.59 Million (Previous Year ₹ 949.33 Million))	100.49	65.05
	801.00	**682.38**

a) Secured Deposit- Projects are secured against the Terms of Development Agreement

NOTE 14

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
OTHER NON CURRENT ASSETS		
Unamortised Preliminary Expenses	-	0.09
Expenses Recoverable	5.52	4.45
Interest Accrued	-	21.24
Others - Deposit with Banks	102.60	4.60
(Deposit with Bank is held as Margin Money)		
	108.12	**30.38**

NOTE 15

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
INVENTORIES		
Finished Goods (Refer Note 15(a))	2.86	1.96
Construction Work in progress	32,349.07	27,382.01
	32,351.93	**27,383.97**

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

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
TRADE RECEIVABLES (UNSECURED, CONSIDERED GOOD)		
Outstanding for a period exceeding 6 months from the date they are due for payment	319.20	160.87
Others	751.00	2,325.40
	1,070.20	**2,486.27**

NOTE 17

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
CASH & BANK BALANCES		
Cash & Cash Equivalents		
Cash-on-Hand	0.47	0.39
Cheques-on-Hand	343.61	20.52
Balance with Banks		
on Current Accounts (Refer Note 17 (a))	229.36	700.53
on Fixed Deposit Accounts (Refer Note 17 (b))	48.13	2,532.15
Investments in Mutual Funds (Refer Note 17 (c))	1,055.20	1,781.24
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))	30.38	287.87
	1,707.15	**5,322.70**

a) Current account balance of ₹ 0.29 Million (Previous Year ₹ 0.21 Million) is earmarked balance for unclaimed dividend.

b) i) Fixed Deposit of ₹ 9.11 Million (Previous Year ₹ 9.11 Million) held as margin money.

ii) Balances with scheduled banks on deposit accounts include ₹ 31.06 Million (Previous year ₹ 26.07 Million) received from flat buyers and held in trust on their behalf in a corpus fund.

c) Investment in Mutual Funds:

i) (In Debt Mutual Funds)

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
Kotak Floater - LT - Daily Dividend Reinvest	29.17	27.23
ICICI Prudential Floating Rate Plan D - Daily Dividend Reinvest	3.24	3.03
SBI Premier Liquid Fund Super IP DDR	-	250.17
Birla Sun Life Cash Plus-Instl Prem-Daily Dividend	-	250.12
J P Morgan India Liquid Fund-Super IP-Daily Dividend	-	250.11
ICICI Prudential Liquid - Super IP-Daily Dividend	-	250.11
Religare Liquid Fund - Super IP - Daily Dividend Reinvest	-	250.11
HDFC Cash Management Fund -Saving Plan-Daily Dividend	-	250.18
JM High Liquidity Super IP - Daily Dividend - Reinvest	-	250.18
JM High Liquidity Fund - Growth	63.38	-
Tarus- Liquid Fund Super Investment Growth	515.52	-
Kotak Floater Short Term Growth	13.80	-
JM High Liquidity Fund Growth	430.09	-
	1055.20	**1,781.24**

ii) Unutilised IPO Proceeds temporary invested in Mutual Fund of ₹ 92.31 Million (Invested in Fixed Deposit Previous Year ₹ 63.38 Million)

NOTE 18

		As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
	SHORT TERM LOANS & ADVANCES		
	Secured		
	Secured Deposits - Projects (Refer Note 18 (a))	4,845.02	5,338.66
	Loans and Advances to Others (Refer Note 18 (b))	685.29	375.78
	Unsecured Considered good		
	Loan to GIL ESOP Trust (Refer Note 32 (b))	70.68	85.17
	(Net of provision for doubtful loan of ₹ 4.64 Million Previous Year ₹ 4.64 Million)		
	Loan to GPL ESOP Trust (Refer Note 32 (a))	384.48	344.73
	(Net of provision for doubtful loan of ₹ 58.92 Million Previous Year ₹ 58.92 Million)		
	Advances to Related Parties (Refer Note 18 (c))	56.96	45.34
	Loans And Advances to Others	800.93	477.65
	Due on Management Projects (Refer Note 18 (d))	504.56	482.10
	Development Manager Fees Accrued but not due (Refer Note 18 (e))	44.46	44.46
	Deposits - Others	46.97	24.87
		7,439.35	**7,218.76**

		As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
a)	Secured Deposits - Projects are Secured against Terms of Development Agreement.		
b)	Secured Loan & Advances Others are secured against Bank		

		As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
	Guarantee received from Vendors		
c)	**Loans And Advances to Related Parties:**		
	To Holding Company:		
	Godrej & Boyce Manufacturing Company Limited	7.41	0.62
	Godrej Industries Ltd.	1.04	0.02
	To Company under same Management:		
	Godrej Consumer Products Limited	0.10	-
	To Limited Liability Partnership:		
	Godrej Buildcorp LLP	-	0.89
	Godrej Property Developers LLP	0.15	0.09
	To Joint Venture & Associates:		
	Ramesh P Bhatia (Partner)	6.42	5.75
	Repton Landmarks LLP (Partner)	41.84	37.97
		56.96	**45.34**

d) Due on Management Projects include a sum of ₹ 21.57 Million (Previous Year ₹ 21.57 Million) on account of a project, where the matter is sub-judice with arbitrators.

e) The Company has entered into Development Agreement with landlords. Development Management Fee amounting to ₹ 44.46 Million (Previous Year ₹ 44.46 Million) accrued as per terms of the Agreement are receivable by the Company based upon progress milestones specified in the respective Agreements and have been disclosed as Development Management Fee accrued but not due.

NOTE 19

	As at 31.03.2013 ₹ in Million	As at 31.03.2012 ₹ in Million
OTHER CURRENT ASSETS		
Unbilled Revenue	2,361.44	3,233.53
Interest Accrued	45.15	53.27
Unamortised Preliminary Expenses	-	0.02
	2,406.59	**3,286.82**

NOTE 20

	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
REVENUE FROM OPERATIONS		
Sale of Products	9,399.66	7,473.67
Other Operating Revenues		
Sale of Services	745.11	201.71
Compensation Received from Project	163.98	-
Other Income from Customers	51.57	25.12
Lease Rent	10.90	0.01
License Fees	0.01	0.01
	10,371.23	**7,700.52**

NOTE 21

	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
OTHER INCOME		
Interest Income	73.81	99.80
Dividends	16.00	10.81
Profit on sale of Fixed Assets (Net)	*	-
Profit on Sale of Long Term Investments	-	382.76
Miscellaneous Income	14.66	4.19
	104.47	**497.56**

* Represents amount less than ₹ 5,000/-

NOTE 22

	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
COST OF SALES		
Opening Stock:	27,383.97	10,154.49
Less: Adjustment of Fair Value on Amalgamation	1,165.43	-
Add: Expenditure/ Transfers from Advances during the year		
Stock-In-Trade Acquired during the year	382.38	-
Development Rights	59.63	6,491.49
Land	814.77	7,387.26
Construction, Material & Labour	6,678.70	5,571.99
Architect Fees	253.39	144.49
Advertisement Expenses	123.22	225.34
Overheads	2,654.62	1,839.33
Interest (Net of Recovery from Landlord ₹ 53.65 Million (Previous Year ₹ 66.19 Million))	2,172.56	1,523.25
	13,139.27	23,183.16
Less: Project taken over by Partner	0.62	-
Less: Transferred to Capital WIP	89.61	170.42
Less: Closing Stock	32,351.93	27,383.97
	6,915.65	**5,783.26**

NOTE 23

	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
EMPLOYEE BENEFIT EXPENSES		
Salaries, Bonus, Gratuity & Allowances	115.76	35.68
Contribution to Provident & other funds	20.54	15.78
Other Employee Benefits	20.03	-
Expense on Employee Stock Option Scheme (Refer Note 33)	20.55	10.45
	176.88	**61.91**

NOTE 24

	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
FINANCE COST		
Interest Expense		
Banks/Financial Institution	1,703.61	1,361.64
Inter Corporate Deposits	1.08	36.81
Others	374.97	152.77
Interest on Income Tax	6.17	21.85
Total Interest Expenses	**2,085.83**	**1,573.07**
Other Borrowing cost	180.27	76.04
Total Finance Cost	**2,266.10**	**1,649.11**
Less: Capitalised to Projects	2,228.68	1,596.02
Less: Capitalised to Capital WIP	7.41	-
NET FINANCE COST	**30.01**	**53.09**

NOTE 25

	For the Year Ended 31.03.2013 ₹ in Million	For the Year Ended 31.03.2012 ₹ in Million
OTHER EXPENSES		
Consultancy Charges	26.08	2.81
Rent	37.56	27.10
Insurance	3.75	1.61
Rates & Taxes	0.61	0.59
Service Charges	-	0.06
Loss on sale of Fixed Assets (Net)	-	0.10
Advertisement & Marketing Expense	90.87	39.20
Provision for Doubtful Advances	-	63.56
Other Expenses	261.84	140.46
	420.71	**275.49**

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	
			As on March 31, 2013	As on March 31, 2012
1.	Godrej Realty Private Limited	India	51%	51%
2.	Godrej Waterside Properties Private Limited (till March 31,2012)	India	-	51%
3.	Godrej Real Estate Private Limited	India	100%	100%

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding	
			As on March 31, 2013	As on March 31, 2012
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%	51%
12.	Godrej Garden City Properties Private Limited	India	100%	100%
13.	Godrej Nandhi Hills Projects Private Limited	India	100%	100%
14.	Godrej Landmark Redevelopers Private Limited (Sub Subsidiary w.e.f March 14, 2012)	India	51%	51%
15	Godrej Redevelopers (Mumbai) Private Limited	India	100 %	-

b) Information on Limited Liability Partnership

Sr. No	Name of the Company	Country of Incorporation	Percentage of Holding	
			As on March 31, 2013	As on March 31, 2012
1.	Godrej Buildcorp LLP	India	35%	35%
2.	Godrej Property Developers LLP	India	32%	32%
3.	Godrej Vikhroli Properties LLP	India	60%	60%
4.	Mosiac Landmarks LLP	India	51%	51%
5.	Dream World Landmarks LLP (Control through Majority Voting Rights)	India	40%	-

NOTE 27

(a) A Scheme of Amalgamation ("**the Scheme**") for the amalgamation of Godrej Waterside Properties Private Limited ("**GWPPL**" or "**the Transferor Company**") (a wholly owned subsidiary) with Godrej Properties Limited ("**GPL**" or "**the Transferee Company**"), with effect from April 1, 2012, ("**the Appointed date**") was sanctioned by the Hon'ble High Court of Judicature at Bombay ("**the Court**"), vide its Order dated April 12, 2013 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on April 29, 2013 (the "**Effective Date**"). Accordingly the standalone results of the Company for the year ended March 31, 2013, include the results of the erstwhile GWPPL for the financial year ended March 31, 2013.

(b) The amalgamation has been accounted for under the "Purchase method" as prescribed by Accounting Standard (AS-14) on "Accounting for Amalgamation" notified under the Companies (Accounting Standards) Rules, 2006. The Company has carried out the accounting treatment prescribed in the Scheme as sanctioned by the Hon'ble High Court of Judicature at Bombay. The required disclosures as per paragraph 42 of Accounting Standard 14 (AS-14) 'Accounting for Amalgamations' as prescribed under the Companies (Accounting Standards) Rules, 2006 has been provided. Accordingly, the Scheme has been given effect to in these accounts and all the assets and liabilities of GWPPL stands transferred to and vested in the Transferee Company with effect from the Appointed Date. In accordance with the Scheme, the assets and liabilities of GWPPL have been taken over and recorded at their fair values as determined by the Board of Directors of GPL.

(c) The value of the Net Assets of the Transferor Company taken over by the Transferee Company on Amalgamation is as under:

Particulars	(₹ in Millions)
Fixed Assets	1.58
Cash & Bank Balances	195.44
Inventories	1,993.78
Debtors and other Receivables	437.82
Less: Creditors and other Payables	322.98
Net Assets taken over	2,305.63
Less: Cancellation of inter-company investments, loans and advances	3,534.28
Difference arising pursuant to the Scheme of Amalgamation	1,228.65

(d) To give effect to the Honorable Bombay High Court's order dated April 12, 2013 regarding scheme of Amalgamation, the following actions have been performed

(i) The Cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting ₹ 5.30 millions have been directly adjusted against the opening balance of Surplus in Statement of Profit & Loss of the Transferee Company.

(ii) The amount of ₹ 1,228.65 millions arising out of the difference between the fair value of the net assets of the Transferor Company taken over and cancellation of intercompany investments loans and advances between the Transferor Company and the Transferee Company has been adjusted from the opening balance of General Reserve and opening balance of Surplus in the Statement of Profit & Loss as per the Scheme.

(e) The following amounts have been adjusted from the opening balance of General Reserve and Opening balance in the Statement of Profit & Loss.

Particulars	(₹ in Millions)
Difference arising pursuant to Scheme of Amalgamation	1,228.65
Cost and Expenses of Amalgamation	5.30
Total	1,233.95
Less: Adjustment against opening balance of General Reserve	462.00
Less: Adjustment against Opening balance in the Statement of Profit & Loss Account	771.95
Balance	NIL

(f) In accordance with the scheme of Amalgamation, an amount of ₹ 1,228.65 millions on account of Goodwill on merger has been adjusted from the opening balance in the General Reserve and Opening balance of Surplus in the Statement of Profit & Loss instead of amortising the same in the Statement of Profit & Loss over a period of five yea₹ The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to ₹ 5.30 millions have been directly adjusted from the Opening balance of Surplus in the Statement of Profit & Loss of the Company. Had the scheme not prescribed the above treatment, the profit for the year would have been lower by ₹ 251.03 million, the Goodwill would have been higher by ₹ 982.92 million (net written down value), the General Reserve Account would have been higher by ₹ 462.00 million and the surplus in the Statement of Profit & Loss would have been higher by ₹ 520.92 million.

Since the entire issued, subscribed and paid-up capital of the Transferor Company was held by the Transferee Company, upon the Scheme becoming effective, no shares of the Transferee Company have been allotted in lieu or exchange of its holding in GWPPL and the share capital of GWPPL stands cancelled.

(g) Since the aforesaid Scheme of amalgamation of the above mentioned Company with the Company, which is effective from April 1, 2012, has been given effect to in these accounts, the figures for the current year to that extent are not comparable with those of the previous year.

NOTE 28

a) Contingent Liabilities:

Matters	As on March 31, 2013 ₹ in million	As on March 31, 2012 ₹ in million
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.	83.50	30.64
ii) Claims against the Company under the Labour Laws for disputed cases	1.99	1.99
iii) Claims against the Company under Bombay Stamp Act, 1958	14.85	14.85
iv) Other Claims against the Company not acknowledged as debts	3.92	3.92
v) Claims against the Company under Income Tax Act, Appeal preferred to Commissioner of Income Tax (Appeals)	15.55	24.38
vi) Claims against the Company under Sales Tax Act, Appeal preferred to The Joint Commissioner of Commercial Taxes (Appeals)	12.13	12.13
vii) Appeal preferred to Customs, Excise and Service Tax Appellate tribunal at Bangalore	316.50	-
II) Guarantees;		
i) Guarantees given by Bank, counter guaranteed by the Company	177.21	263.28
III) Other Money for which Company is contingently liable		
i) Letter of credit opened by Bank on behalf of the Company	113.43	49.33

b) Commitments

Particulars	As on March 31, 2013 ₹ in million	As on March 31, 2012 ₹ in million
I) Capital Commitment	-	0.20
II) Uncalled amount of partly paid shares of Tahir Properties Limited	0.01	0.01
III) Major Contracts Commitment Outstanding for Civil, Elevator, External Development, MEP work etc	12,400.66	11,138.32

NOTE 29

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

Particulars	As on March 31, 2013 (₹ in Million)
Amount Received from IPO	4,688.47

Particulars	As on March 31, 2013 (₹ in Million)
* Utilization of Funds up to the reporting date:	
Funding to part finance the acquisition of land developments rights and construction costs	2,179.11
Repayment of Loans	2,011.70
Issue Expenses	405.35
Balance unutilized amount temporarily invested in	
Mutual Funds	92.31
TOTAL	4,688.47
Amount Received from IPO	4,688.47

As on 31st March 2013, unutilized funds have been temporarily invested in mutual funds schemes as mentioned in the prospectus of the Company.

* Revised Amount Proposed to be 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	As on March 31, 2013 (₹ in Million)
Amount Received from IPP	4,707.42
Utilization of Funds up to the reporting date:	
Repayment of Loans	4,593.42
Issue Expenses	114.00
TOTAL	**4,707.42**

IPP proceeds have been utilized as per the offer document of the Company.

NOTE 30

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

Sr. No.	Particulars	Issuer	Deemed Date of Allotment	Units	₹ in Millions
1.	*1% secured redeemable optionally convertible debentures	Godrej Realty Private limited	16th March 2006	1,156,876	11.57
			12th March 2007	1,715,000	17.15
	Total			**2,871,876**	**28.72**

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

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	₹ in Millions
1.	12% Compulsorily Convertible Debenture	Godrej Premium Builders Private Limited	29th December, 2011	267,000	267.00

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

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

Sr. No.	Particulars	Issuer	Date of Allotment	Units	₹ in Millions
1.	10% Secured	Godrej	1st April 2012	1,176,000	117.60
	Cumulative	Landmark	30th April 2012	350,000	35.00
	Optionally	Redevelopers	28th May 2012	2,230,000	223.00
	Convertible Class B	Private Limited	9th November 2012	200,000	20.00
	Debenture		21st March 2013	270,000	27.00
	TOTAL			**4,226,000**	**422.60**

NOTE 31

Dues to Micro and Small Enterprise

Disclosure of trade payables and other liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small & Medium Enterprises Development Act 2006". There is no amount overdue as on 31st March, 2013 to Micro & Small Enterprises on account of principal amount together with interest and also during the previous year.

NOTE 32

Employee Stock Option Plan

a) During the financial year ended 31st March, 2008, the Company instituted an Employee Stock Option Plan (GPL ESOP) approved by the Board of Directors, Shareholders and the Remuneration Committee, which provided allotment of 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 28th December, 2007.

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

Particulars	No. of Options		Weighted Average Exercise Price (₹)
	As on March 31, 2013	As on March 31,2012	
Options Outstanding at the beginning of the year	317,700	372,700	620.00 (plus interest) till March 31, 2012
Options granted	-	-	
Options exercised	-	-	
Less: Forfeited / Lapsed /Idle/ Available for Reissue	37,000	55,000	

Particulars	No. of Options		Weighted Average Exercise Price (₹)
	As on March 31, 2013	As on March 31,2012	
Options Outstanding at the year end	280,700	317,700	620.00 (plus interest) (till March 31, 2012)

All the Option Outstanding as on March 31, 2013 are vested.

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 ₹ 443.40 million (Previous Year ₹ 443.91 million) 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, 2013, of the shares held by the ESOP trust is lower than the holding cost of these shares by ₹ 124.00 million (Net of Provision of ₹ 58.92 million), Previous year ₹ 82.35 million (Net of Provision ₹ 58.92 million). 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 ₹ 75.32 million (Previous Year ₹ 89.80 million) to Godrej Industries Limited Employee Stock Option Scheme (GIL ESOP), which is administered by an independent ESOP Trust which purchases shares of GIL from the market equivalent to the number of stock options granted from time to time to eligible employees. The repayment of the loans granted by the Company to ESOP trust is dependent on the exercise of the options by the employees and the market price of the underlying shares of the unexercised options at the end of the exercise period.

NOTE 33

Employee Stock Grant Scheme

a) During the period April 1, 2011 to March 31, 2013, 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 93,232 options convertible into 93,232 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 7th May, 2011, 1,878 options w.e.f. 1st October 2011, 36,208 w.e.f. 1st June 2012, 11,020 w.e.f. 1st June 2012, 2,218 w.e.f. 1st August 2012, 345 w.e.f. 1st November 2012 and 360 w.e.f. 1st February 2013. Out of the total 93,232 stock grants 17,617 stock grants have lapsed on account of employees leaving the service of the company before the vesting date, 9,284 stock grants have vested and hence 66,331 stock grants are outstanding as at March 31, 2013.

Particulars	No. of Options		Exercise Price (₹)
	As on March 31, 2013	As on March 31, 2012	
Options Outstanding at the beginning of the year	29,643	-	10.00
Options granted	50,151	43,081	
Options exercised	9,284	NIL	
Less: Options lapsed	4,179	13,438	
Options Outstanding at the year end	66,331	29,643	10.00

Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option is ₹ 17.73 per share as on March 31, 2013.

b) Employee compensation cost using the intrinsic value method recognized by the company in the Statement of Profit & Loss as on March 31, 2013 is ₹ 20.55 million.

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.

(₹ in Million)

Particulars	FY 2012-13	FY 2011-12
Net Profit (as reported)	1,384.35	979.26
Add: Stock based compensation expense determined under Intrinsic Value method recognized in Statement of Profit & Loss	20.55	10.46
Less: Stock based compensation expense determined under fair value based method (Pro Forma)	20.39	10.40
Net Profit (Pro Forma)	1,384.51	979.32
Basic Earnings per share (as reported) ₹ per share	17.74/-	14.00/-
Diluted Earnings per share (as reported) ₹ per share	17.73/-	13.99/-
Basic Earnings per share (Pro Forma) ₹ per share	17.74/-	14.00/-
Diluted Earnings per share (Pro Forma) ₹ per share	17.73/-	14.00/-

NOTE 34

Leases

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

(₹ in Million)

Particulars	As on March 31, 2013	As on March 31, 2012
Future minimum lease receipts under non-cancellable operating leases		
➢ Not later than 1 year	0.03	0.03
➢ Later than 1 year and not later than 5 years	0.11	0.11

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:

(₹ in Million)

Particulars	As on March 31, 2013	As on March 31, 2012
Future minimum lease payments under operating leases		
➢ Not later than 1 year	72.05	45.97
➢ Later than 1 year and not later than 5 years	43.82	73.44
➢ Later than 5 years	-	1.20

NOTE 35

Employee Benefits

a) Defined Contribution Plans

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

(₹ in Million)

Particulars	FY 2012-13	FY 2011-12
Employers' Contribution to Provident Fund	20.42	15.66
Employers' Contribution to ESIC	0.12	0.12

b) Defined Benefit Plans

(i) **Contribution to Gratuity Fund**

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

The following table sets out the funded status of the gratuity plan and the amounts recognized in the Group's financial statements as at 31 March 2013:

(₹ in Million)

Particular	FY 2012-13	FY 2011-12
Change in present value of obligation		
Present value of obligation as at beginning of the year	13.02	12.34
Interest Cost	1.11	1.02
Service Cost	3.47	2.45
Benefits Paid	(1.86)	(9.74)
Effect of Liability Transfer in	3.97	0.33
Effect of Liability Transfer out	-	(0.04)
Actuarial (gain)/loss on obligation	(0.28)	6.66
Present value of obligation, as at end of the year	**19.43**	**13.02**
Amount recognized in the Balance Sheet		
Present value of obligation, as at end of the year	19.43	13.02
Fair value of plan assets as at end of the year	-	-
Net obligation as at end of the year	**19.43**	**13.02**
Net gratuity cost for the year ended		
Current Service Cost	3.47	2.45
Interest Cost	1.11	1.02
Expected return on plan assets	-	-
Past Service Cost (Vested Benefit)	-	-
Net Actuarial (gain)/loss to be recognized	(0.28)	6.66
Net gratuity cost	**4.30**	**10.13**
Assumptions used in accounting for the gratuity plan		
	(In %)	(In %)
Discount Rate	8.00	8.50
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 36

Segment Information:

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

NOTE 37

Related Party Disclosures:

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 61.46%) shares in the Company. GIL is the subsidiary of Godrej & Boyce Mfg. Co. Limited, the Ultimate Holding Company.

(ii) Other Related Parties in Godrej Group, where common control exists:

Godrej Investments Private Ltd.

Godrej Infotech Ltd.

Wadala Commodities Ltd.

Vora Soaps Limited

Cartini India Limited

Bahar Agrochem & Feeds Private Limited

Godrej (Malaysia) Sdn. Bhd. (incorporated in Malaysia)

Godrej (Singapore) Pte. Ltd. (incorporated in Singapore)

Veromatic International BV (incorporated in the Netherlands)

Busbar Systems (India) Ltd (formerly, Busbar Systems (India) Private Limited), (a Wholly-owned subsidiary w.e.f. 1st February, 2013)(name changed w. e. f. 15th March, 2013)

A. Subsidiaries of Godrej Industries Ltd.:

1. Godrej Agrovet Ltd. (GAVL)
2. Ensemble Holdings & Finance Ltd.
3. Godrej International Ltd. (incorporated in the Isle of Man)
4. Natures Basket Ltd.

5. Godrej International Trading & Investments Pte Ltd. (Incorporated in Singapore) (a subsidiary of Godrej Industries Ltd w.e.f. 1st August, 2011)

6. Swadeshi Detergents Limited (a subsidiary of Godrej Industries Ltd w.e.f. 20th March, 2013)

B. Subsidiaries of GAVL

1. Golden Feed Products Ltd.
2. Godrej Seeds & Genetics Limited
3. Goldmuhor Agrochem & Feeds Limited (w.e.f. 2nd January, 2013)

C. Subsidiary of Godrej (Malaysia) Sdn. Bhd.:

1. G&B Enterprises (Mauritius) Pvt. Ltd. (incorporated in Mauritius) (a wholly-owned subsidiary of Godrej (Malaysia) Sdn. Bhd.)

D. Subsidiaries of Godrej (Singapore) Pvt. Ltd.:

1. JT Dragon Pte. Ltd. (Incorporated in Singapore)
2. Godrej (Vietnam) Co. Ltd. (Incorporated in Vietnam) (a wholly owned subsidiary of JT Dragon Pte. Ltd.)

E. Subsidiaries of Veromatic International BV:

1. Veromatic Services BV (incorporated in the Netherlands)
2. Water Wonder Benelux BV (incorporated in the Netherlands)

F. Other Subsidiaries (where the Group Company owns directly and/or indirectly through one or more subsidiaries, more than one-half of the equity share capital):

1. Mercury Mfg. Co. Ltd.
2. Godrej Consumer Products Ltd. (GCPL)

G. Subsidiaries and Sub-subsidiaries of GCPL:

1. Rapidol (Pty) Ltd. (incorporated in South Africa)
2. Godrej Netherlands BV (incorporated in the Netherlands)
3. Godrej Global Mid East FZE (incorporated in Sharjah, U.A.E.)
4. Godrej Consumer Products Mauritius Ltd.
5. Godrej Hygiene Products Ltd.
6. Godrej Consumer Products Holding (Mauritius) Ltd. (incorporated in Mauritius)
7. Godrej Household Products Lanka Pvt. Ltd. (incorporated in Sri Lanka)
8. Godrej Household Products Bangladesh Pvt. Ltd. (incorporated in Bangladesh)
9. Godrej Consumer Products Bangladesh Ltd. (incorporated in Bangladesh)

10. Godrej Mauritius Africa Holdings Ltd. (incorporated in Mauritius)

11. Godrej Weave Holdings Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)

12. Godrej Consumer Products (UK) Ltd. (incorporated in the United Kingdom) (a subsidiary of Godrej Netherlands BV)

13. Keyline Brands Ltd. (a subsidiary of Godrej Consumer Products (UK) Ltd)

14. Inecto Manufacturing Ltd. (a subsidiary of Keyline Brands Ltd.)

15. Godrej Kinky Holdings Ltd. (a subsidiary of Godrej Consumer Products Mauritius Ltd)

16. Kinky Group Pty Ltd. (a subsidiary of Godrej Kinky Holdings Ltd.)

17. Godrej Nigeria Ltd. (incorporated in Nigeria) (a subsidiary of Godrej Nigeria Holdings Ltd)

18. Indovest Capital Ltd. (incorporated in Malaysia) (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)

19. Godrej Consumer Products Dutch Cooperatief UA, (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd)

20. Godrej Consumer Holdings (Netherlands) BV (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA)

21. Godrej Consumer Products (Netherlands) BV (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA)

22. Godrej Indonesia Netherlands Holding BV (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA)

23. PT Megasari Makmur (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)

24. PT Intrasari Raya (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)

25. PT Simba Indosnack Makmur (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)

26. PT Ekamas Sarijaya (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)

27. PT Indomas Susemi Jaya (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)

28. PT Sarico Indah (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)

29. Godrej Argentina Dutch Cooperatief UA (incorporated in Netherlands) (a subsidiary of Godrej Consumer Products Mauritius Ltd.)

30. Godrej Netherlands Argentina Holding BV. (incorporated in Netherlands) (a subsidiary of Godrej Argentina Dutch Cooperatief UA)

31. Godrej Netherlands Argentina BV (incorporated in the Netherlands) (a subsidiary of Godrej Argentina Dutch Cooperatief UA)

32. Panamar Procuccioness Srl (incorporated in Argentina) (a subsidiary of Godrej Netherlands Argentina BV)

33. Argencos S.A. (incorporated in Argentina) (a subsidiary of Godrej Netherlands Argentina BV)

34. Laboratoria Cuenca S.A. (incorporated in Argentina) (a subsidiary of Godrej Netherlands Argentina BV)

35. Issue Group Uruguay S.A. (incorporated in Uruguay) (a subsidiary of Laboratoria Cuenca S.A.)

36. Deciral S.A. (incorporated in Uruguay) (a subsidiary of Laboratoria Cuenca S.A.)

37. Issue Group Brazil Ltd. (incorporated in Brazil) (a subsidiary of Laboratoria Cuenca S.A.)

38. Consell S.A. (incorporated in Argentina) (a subsidiary of Laboratoria Cuenca S.A.)

39. Godrej Consumer Products Nepal Pvt. Ltd.

40. Subinite Pty Ltd. (incorporated in South Africa) (a subsidiary of Weave Business Holdings Mauritius Pvt. Ltd.)

41. Lorna Nigeria Ltd (incorporated in Nigeria) (a subsidiary of Weave Business Holdings Mauritius Pvt. Ltd.

42. Weave IP Holding Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of Weave Business Holdings Mauritius Pvt. Ltd. w.e.f. 1st September, 2011)

43. DGH Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Weave Holdings Ltd.)

44. Weave Business Holdings Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of DGH Mauritius Pvt. Ltd. w.e.f. 1st September, 2011)

45. Weave Trading Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Weave Holdings Ltd. w.e.f. 1st September, 2011)

46. Hair Trading (offshore) S. A. L. (incorporated in Lebanon) (a wholly-owned subsidiary of Weave Trading Mauritius Pvt Ltd w.e.f. 1st October, 2011)

47. Weave Mozambique Limitada (incorporated in Mozambique) (a subsidiary of Weave Business Holdings Mauritius Pvt Ltd w.e.f. 13th October, 2011)

48. Godrej Consumer Investments (Chile) Spa, (incorporated in Chile) (a subsidiary of Godrej Netherlands BV w.e.f. 5th April, 2012)

49. Godrej Holdings (Chile) Limitada, (incorporated in Chile) (a subsidiary of Godrej Consumer Investments Spa w.e.f. 5th April, 2012)

50. Cosmetica Nacional, (incorporated in Chile) (a subsidiary of Godrej Holdings (Chile) Limitada w.e.f. 20th April, 2012)

51. Plasticos Nacional, (incorporated in Chile) (a subsidiary of Cosmetica Nacional w.e.f. 20th April, 2012)

52. Godrej East Africa Holdings Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Consumer Products Ltd. w.e.f. 20th July, 2012)

53. Style Industries Ltd. (incorporated in Kenya) (a subsidiary of DGH Phase 2 w.e.f. 1st November, 2012)

54. DGH Phase 2 (incorporated in Mauritius) (a subsidiary Godrej East Africa Holdings Limited w.e. f 1st November, 2012)

55. Godrej Tanzania Holdings Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Consumer Products Ltd. w.e.f. 30th November, 2012)

56. DGH Tanzania Ltd (incorporated in Tanzania) (a subsidiary of Godrej Tanzania Holdings Ltd. w.e.f. 6th December, 2012)

57. Sigma Hair Ind Ltd (incorporated in Tanzania) (a subsidiary of DGH Tanzania Ltd w.e.f. 19th December, 2012)

(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

Madhavi Ventures Limited

Ramesh P. Bhatia

Repton Landmarks LLP

ASK Property Investment Advisor & Group

(iv) Key Management Personnel:

Mr. Pirojsha Godrej

Mr. K.T. Jithendran

Mr. V. Srinivasan

(v) Individuals exercising Significant Influence:

Mr. A. B. Godrej

Mr. N.B. Godrej.

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

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

(₹ in Million)

Sr. No.	Description	Godrej & Boyce Mfg Co Ltd (i)	Godrej Industries Ltd (i)	Joint – Ventures and Associates (iii)	Other Related Parties In Godrej Group (ii)
1	Issue/ Conversion of equity share capital/capital account	-		7.37	-
		-	*8.00*	*1.00*	-
2	(Purchase)/ Sale of equity share	-	-	(49.99)	-
		-	-	*383.25*	-
3.	Purchase of fixed assets	1.31	-	-	0.05
		4.44	-	-	-
4.	Advances given/(taken)	6.756	-	-	-
		-	-	*24.76*	-
5.	Advances repaid	-	-	-	-
		-	-	*18.10*	-
6.	Amount received against Sale of Units	1,016.65	2,718.73	-	919.24
		-	-	-	*778.56*
7.	Deposits given	-	1.32	-	-
		-	*2.70*	-	-
8.	Deposit repaid	-	1.60	-	-
		-	*0.80*	-	-
10	Income Received from other Companies	444.39	12.25	4.98	0.14
		45.92	*0.03*	*1.07*	*7.43*
11.	Expenses charged by other companies	481.24	65.65	-	7.34
		7,333.32	*60.54*	*0.12*	*4.98*
12.	Share of Profit in LLP	-	530.61	-	-
		-	262.42	-	-
13.	Amount received on transfer of Employee	-	11.58	-	1.51
		-	*0.083*	-	-
14.	Sale of Units	797.83	670.41	-	481.41
		-	*1,057.01*	-	*75.02*
15.	Dividend Paid	3.81	143.90	-	5.75
		3.11	*222.01*	-	*8.63*
16.	Debentures Interest	-	-	68.41	-
		-	-	*10.38*	-
17.	Debenture Application Money received	-	-	-	-
		-	-	*94.08*	-
18.	Investment in Debenture	-	-	422.60	-
		-	-	*267.00*	-
19.	Redemption of Debenture	-	-	179.53	-
		-	-	-	-
20.	Debentures Outstanding	-	-	718.32	-
		-	-	*482.60*	-
21.	Outstanding receivables, net of (payables)	(5,997.27)	(16.92)	41.08	(0.05)
		(7,166.87)	*1,075.14*	*(88.84)*	-
22.	Deposit Receivable	-	5.94	-	-
		-	*6.23*	-	-

Figures in italics are for previous year

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

	Key Management Personnel	FY 2012-13 (₹ in Million)	FY 2011-12 (₹ in Million)
1.	Remuneration	67.81	75.31
2.	Dividend paid	1.57	2.39
3.	Deposit accepted from KMP & their relative	-	1.00
4.	Repayment of Deposit	-	1.50
5.	Interest paid on Deposit	0.02	0.21
6.	Deposit Outstanding	-	2.25
7.	Amount received from Sale of Flats/ Units to KMP & their relative	10.83	5.91
	Individuals exercising significant Influence:		
	Dividend paid - Mr. N.B. Godrej	4.67	7.03
	Amount received from Sale of Flats/ Units- Mr. N. B. Godrej	1.45	1.23

3. Significant Related Party Transactions.

S. No	Name of the Party	Relationship	Nature of Transaction	Volume of Transaction during FY 2012-13	Amount Outstanding As on March 31, 2013	Volume of Transaction during FY 2011-12	Amount Outstanding As on March 31, 2012
1	Godrej & Boyce Mfg. Co. Limited	Ultimate Holding Company	Loans & Advances given	6.76	(5997.27)	-	(7166.87)
			Purchase of fixed assets	1.31		4.44	
			Expenses charged by other companies	481.24		7333.32	
			Income received from other Companies	444.39		45.92	
			Sale of Units	797.83		-	
			Amount received against Sale of Units	1016.65		-	
2	Godrej Industries Limited	Holding Company	Amount Received on transfer of employee	11.58	(16.92)	0.08	1075.14
			Deposits given	1.32		2.70	
			Sale of Units	670.41		1057.01	
			Amount received against Sale of Units	2718.73		-	
			Deposits	5.94		6.23	

S. No	Name of the Party	Relationship	Nature of Transaction	Volume of Transaction during FY 2012-13	Amount Outstanding As on March 31, 2013	Volume of Transaction during FY 2011-12	Amount Outstanding As on March 31, 2012
			Receivable				
			Deposits Repaid	1.60		0.80	
			Dividend Paid	143.90		222.01	
			Expenses charged by other companies	65.65		60.54	
			Income received from other Companies	12.25		0.03	
3	Godrej Consumer Products Limited	Fellow Subsidiary	Amount Received on transfer of employee	1.51	-	-	-
			Sale of Units	314.05		495.16	
			Amount received against Sale of Units	511.22		507.91	
			Income Received from other companies	0.14		7.43	
4	HDFC Venture Trustee Company Limited	Joint Ventures and Associates	Issue Equity Share Capital	7.35	(0.08)	-	(38.47)
			Redemption of Debenture	179.53		-	
			Debenture Interest	1.70		2.16	
			(Purchase)/ Sale of Investments	(49.99)		-	
			Debentures - Outstanding	28.72		215.60	
5	Ramesh Bhatia	Joint Ventures and Associates	Issue of Capital Account	0.02	-	0.50	-
			Loans & Advances taken	-		12.28	
			Loans & Advances repaid	-		18.10	
6	Repton Landmark LLC	Joint Ventures and Associates	Loans & Advances given	-	-	37.04	-

S. No	Name of the Party	Relationship	Nature of Transaction	Volume of Transaction during FY 2012-13	Amount Outstanding As on March 31, 2013	Volume of Transaction during FY 2011-12	Amount Outstanding As on March 31, 2012
			Issue of Capital Account	-		0.50	
			Income Received from other companies	4.31		1.03	
7	Madhavi SA Investments LLC	Joint Ventures and Associates	Sale of Investments	-	-	183.00	
			Debenture Interest	32.04		8.23	
			Debentures - Outstanding	267.00		267.00	
8	Ask PMS Real Estate Special Opportunities Portfolio I (ASK PMS).	Joint Ventures and Associates	Sale of Investments	-	-	200.25	-
			Investment in debentures	422.60		-	
			Debenture Application money received	-		94.08	
			Debenture Interest	34.66		-	
			Debentures - Outstanding	422.60		-	

NOTE 38

Earnings Per Share:

Particulars	FY 2012-13	FY 2011-12
Profit after tax (Including prior year's tax adjustments, Prior Period Income and excluding Minority Interest as per Statement of Profit & Loss) (₹ in Million)	1,384.35	979.26
Number of Shares at the beginning of the year	78,036,819	69,850,009
Number of Equity shares outstanding at the end of the year	78,046,103	78,036,819
Weighted average no. of equity shares outstanding	78,044,133	69,961,851
Add: Weighted average number of potential equity shares on account of employee stock options	26,615	12,780
Weighted average no. of common & dilutive common equity shares outstanding (Numbers)	78,070,748	69,974,631
Basic earnings per share	**₹ 17.74**	**₹ 14.00**
Diluted earnings per share	**₹ 17.73**	**₹ 13.99**
Nominal value of shares	₹10 /-	₹10 /-

NOTE 39

i) Un-hedged Foreign Currency Exposures

Particulars	**FY 2012-13**		**FY 2011-12**	
Uncovered Foreign currency exposure as at the year end	**Foreign Currency**	**(₹ in Million)**	**Foreign Currency**	**(₹ in Million)**
US Dollar (In Million)	0.07	3.65	0.20	10.27
Euro (In Million)	*	0.33	-	
Australian Dollar (In Million)	0.01	0.63	-	
Kuwait Dinar (In Million)	-		*	0.07
GBP (In Million)	-		0.02	1.27

* Represents amount less than 5,000/- in Foreign Currency

NOTE 40

Information in respect of Joint Ventures:

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

Godrej Woodsman Estate, Bangalore	- Area Sharing
Godrej Gold County, Bangalore	- Revenue 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 / Revenue Sharing
Godrej Crest,Bangalore	- Area Sharing / Revenue Sharing
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, Mumbai	- Area Sharing
GPL Jet Airways,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	- Revenue Sharing
Sahakar Nagar, Mumbai	- Revenue Sharing
Godrej Panvel	- Profit Sharing
Godrej Platinum, Kolkota	- Revenue Sharing
Sundar Sangam Redevelopment, Mumbai	- Area Sharing
Undri II	- Profit Sharing
Sahakar Nagar, Mumbai II	- Revenue Sharing

NOTE 41

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

WORKING RESULTS

In accordance with circular no.F.2/5/SE/76 dated February 5, 1977 issued by the Ministry of Finance, Government of India, as amended by Ministry of Finance, Government of India through its circular dated March 8, 1977, the information relating to the working results for the period between the last date of the financial statements and up to the end of the last but one month preceding the date of the Letter of Offer is as provided below:

	For the period April 1, 2013 to June 30, 2013 ***(₹ in millions)***
Sales & Operating Income	2,015.72
Other Income	427.13
Total Income	2,442.85
Earnings before depreciation and taxes	824.18
Provision for depreciation	12.00
Provision for taxes	298.59
Net profit after Minority Interest	394.77

For further details, see "*Material Developments – Unaudited Consolidated Financial Results*" on page 188.

MATERIAL DEVELOPMENTS

Except as stated in this Letter of Offer, to our knowledge, no circumstances have arisen since March 31, 2013 which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities.

Recent Developments

1. Our Board of Directors, at its meeting held on May 9, 2013, has recommended dividend of ₹ 4 per Equity Share of ₹ 10 each for the year ended March 31, 2013. The members of our Company have approved the dividend of ₹ 4 per Equity Share at the AGM held on July 27, 2013.

2. Our Company along with Wonder Space Properties Private Limited ("**WSPPL**") has entered into an agreement with Shubh Properties Cooperatief U.A, and others, to transfer 74.9% of the equity share capital held by the Company in WSPPL for its project at NCR. Pursuant to the agreement, WSPPL has ceased to be the Subsidiary of our Company post transfer of equity shares by our Company.

3. In terms of the agreement with HDFC Asset Management Company Limited for the project Godrej Eternia at Chandigarh, our Company has given exit to HDFC PMS by purchasing its 49% stake in the equity share capital of its subsidiary Godrej Estate Developers Private Limited by exercising our Company's buy out option under the agreement.

   Similarly in terms of the agreement with HDFC Asset Management Company for the project Godrej Palm Grove at Chennai, our Company has given exit to HDFC PMS by purchasing its 49.9% stake in the equity share capital of its subsidiary Godrej Sea View Properties Private Limited by exercising our Company's buy out option under the agreement.

   Pursuant to the above, Godrej Estate Developers Private Limited and Godrej Sea View Properties Private Limited have become the wholly owned subsidiaries of our Company with effect from June 28, 2013 and July 01, 2013, respectively.

4. Our Company has entered into an agreement with certain land owners to develop approximately 37 acres of land in Panvel. The area under this project will be a part of our Company's forthcoming residential Panvel township project. Our Company has also entered into a development agreement with Oasis Buildhome Private Limited to develop approximately 13.76 acre property situated in Gurgaon.

5. Our Company has filed its unaudited consolidated financial results and unaudited standalone financial results for the quarter ended June 30, 2013 ("**Interim Results**") with the Stock Exchanges in accordance with the requirements of the Equity Listing Agreements.

Unaudited Consolidated Financial Results

The Board of Directors
Godrej Properties Limited
Godrej Bhavan,
4th Floor, 4A Home Street,
Fort, Mumbai - 400 001.

Dear Sirs,

LIMITED REVIEW REPORT

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Godrej Properties Limited for the quarter ended June 30, 2013 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which has been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on July 27, 2013. Our responsibility is to issue a report on these financial statements based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration No. 104607W

ERMIN K. IRANI
PARTNER
Membership No. 35646
Place: Mumbai
Dated: July 27, 2013

(₹ in million)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2013	31.03.2013	30.06.2012	31.03.2013
		Unaudited	Audited	Unaudited	Audited
1	**Income from Operations**				
	Sales	1,873.06	2,795.58	2,119.85	9,399.66
	Operating Income	142.66	323.04	141.23	971.57
2	**Total Income from operations**	**2,015.72**	**3,118.62**	**2,261.08**	**10,371.23**
3	**Expenditure**				
	(a) Cost of Sales	1,491.64	1,946.45	1,764.05	6,915.66
	(b) Employee Benefits Expense	52.22	47.05	23.62	176.88
	(c) Depreciation	12.00	11.79	10.18	43.88
	(d) Other Expenses	66.34	140.83	70.12	420.71
4	**Total Expenditure**	**1,622.20**	**2,146.12**	**1,867.97**	**7,557.13**
5	**Profit from Operations before Other income, Finance Costs & Exceptional Items**	**393.52**	**972.50**	**393.11**	**2,814.10**
6	Other Income	427.13	20.06	66.94	104.47
7	**Profit before Finance Costs & Exceptional Items**	**820.65**	**992.56**	**460.05**	**2,918.57**
8	Finance Costs	8.47	9.34	5.76	30.01
9	**Profit after Finance Costs but before Exceptional Items**	**812.18**	**983.22**	**454.29**	**2,888.56**
10	Exceptional Items	-	-	-	-
11	**Profit from Ordinary Activities Before Tax**	**812.18**	**983.22**	**454.29**	**2,888.56**
12	Tax Expense	298.59	270.70	196.26	915.68
13	**Profit from Ordinary Activities After Tax**	**513.59**	**712.52**	**258.03**	**1,972.88**
14	Extraordinary Item (net of tax expenses)	**-**	**-**	**-**	**-**
15	**Net Profit for the period**	**513.59**	**712.52**	**258.03**	**1,972.88**
16	Minority Interest	(118.82)	(180.35)	(86.44)	(588.54)
17	**Net Profit for the period after Minority Interest**	**394.77**	**532.17**	**171.59**	**1,384.34**
18	**Paid-up Equity Share Capital** (Face Value – ₹ 10/- per share)	**780.54**	**780.46**	**780.45**	**780.46**
19	**Reserves Excluding Revaluation Reserves**				**13,509.04**
20	**Earning Per Share (EPS)**				

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2013	31.03.2013	30.06.2012	31.03.2013
		Unaudited	Audited	Unaudited	Audited
	a) Before Extraordinary items				
	Basic EPS (* not annualized)	**5.06***	**6.82***	**2.20***	**17.74**
	Diluted EPS (* not annualized)	**5.06***	**6.82***	**2.20***	**17.73**
	b) After Extraordinary items				
	Basic EPS (* not annualized)	**5.06***	**6.82***	**2.20***	**17.74**
	Diluted EPS (* not annualized)	**5.06***	**6.82***	**2.20***	**17.73**
21	**PARTICULARS OF SHAREHOLDING**				
i	**Public Shareholding**				
	- Number of Shares	**19,525,953**	**19,518,489**	**19,517,863**	**19,518,489**
	- Percentage of Shareholding	**25.02%**	**25.01%**	**25.01%**	**25.01%**
ii	**Promoter & Promoter Group Shareholding**				
	a) Pledged / Encumbered				
	- Number of Shares	**-**	**-**	**-**	**-**
	- Percentage of Shares (as a % of total Shareholding of promoter and promoter group)	**-**	**-**	**-**	**-**
	- Percentage of Shares (as a % of total Share Capital of the Company)	**-**	**-**	**-**	**-**
	b) Non Encumbered				
	- Number of Shares	**58,527,614**	**58,527,614**	**58,527,614**	**58,527,614**
	- Percentage of Shares (as a % of total Shareholding of promoter and promoter group)	**100.00%**	**100.00%**	**100.00%**	**100.00%**
	- Percentage of Shares (as a % of total Share Capital of the Company)	**74.98%**	**74.99%**	**74.99%**	**74.99%**
	Particulars	**30.06.2013**			
22	INVESTOR COMPLAINTS				
	Pending at the beginning of the quarter	-			
	Received during the quarter	1			
	Disposed off during the quarter	1			
	Remaining unresolved at the end of the quarter	-			

Notes:

1. The above Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 27, 2013, and are published in accordance with clause 41 of the listing agreement.

2. The above consolidated results have been prepared in accordance with the principles and procedures as set out in Accounting Standard – 21 on 'Consolidated Financial Statements' issued by the Institute of

Chartered Accountants of India.

3. Financial Results of Godrej Properties Limited (Standalone Information):

(₹ in million)

Particulars	Quarter Ended			Year Ended
	30.06.2013	31.03.2013	30.06.2012	31.03.2013
Total Income*	1,271.10	1,464.30	1,093.16	4,894.95
Profit Before Tax	141.81	400.93	315.10	1,396.05
Profit After Tax	140.85	366.25	269.07	1,226.68

* Includes Sales, Operating Income and Other Income.

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

Utilization of Funds upto June 30, 2013	(₹ in Million)		
Amount Received from IPO			**46,88.47**
	Projected		**Actual**
	Original	**Revised ***	
Funding to part finance the acquisition of land development rights and construction costs	2,780.00	2,270.00	2,179.11
Repayment of Loans	1,501.70	2,011.70	2,011.70
Issue Expenses	406.77	406.77	405.35
	4,688.47	**4,688.47**	**4,596.16**
Balance to be utilized			**92.31**
Investments in Mutual Funds			92.31
TOTAL			**92.31**

As on June 30, 2013, unutilized funds have been temporarily invested in mutual fund schemes as mentioned in the prospectus of the company.

* Revised as approved by shareholders in the AGM held on July 22, 2011.

5. 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.

6. During the quarter ended June 30, 2013 Godrej Projects Development Private Limited (a subsidiary of the Company) has diluted 49% equity stake in Godrej Redevelopers (Mumbai) Private Limited to Shubh Properties CoÖperatief U.A. and others for ₹ 400.25 Million. Other income includes an amount of ₹ 400.00 Million on account of profit on sale of stake.

7. During the quarter ended June 30, 2013 the Company has diluted 74.90% equity stake in Wonder Space Properties Private Limited to Shubh Properties CoÖperatief U.A. and others for ₹ 6.45 Million. Other income includes an amount of ₹ 6.06 Million on account of profit on sale of stake.

8. During the quarter ended June 30, 2013, the Company has acquired 49% equity stake in Godrej Estate Developers Pvt. Ltd. from HDFC PMS. Consequently Godrej Estate Developers Pvt. Ltd. has become a wholly owned subsidiary of Godrej Properties Ltd.

   On July 01, 2013, the Company has acquired 49.9% equity stake in Godrej Sea View Properties Pvt. Ltd. from HDFC PMS. Consequently Godrej Sea View Properties Pvt. Ltd. has become a wholly owned subsidiary of Godrej Properties Ltd.

9. During the quarter ended June 30, 2013, the Company has entered into a deed of Assignment with Godrej Industries Limited for the use of "Godrej" trademark and logo in relation to the real estate and allied businesses.

10. The Company has provided loans aggregating to ₹ 443.74 Million to the GPL Employee Stock Option Trust (GPL ESOP), 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 June 30, 2013, of the shares held by the ESOP Trust is lower than the holding cost of these shares by ₹121.87 Million (Net of Provision of ₹ 58.92 Million). The repayment of the loans granted by the Company to GPL 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.

11. During the quarter, under the Employee Stock Grant Scheme, 2011, 30,554 stock grants have vested and exercised. The Company has granted 77,872 stock grants to eligible employees, out of this 15,000 stock grants shall vest in one year and balance stock grants shall vest equally over the next 3 years.

12. Figures for previous period / year have been regrouped / reclassified wherever necessary to make them comparable with figures of the current period ended June 30, 2013.

Unaudited Unconsolidated Financial Results

The Board of Directors
Godrej Properties Limited
Godrej Bhavan,
4th Floor, 4A Home Street,
Fort, Mumbai - 400 001.

Dear Sirs,

LIMITED REVIEW REPORT

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Godrej Properties Limited for the quarter ended June 30, 2013 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which has been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on July 27, 2013. Our responsibility is to issue a report on these financial statements based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration No. 104607W

ERMIN K. IRANI
PARTNER
Membership No. 35646
Place: Mumbai
Dated: July 27, 2013

(₹ in million)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2013	31.03.2013	30.06.2012	31.03.2013
		Unaudited	Audited	Unaudited	Audited
1	**Income from Operations**				
	Sales	815.66	1,005.46	562.43	2,711.83
	Operating Income	275.71	496.45	258.94	1,555.27
2	**Total Income from operations**	**1,091.37**	**1,501.91**	**821.37**	**4,267.10**
3	**Expenditure**				
	(a) Cost of Sales	771.54	889.88	461.44	2,287.49
	(b) Employee Benefits Expense	50.03	46.59	23.21	175.14
	(c) Depreciation	10.07	9.85	7.87	35.38
	(d) Other Expenses	63.79	135.56	69.37	402.70
4	**Total Expenditure**	**895.43**	**1,081.88**	**561.89**	**2,900.71**
5	**Profit from Operations before Other income, Finance Costs & Exceptional Items**	**195.94**	**420.03**	**259.48**	**1,366.39**
6	Other Income	179.74	(37.61)	271.80	627.85
7	**Profit before Finance Costs & Exceptional Items**	**375.68**	**382.42**	**531.28**	**1,994.24**
8	Finance Costs	233.87	(18.50)	216.17	598.19
9	**Profit after Finance Costs but before Exceptional Items**	**141.81**	**400.92**	**315.11**	**1,396.05**
10	Exceptional Items	-	-	-	-
11	**Profit from Ordinary Activities Before Tax**	**141.81**	**400.92**	**315.11**	**1,396.05**
12	**Tax Expense**	0.96	34.68	46.03	169.37
13	**Profit from Ordinary Activities After Tax**	**140.85**	**366.24**	**269.08**	**1,226.68**
14	Extraordinary Item (net of tax expenses)	-	-	-	-
15	**Net Profit for the period**	**140.85**	**366.24**	**269.08**	**1,226.68**
16	**Paid-up Equity Share Capital**	**780.54**	**780.46**	**780.45**	**780.46**
	(Face Value – ₹ 10/- per share)				
17	**Reserves Excluding Revaluation Reserves**				**12,862.48**
18	**Earning Per Share (EPS)**				
	a) Before Extraordinary items				
	Basic EPS (* not annualized)	**1.80***	**4.65***	**3.45***	**15.72**
	Diluted EPS (* not annualized)	**1.80***	**4.65***	**3.45***	**15.71**
	b) After Extraordinary items				
	Basic EPS (* not annualized)	**1.80***	**4.65***	**3.45***	**15.72**
	Diluted EPS (* not annualized)	**1.80***	**4.65***	**3.45***	**15.71**
19	**PARTICULARS OF SHAREHOLDING**				

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2013	31.03.2013	30.06.2012	31.03.2013
		Unaudited	Audited	Unaudited	Audited
i	**Public Shareholding**				
	- Number of Shares	19,525,953	19,518,489	19,517,863	19,518,489
	- Percentage of Shareholding	25.02%	25.01%	25.01%	25.01%
ii	**Promoter & Promoter Group Shareholding**				
	a) Pledged / Encumbered				
	- Number of Shares	-	-	-	-
	- Percentage of Shares (as a % of total Shareholding of promoter and promoter group)	-	-	-	-
	- Percentage of Shares (as a % of total Share Capital of the Company)	-	-	-	-
	b) Non Encumbered				
	- Number of Shares	5,85,27,614	5,85,27,614	5,85,27,614	5,85,27,614
	- Percentage of Shares (as a % of total Shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
	- Percentage of Shares (as a % of total Share Capital of the Company)	74.98%	74.99%	74.99%	74.99%

	Particulars	30.06.2013
20	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	-
	Received during the quarter	1
	Disposed off during the quarter	1
	Remaining unresolved at the end of the quarter	-

Notes:

1. The above Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 27, 2013, and are published in accordance with clause 41 of the listing agreement.

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

Utilization of Funds upto June 30, 2013	₹ in Million		
Amount Received from IPO			**46,88.47**
	Projected		Actual
	Original	Revised *	
Funding to part finance the acquisition of land development rights and construction costs	2,780.00	2,270.00	2,179.11

Utilization of Funds upto June 30, 2013	₹ in Million		
Repayment of Loans	1,501.70	2,011.70	2,011.70
Issue Expenses	406.77	406.77	405.35
	4,688.47	**4,688.47**	**4,596.16**
Balance to be utilized			**92.31**
Investments in Mutual Funds			92.31
TOTAL			**92.31**

As on June 30, 2013, unutilized funds have been temporarily invested in mutual fund schemes as mentioned in the prospectus of the company.
* Revised as approved by shareholders in the AGM held on July 22, 2011.

3. 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.

4. During the quarter ended June 30, 2013 the Company has diluted 74.90% equity stake in Wonder Space Properties Private Limited to Shubh Properties CoÖperatief U.A. and others for ₹ 6.45 Million. Other income includes an amount of ₹ 6.06 Million on account of profit on sale of stake.

5. During the quarter ended June 30, 2013, the Company has acquired 49% equity stake in Godrej Estate Developers Pvt. Ltd. from HDFC PMS. Consequently Godrej Estate Developers Pvt. Ltd. has become a wholly owned subsidiary of Godrej Properties Ltd.

   On July 01, 2013, the Company has acquired 49.9% equity stake in Godrej Sea View Properties Pvt. Ltd. from HDFC PMS. Consequently Godrej Sea View Properties Pvt. Ltd. has become a wholly owned subsidiary of Godrej Properties Ltd.

6. During the quarter ended June 30, 2013, the Company has entered into a deed of Assignment with Godrej Industries Limited for the use of "Godrej" trademark and logo in relation to the real estate and allied businesses.

7. The Company has provided loans aggregating to ₹ 443.74 Million to the GPL Employee Stock Option Trust (GPL ESOP), 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 June 30, 2013, of the shares held by the ESOP Trust is lower than the holding cost of these shares by ₹ 121.87 Million (Net of Provision of ₹ 58.92 Million). The repayment of the loans granted by the Company to GPL 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.

8. During the quarter, under the Employee Stock Grant Scheme, 2011, 30,554 stock grants have vested and exercised. The Company has granted 77,872 stock grants to eligible employees, out of this 15,000 stock grants shall vest in one year and balance stock grants shall vest equally over the next 3 years.

9. Figures for previous period / year have been regrouped / reclassified wherever necessary to make them comparable with figures of the current period ended June 30, 2013.

ACCOUNTING RATIOS AND CAPITALISATION STATEMENT

Accounting Ratios

The following tables present certain accounting and other ratios on standalone and consolidated basis derived from the Company's audited financial statements as at and for the year ended March 31, 2013 included in the section "*Financial Statements*" beginning on page 96:

Accounting Ratios (based on Audited Unconsolidated Financial Statements)

	Particulars	Financial year ended March 31, 2012	Financial year ended March 31, 2013
(A)	Total number of equity shares outstanding as at the end of the financial year	78,036,819	78,046,103
(B)	Weighted average number of equity shares outstanding during the year	69,961,851	78,044,133
(C)	Weighted average number of equity shares outstanding during the year on a diluted basis	69,974,631	78,070,748
(D)	Net Profit After Tax (₹ in Millions)	813.65	1,226.68
(E)	Networth (excluding revaluation reserves) (₹ in Millions)	13,965.97	13,602.36
	Earning Per Share (after excluding extraordinary items):		
(D / B)	- Basic (₹)	11.63	15.72
(D / C)	- Diluted (₹)	11.63	15.71
(D / E)	Return on Net Worth (%) (after excluding revaluation reserves)	5.83%	9.02%
(E / A)	Net Asset Value Per Share (₹)(after excluding revaluation reserves)	178.97	174.29

Earning per shares (EPS) calculation is in accordance with the notified Accounting Standard 20 'Earnings per share' prescribed by the Companies (Accounting Standards) Rules, 2006.

Accounting Ratios (based on Audited Consolidated Financial Statements)

	Particulars	Financial year ended March 31, 2012	Financial year ended March 31, 2013
(A)	Total number of equity shares outstanding as at the end of the financial year	78,036,819	78,046,103
(B)	Weighted average number of equity shares outstanding during the year	69,961,851	78,044,133
(C)	Weighted average number of equity shares outstanding during the year on a diluted basis	69,974,631	78,070,748
(D)	Net Profit After Tax (₹ in Millions)	979.26	1,384.35
(E)	Networth (excluding revaluation reserves) (₹ in Millions)	14,395.43	14,246.71
	Earning Per Share (after excluding extraordinary items):		
(D / B)	- Basic (₹)	14.00	17.74
(D / C)	- Diluted (₹)	13.99	17.73
(D / E)	Return on Net Worth (%) (after excluding revaluation reserves)	6.80%	9.72%

	Particulars	Financial year ended March 31, 2012	Financial year ended March 31, 2013
(E / A)	Net Asset Value Per Share (₹)(after excluding revaluation reserves)	184.47	182.54

Earning per shares (EPS) calculation is in accordance with the notified Accounting Standard 20 'Earnings per share' prescribed by the Companies (Accounting Standards) Rules, 2006.

Capitalization Statement (based on audited unconsolidated financial statements):

₹ *in million*

	As at March 31, 2013	As adjusted for the Issue
Shareholders' Funds		
Equity Share Capital	780.46	995.84
Reserves and Surplus	12,862.48	19,647.07
Total Shareholders' Funds (A)	**13,642.94**	**20,642.91**
Debt		
Long Term Borrowings	3,460.93	3,460.93
Short Term Borrowings	4,256.15	4,256.15
Other Borrowings (Current maturity of long term borrowings)	146.95	146.95
Total Debt (B)	**7,864.03**	**7,864.03**
Total (A+B)	**21,506.97**	**28,506.94**
Long-term debt/equity ratio	**0.25**	**0.17**
Total debt/equity ratio	**0.58**	**0.38**

Capitalization Statement (based on audited consolidated financial statements):

₹ *in million*

	As at March 31, 2013	As adjusted for the Issue
Shareholders' Funds		
Equity Share Capital	780.46	995.84
Reserves and Surplus	13,509.04	20,293.63
Total Shareholders' Funds (A)	**14,289.50**	**21,289.47**
Debt		
Long Term Borrowings	3,756.64	3,756.64
Short Term Borrowings	12,876.25	12,876.25
Other Borrowings (Current maturity of long term borrowings)	146.95	146.95
Total Debt (B)	**16,779.84**	**16,779.84**
Total (A+B)	**31,069.34**	**38,069.32**
Long-term debt/equity ratio	**0.26**	**0.18**
Total debt/equity ratio	**1.17**	**0.79**

STOCK MARKET DATA FOR EQUITY SHARES OF THE COMPANY

Our Company's Equity Shares are currently listed on the BSE and the NSE. Stock market data for our Equity Shares has been given separately for the BSE and NSE. As our Company's Equity Shares are actively traded on both the BSE and the NSE, stock market data has been given separately for each of these Stock Exchanges.

The high and low closing prices recorded on the NSE and the BSE for the preceding three fiscal years and the number of Equity Shares traded on the days the high and low prices were recorded are stated below:

NSE

Financial Year	High (₹)	Date of High	No. of Shares traded on date of high	Total Volume traded on date of high (₹ in million)	Low (₹)	Date of Low	No. of Shares traded on date of low	Total Volume of traded on date of low (₹ in million)	Average price for the year (₹)*
2013	671.75	December 18, 2012	59,689	39.50	500.60	July 26, 2012	8,081	4.06	580.89
2012	814.80	July 22, 2011	285,019	227.08	606.55	January 2, 2012	4,032	2.47	676.38
2011	791.40	September 2, 2010	250,639	198.23	473.25	May 7, 2010	218,241	107.69	631.79

* *Average of the daily closing prices.*
(*Source: www.bseindia.com*)

BSE

Financial Year	High (₹)	Date of High	No. of Shares traded on date of high	Total Volume traded on date of high (₹ in million)	Low (₹)	Date of Low	No. of Shares traded on date of low	Total Volume of traded on date of low (₹ in million)	Average price for the year (₹)*
2013	672.45	December 18, 2012	14,548	9.67	500.70	July 26, 2012	1,312	0.66	581.02
2012	814.95	July 22, 2011	152,152	121.38	605.55	January 2, 2012	762	0.46	676.55
2011	790.40	September 2, 2010	140,840	111.55	475.85	May 7, 2010	230,718	114.11	631.87

* *Average of the daily closing prices.*
(*Source: www.nseindia.com*)

The high and low closing prices and volume of Equity Shares traded on the respective dates during the last six months is as follows:

NSE

Month	High (₹)	Date of High	No. of Shares traded on date of high	Total Volume of Shares traded on date of high (₹ in million)	Low (₹)	Date of Low	No. of Shares traded on date of low	Total Volume of Shares traded on date of low (₹ in million)	Average price for the month (₹)*
July 2013	543.65	July 19, 2013	8,354	4.54	478.60	July 31, 2013	8,621	4.18	524.16
June 2013	564.40	June 5, 2013	4,476	2.53	503.90	June 24, 2013	13,149	6.68	546.57
May 2013	626.85	May 2, 2013	16,151	10.14	561.45	May 24, 2013	4,277	2.40	589.19
April 2013	619.65	April 30, 2013	14,810	9.06	528.70	April 9, 2013	6,302	3.33	569.96
March 2013	563.35	March 6, 2013	27,525	15.67	515.00	March 22, 2013	5,986	3.06	539.88
February 2013	621.35	February 1, 2013	6,690	4.16	537.20	February 28, 2013	126,863	71.31	595.08

(Source: www.nseindia.com)

* *Average of the daily closing prices.*

BSE

Month	High (₹)	Date of High	No. of Shares traded on date of high	Total Volume of Shares traded on date of high (₹ in million)	Low (₹)	Date of Low	No. of Shares traded on date of low	Total Volume of Shares traded on date of low (₹ in million)	Average price for the month (₹)*
July 2013	544.80	July 19, 2013	2,934	1.61	477.65	July 31, 2013	6,074	2.94	524.43
June 2013	564.70	June 4, 2013	2,181	1.24	502.30	June 24, 2013	2,977	1.52	546.50
May 2013	629.55	May 2, 2013	4,234	2.66	560.60	May 24, 2013	4,051	2.27	588.77
April 2013	619.10	April 30, 2013	8,346	5.07	527.95	April 9, 2013	1,773	0.94	569.61
March 2013	565.30	March 6, 2013	4,698	2.67	515.05	March 22, 2013	2,495	1.27	539.90
February 2013	623.20	February 1, 2013	3,172	1.98	540.00	February 28, 2013	5,498	3.06	595.53

(*Source: www.bseindia.com*)

* *Average of the daily closing prices*.

Week end prices of Equity Shares of the Company for the last four weeks on the BSE and NSE are as below:

Week Ended on	Closing Rate BSE (₹)	Closing Rate NSE (₹)
August 8, 2013*	445.60	447.90
August 2, 2013	472.60	475.15
July 26, 2013	514.75	514.10
July 19, 2013	544.80	543.65

Highest and lowest price of the Equity Shares of the Company on BSE and NSE for the last four weeks:

	Highest (₹)	**Date**	**Lowest (₹)**	**Date**
BSE	544.80	July 19, 2013	445.60	August 8, 2013
NSE	543.65	July 19, 2013	447.90	August 8, 2013

*Friday, August 9, 2013, was a trading holiday

The market price of our Equity Shares on August 8, 2013 was ₹ 445.60 and ₹ 447.90 on the BSE and the NSE, respectively.

In the event the high, or low or closing price of the Equity Shares are the same on more than one day, the day on which there has been higher volume of trading has been considered for the purposes of this section.

FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of our outstanding financing arrangements as on June 30, 2013, on a consolidated basis:

Sr. No.	Name of the Lender	Nature of Facility	Amount Sanctioned (in ₹ Million)	Amount Outstanding as on June 30, 2013 (in ₹ Million)	Security	Rate of Interest (per annum)	Repayment
Indebtedness of the Company							
Secured Borrowings							
1.	State Bank of India	Working capital facilities	Fund based – 4,000 (One way interchangeability from Non fund based to Fund based) Letters of credit – 500 * (One way interchangeability from Non fund based to Fund based) Bank guarantees – 1,000 * (One way interchangeability from Non fund based to Fund based) Forward contracts – 5	Fund based – 4,237.90 Letter of credit - USD 585,328.60 (34.94, considering 1US$ = 59.6995 approximately as on June 30, 2013) Bank guarantees – 187.82 Forward contracts - Nil	Primary security - hypothecation of chargeable current assets of the Company. Charge over land and building at plot no.5 of plot no. 75A and bearing old survey no. 75A part admeasuring 900.3 sq. mtrs located at Juhu, Mumbai. Hypothecation of the current assets of Godrej Real Estate Private Limited.	0.50% above the base rate	No fixed repayment date
Unsecured Borrowings							
1.	IDBI Bank Limited	Working capital	1,000	956.48	Nil	Base rate plus 3.50%. (Base	No fixed repayment

Sr. No.	Name of the Lender	Nature of Facility	Amount Sanctioned (in ₹ Million)	Amount Outstanding as on June 30, 2013 (in ₹ Million)	Security	Rate of Interest (per annum)	Repayment
		facilities				rate for the period of 30 days from June 29, 2013)	date
2.	Axis Bank Limited	Working capital facilities	1,000	1,000	Nil	Base rate + 0.90%	Repayment at the end of one year from the date of disbursement of each tranche. The date of draw-down is October 5, 2012, hence the date of repayment is October 5, 2013.
3.	Commercial paper issued by the Company	-	4,000	1,000	Nil	9.75%	September 6, 2013
4.	Fixed deposits accepted by the Company	-	4,884.63	3,595.59	Nil	Rate varies from 8.50% to 10.50%	Repayment varies from 12 months to 36 months.
Indebtedness of Subsidiaries							
Secured Borrowings							
1.	State Bank of India (for Godrej Developers Private Limited)	Term loan facility	1,750	347.50	Equitable mortgage of its interest, in the immovable property of the project Godrej Genesis at Kolkata	3.60% above base rate	September 30, 2013 - ₹ 347.50 million
2.	HDFC Limited (for Godrej Buildcon Private Limited)	Rupee loan facility	7,500	7,500	Secured by way of exclusive/ mortgage and charge of movable and immovable property of the project at Bandra Kurla	Interest rate linked to HDFC Corporate Prime Lending Rate ("HDFC	Repayable from the end of 53rd month in eight monthly installments from the date of first

Sr. No.	Name of the Lender	Nature of Facility	Amount Sanctioned (in ₹ Million)	Amount Outstanding as on June 30, 2013 (in ₹ Million)	Security	Rate of Interest (per annum)	Repayment
					Complex at Mumbai, except a built up area of 75,000 sq. ft. out of total built up area of 1,50,000 sq. ft. (out of the share of Jet Airways Limited only)	CPLR") (negative spread of 485 basis point linked with HDFC CPLR)	drawdown of December 29, 2011
3.	HDFC Venture Trustee Company Limited (1% Secured Redeemable optionally Convertible Debentures) (Issued by Godrej Realty Private Limited)	Secured redeemable optionally convertible debentures	73.50	28.72	Secured against land bearing survey number 855 situated at taluka Kadi, district Mehsana.	1.00%	April 10, 2015
4.	ASK Real Estate Special Opportunities Fund & Others (10% Secured Cumulative Optionally Convertible Debentures) (Issued by Godrej Landmark Redevelopers Private Limited)	Convertible debentures	762.49	451.98	Mortgage Over the Development Right of the Company's Project Godrej Central	10.00%	No fixed repayment date
Unsecured Borrowings							

Sr. No.	Name of the Lender	Nature of Facility	Amount Sanctioned (in ₹ Million)	Amount Outstanding as on June 30, 2013 (in ₹ Million)	Security	Rate of Interest (per annum)	Repayment
5.	Madhavi Ventures Limited (12% Compulsorily Convertible Debentures) (Issued by Godrej Premium Builders Private Limited)	Compulsorily Convertible Debentures	267.00	267.00	Nil	12.00%	Maximum term of debentures is 10 years
6.	Shubh Properties CoÖperatief U.A. (17.45% Compulsorily Convertible Debentures) (Issued by Godrej Redevelopers (Mumbai) Private Limited)	Compulsorily Convertible Debentures	644.69	285.23	Nil	17.45%	Compulsorily convertible into Equity Share on June 29, 2019
7.	Mr. Gagan Chopra (Partner) C/O Heritage Investments (17.45% Compulsorily Convertible Debentures) (Issued by Godrej Redevelopers (Mumbai) Private Limited)	Compulsorily Convertible Debentures	22.89	10.13	Nil	17.45%	Compulsorily convertible into Equity Share on June 29, 2019

* Full interchangeability between LC and BG

Corporate Actions:

Many of our financing arrangments entail various restrictive conditions and covenants restricting certain corporate actions, and we are required to take the prior approval of the lender before carrying out such activities.

For instance, we are required to intimate to the lenders in the following instances:

- to alter our capital structure in any manner
- formulate any scheme of amalgamation or reconstruction;
- declare or pay dividend for any year except out of profits for the year and after meeting the bank's obligations;
- create any further charge, lien or encumbrance on hypothecated assets or any part thereof;
- undertake any new projects or implement any scheme of expansion or acquire fixed assets except those indicated in the funds flow statement submitted to the banks;
- create any charge, lien or encumbrance over its undertakings;
- sells, assign, mortgage or otherwise dispose off any of the fixed assets charged to the banks.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND DEFAULTS

Except as described below, there is no outstanding litigation including, suits, criminal or civil prosecutions and taxation related proceedings against the Company, its Subsidiaries and LLPs that would have a material adverse effect on our operations or financial position. Further, there are no defaults, non-payment of statutory dues including, institutional/bank dues and dues payable to holders of any debentures, bonds and fixed deposits as of the date of this Letter of Offer, except as described below.

Further there are no litigation involving issues of moral turpitude or criminal liability on the part of the Company, its Subsidiaries or its LLPs, material violations of statutory regulations by the Company, its Subsidiaries or its LLPs or economic offences where proceedings have been initiated against the Company, its Subsidiaries or its LLPs in the preceding ten years.

Litigation against our Company

A summary of litigation and disputes involving potential financial liability of ₹ 40 million and certain other litigation which we consider material, is as follows:

Criminal Proceedings

1. Grentex Wools Private Limited ("**Grentex**") filed a in a criminal complaint (initially bearing Stamp No. 388/M/2004, now bearing case no. 41/SW/2006) against the Company along with its Directors, Mr. Adi B. Godrej, Mr. Amit B. Choudhury, Mr. Milind S. Korde, Mr. K. T. Jithendran and other employees, before the Metropolitan Magistrate Court, Vikhroli. The matter in the criminal complaint filed before the Metropolitan Magistrate relates to a development agreement dated December 30, 1997 between Grentex and the Company. Grentex has alleged offences relating to misappropriation of funds and falsification of accounts by the Company. The dispute was referred for investigation and based on the investigation report, process was issued against the Company and its directors, by an order dated February 1, 2006 by the Metropolitan Magistrate Court, Vikhroli. The Company along with its Directors, Mr. Adi B. Godrej, Mr. Amit B. Choudhury, Mr. Milind S. Korde, Mr. K. T. Jithendran and other employees had filed criminal revision application before the Sessions Judge, Mumbai (No. 386 of 2006), whereby it challenged order dated February 1, 2006 and the proceedings initiated by Grentex before the Metropolitan Magistrate's Court, Vikhroli and had sought that the proceedings be quashed. The Sessions Judge, by an order dated May 5, 2006 did not quash the proceedings initiated by Grentex in the Metropolitan Magistrate's Court.

   Therefore, the Company with its Directors, Mr. Adi B. Godrej, Mr. Amit B. Choudhury, Mr. Milind S. Korde, Mr. K. T. Jithendran and other employees filed the writ petition (WP No. 1360 of 2006) for setting aside the criminal complaint as well as the orders passed by the Metropolitan Magistrate and the Sessions Judge. The Company also filed a criminal application (No. 2133 of 2006) before the High Court of Bombay, Criminal Appellate Jurisdiction for quashing the order dated February 1, 2006. Both these matters (WP No. 1360 of 2006 and No. 2133 of 2006) were disposed off by an order dated September 13, 2007 of the High Court of Bombay, Criminal Appellate Jurisdiction, wherein Grentex had submitted that in view of the pending arbitration proceedings, it will not proceed with the criminal complaint (No. 41/SW/2006) pending before the Metropolitan Magistrate Court, Vikhroli. However, this criminal complaint (No. 41/SW/2006) is currently pending.

2. Zinnia Cooperative Housing Society (the "**Society**") filed a complaint (Complaint No. 94 of 2003) before the Magistrate, Kalyan *inter alia* under sections 11, 13 and 14 of the Maharashtra Ownership of Flats (Regulation of the Promotion of Construction, Sale, Management & Transfer) Act, 1963, as amended, against the Company and the Managing Director of the Company. The Company developed a complex known as "Godrej Hill" at Kalyan. Various persons purchased flats in the complex and accordingly became flat owners in the Society. The Society alleged that according to the agreements entered into between the Company and the flat owners it was agreed that the Company shall provide certain amenities like water distribution system, sewage disposal system, bus service between the society complex and Kalyan railway station, to the flat owners. However, the Company received legal notices on October 25, 2005 in relation to

discontinuance of the bus service between the Society complex and the Kalyan railway station. The contention of the Company is that the bus service was discontinued by the service provider M/s. Trevor Britto due to non-payment of bus charges by the societies in the complex and the Company is not responsible for payment of bus charges. The matter is currently pending.

Civil Proceedings

1. The Federation of Edenwoods Co-operative Housing Society Limited (the "**Federation**") has filed a civil case (R.C.S.No.308 of 2009) against the Company and certain others before the Civil Judge Court (Junior Division), Thane, on the ground of breach of the terms of consent decree filed by the Company in suit no. 34 of 2004 against the same parties and thereby seeking injunction restraining the Company from carrying on construction at the Company's project Godrej Edenwoods, Thane. The Company filed its reply and an injunction application to restrain the Federation from creating obstructions in its construction work and entry of the officials of the Company in the Edenwoods complex. Pursuant to an order dated July 21, 2009, the Joint Civil Judge (Junior Division), Thane, restrained the Federation from obstructing the construction activities by the Company and allowed the Company to continue construction at its own risk. However, it restrained the Company from selling or creating any third party interest in the suit property, till final adjudication. The Company filed an appeal on September 1, 2009 (Miscellaneous Civil Appeal No. 94 of 2009) before the District Judge, Thane against the order dated July 21, 2009, which restricted the right of the Company to create any third party interest till final adjudication of the suit. Pursuant to an order dated April 8, 2011, the District Judge, Thane allowed the Company to create third party rights in the Pine, Regency Park Tower B and Birch buildings, and restrained it from selling row apartments, pending hearing and final disposal of the suit. Pending the suit the Federation has made an application in the suit for amending the plaint to claim liquidated damages to the extent ₹127,78,00,000 from the Company. The said application was heard and rejected by order dated February 20, 2013. Pursuant to the said order, the trial has commenced before the Civil Judge Court (Junior Division), Thane. The Federation has, pending the above suit also filed a Regular Darkhast Petition against our Company in the Civil Court, Thane. The summons is served on our Company. Our Company has also filed a Regular Darkhast Petition in the Civil Court, Thane against the Federation for breach of the terms of the consent terms filed in suit no.34 of 2004. The matter is currently pending.

2. Ascent Construction has filed a civil case (Special Civil Suit No. 479 **of 2009)** before the Joint Civil Judge Senior Division, Thane against the Company, the Municipal Commissioner, the Municipal Corporation and 16 others for declaration and injunction against the Company restraining it from encroaching on the plot of land adjoining Godrej Edenwoods and measuring 2,166.80 square metres at Villa Chitala Mandapa Taluka, Thane (West) and giving vacant possession to them. The allegation is that the Company, along with the other defendant parties, is encroaching upon the plaintiff's land. The matter is currently pending.

3. Dashrathji Nathaji Thakore, Ishaben and Jeevatben Nathaji Thakore (the "**Plaintiffs**") have filed a civil suit against Dhulaji Nathaji Thakore and nine others, including our Company (the "**Defendants**") before the Court of Additional Senior, Civil Judge Mirzapur, Ahmedabad in relation to block number 55 at Jagatpur. Our Company is made party to the case owing to the development agreement wherein Block No.55 which is under dispute is reflected as one of the land parcels which one of the land developers has agreed to provide for the purpose of development of the Company's Godrej Garden City Project, Ahmedabad. The matter is currently pending.

4. Tejalben (the "**Plaintiff**"), has filed a case in the Court of Principal Civil Judge, Ahmedabad Rural, Mirzapur, Ahmedabad claiming that the land is their ancestral property and therefore have claimed their right on $1/4^{th}$ area of land admeasuring 696.05 sq.mtrs. Their claim in the matter is ₹ 44.50 million. The Plaintiff has requested the court to declare the sale deed bearing no.8399 dated April 30, 2011, development agreement dated September 2, 2008 void and to disallow any construction or development being carried out on the said land. The Company is made party to the case since it is a party to the development agreement. The matter is pending.

5. TCM Limited ("**TCM**") filed a reference on September 30, 2004 with the BIFR under Section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 to declare it as a sick industrial company. On February 6, 2007, the BIFR declared TCM as a sick industrial company. On February 15, 2008, TCM

entered into an agreement with the Company agreeing to grant development rights in respect of immoveable property measuring 21.66 acres at Trikkakara North Village, Kanayannur Taluka, Ernakularm, Kerala, subject to the approval of the BIFR. Pursuant to an order dated November 28, 2008, the BIFR granted approval to TCM to enter into the development agreement with the Company and utilise the project advance of ₹ 200.00 million to pay off the secured creditors, statutory dues etc. Accordingly, the Company advanced ₹ 196.70 million to the secured creditors of TCM.

T S Sanil, one of the shareholders of TCM, filed an appeal (No. 238 of 2009) before the AAFIR challenging the order dated November 28, 2008 of the BIFR and, the appeal was allowed by an order dated January 14, 2011. TCM filed a writ petition (WP No.1466/11) before the High Court of Delhi challenging the order dated January 14, 2011. The High Court of Delhi, by an order dated March 23, 2011, allowed the appeal and remanded the matter back to the AAIFR for fresh hearing. The Company, being an aggrieved party, also filed a writ petition (No. 1909 of 2011) before the High Court of Delhi, which by an order dated March 23, 2011 set aside the order dated January 14, 2011 on the ground that the Company was not given an opportunity of being heard and directed AAIFR to hear the Company before deciding the said matter. Further, the High Court of Delhi, by an order dated March 29, 2011 has directed TCM not to create any third interest by selling, alienating or encumbering the property. The matter is currently pending.

Additionally, one T. P. Muralidharan has filed an appeal (No. 85 of 2011) before the AAIFR challenging the order dated November 28, 2008 of the BIFR. Further, Venkateswara Rao Chagarlamudi, a shareholder of TCM, has filed a writ petition (No. 22931 of 2011) against TCM, the Company and certain others before the High Court of Kerala at Ernakulam challenging the order dated June 6, 2011 pronounced by the AAIFR dismissing an appeal (No. 108 of 2011) filed against with the AAFIR the order dated November 28, 2008 of the BIFR. These matters are currently pending.

Service Tax Proceedings

1. The Commissioner of Service Tax, Service Tax Commissionerate No. 16/1 issued a show cause notice dated May 18, 2011 to our Company for short payment of service tax of approximately ₹ 103.35 million and applicable interest and penalty, stating that our Company has wrongly registered itself under "Works Contract Service" category instead of "Construction of Complex Service" category. Our Company had filed its replies to the aforesaid notice on June 17, 2011 and July 15, 2011 stating that it is not liable to pay service tax under the "Construction of Complex" category but falls under the "Works Contract Service" category and has requested to drop the proceedings. The Commissioner of Service Tax, by an order dated March 16, 2012 has levied service tax period from January 2006 to September 2010 under the category of "Construction of Complex Service". Our Company has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal at Bangalore against the order on the ground that the Commissioner of Service Tax has erred in levying the service tax. The total amount claimed is approximately 316.50 million (Including tax, penalty and interest up to March 31, 2013.). The matter is currently pending.

2. A show cause notice has been received by our Company on December 17, 2012, from the Office of the Assistant Commissioner of Service Tax, Division III. The said notice is in respect of the period October 2010 to March 2012, seeking to show cause as to why our Company should not be treated as an 'assessee in default' for non-payment of service tax on the taxable service provided by the Company under the category of 'construction of complex services', in terms of proviso to Section 73(1) of the Finance Act, 1994, to the extent of ₹ 10.27 million. Our Company had filed its replies to the aforesaid notice on April 29, 2013 stating that it is not liable to pay service tax under the "Construction of Complex" category but falls under the "works contract service" category. The matter is currently pending.

Sales Tax Proceedings

1. The Sales Tax Officer, (C-840), Business Audit IV, Mumbai (the "**Sales Tax Officer**'), has passed an assessment order against the Company, along with a notice of demand dated June 14, 2013. The Sales Tax Officer has disallowed the tax credits claimed by the Company in relation to the purchases made by it during FY 2008-09 and demanded ₹ 6.23 million towards sales tax, interest and penalty under section 32 of the Maharashtra Value Added Tax. The matter is currently pending.

Income Tax Proceedings

1. Our company has filed an appeal under section 246A(1)(a) of the Income Tax Act, 1961 before the Commissioner of Income Tax (Appeals) Mumbai on April 19 2013 against the assessment order dated March 15, 2013 relating to the assessment year 2010-2011. The appeal has been filed on the ground of disallowance of seminar and training fees reimbursed by the company to Godrej Industries Limited on the ground that tax has not been deducted at source on such reimbursements. The total amount claimed is approximately ₹ 0.69 million. The matter is currently pending.

   Pursuant to the above disallowance, a show cause notice dated March 15, 2013 has been issued against our Company by the Assessing Officer. Our Company has responded to the show cause notice on March 25, 2013 stating that it is preferring an appeal before the learned Commissioner of Income Tax (Appeals) and pending the disposal of the said appeal has requested the Assessing Officer to keep the said penalty proceedings in abeyance till such time the appeal is finally disposed off.

2. Godrej Waterside Properties Private Limited now amalgamated with our Company has filed an appeal under the Income Tax Act, 1961 before the Commissioner of Income Tax (Appeals), Mumbai against an assessment order dated March 15, 2013 relating to the assessment year 2010-2011. The appeals has been filed on the ground that the assessment order erred in holding that the interest expenditure attributable to the borrowings utilized for placing business deposits on which interest was earned was not allowable against such interest income earned by the company from such deposits and in holding that such interest expenditure was to be treated as part of the project cost as also taxing interest income of ₹ 3.66 million under the head "Income from other sources" as against income under the head "Profits and Gains of Business". Consequent thereto, the AO has levied interest u/s 234B and 234C of the Act as a consequence of the disallowance made in the assessment order. The total amount claimed is approximately ₹ 1.54 million. The matter is currently pending.

Notice received by our Company

1. Our Company has received a notice dated April 20, 2013 issued by the Collector and District Magistrate Office, Mumbai (the "**Collector**"). The Collector, on the basis of a corrigendum issued by the Government of Maharashtra, has demanded a sum of ₹ 171,565,324 from the Company on account of the floor space index of government property used for constructing buildings on private land. Our Company has replied to the notice dated April 20, 2013 by its letter dated May 4, 2013 and sought some clarifications in relation to the matter. Subsequently, the Company has received another notice issued by the Collector. Our Company is in process of replying to the aforementioned notice. The matter is currently pending.

Litigation by our Company

Civil Proceedings

1. The Company has referred to arbitration a dispute with Grentex Wools Private Limited ("**Grentex**") arising out of a development agreement entered into with Grentex with respect to property situated at Village Kirol, LBS Marg, Ghatkopar, Mumbai. The parties had entered into the development agreement dated December 30, 1997 wherein the Company, in its capacity as the project manager, was required to extend co-operation and provide services, finance and expertise in relation to the project to be developed. During the execution of the project certain dispute arose between the parties in relation to the sharing and division of the revenue received for the sale of the flats in the project. The matter is currently pending before the arbitral tribunal. The total amount claimed in the matter is ₹ 42.97 million. The matter is currently pending.

2. The Company has filed an Arbitration Petition no. 939 of 2013 before the Bombay High Court, against Capsulation Services Private Ltd ("**CSPL**") arising out of the termination of the development agreement entered into with CSPL with respect to the plot situated at Village Deonar, Chembur, Mumbai. The parties had entered into a development agreement dated May 5, 2011, pursuant to which CSPL had granted the Company development rights in respect of the aforementioned plot. The Company has prayed for an injunction against CSPL from creating any third party rights in the development of the said plot, pending the adjudication of the dispute. The matter is currently pending.

Criminal Proceedings

1. The Company has filed criminal petition No. 4520/2007 under Section.482 of the Criminal Procedure Code 1973 before the High Court of Karnataka at Bangalore, against Mr. G. Parameshwarappa and others for quashing the proceedings and investigation in FIR No. 270/07 of Hebbal Police Station, Bangalore under Section 447 of the Indian Penal Code, 1860 and Section 192-A of Karnataka Land Revenue Act, 1964 against the Company as developers. The legality of the Company's inclusion in the investigation and proceedings has been questioned in the Petition and the matter is pending.

Litigations involving lands forming part of Completed, Ongoing and Forthcoming in which neither the Company nor the Directors are parties

1. Mr. Jehangir Wadia and others filed a Civil Suit (Suit No. 19/2006) against Lokmanya Pan Bazar Association Limited and Jagshi Chedda (Silver Developers) before the High Court, Mumbai. Mr. Jehangir Wadia and others are the present trustees of the Wadia Trust. The subject matter of the dispute relates to declaration of the trust as the owners of CTS No. 638, cancellation and surrender of Deed of Rectification, restoration of the title of CTS No. 638, compensation for wrongfully surrendering property not belonging to Lokmanya Association and others (Defendants) for obtaining extra FSI. The total amount of claim in the matter is ₹ 33.05 million, which reflects the market value of the trust land and ₹0.33 million as mesne profits/compensation. The Company is an interested party to the case being the developer of the property which is the subject matter of the said suit petition. In the said suit Lokmanya Pan Bazar had filed a Chamber Summons bearing No.1334 of 2006 for seeking inspection of documents from the Plaintiff. The said Chamber Summons is allowed by order dated 6th May, 2009 and Wadia Trust(Plaintiff) has gone into an Appeal against the said order. The said matter is still pending.

2. Ms. Shaila Yashwant Wadekar and others have filed a Petition (Writ Petition No.1063 of 2005) against the owner Mr. Deepak Tekchand Varma before the Hon'ble Bombay High Court, Appellate Jurisdiction. The claim is with regard to the right, title and interest in the suit property at Thane where the Company has as a developer built its Edenwoods Complex. The Company is an interested party to the case being the developer of the property which is the subject matter of the said suit petition. The said Petition was admitted on April 16, 2007 and thereafter the matter has not come up for final hearing. The said matter is still pending.

Litigation against our Subsidiaries:

Godrej Projects Development Private Limited

Civil Proceedings

1. A member, A.D. Rajgor of Mukand Nagar, has initiated proceedings against Mukund Staff Co-operative Housing Society ("**MSCHS**"), Godrej Projects Development Private Limited and others, in the Co-operative Court, Mumbai, on the grounds that, MSCHS and Godrej Projects Development Private Limited had failed to abide by the procedures for the process of redevelopment as specified by the relevant government resolution dated January 3, 2009, at the time of entering into the development agreement. The Co-operative Court, Mumbai, vide its order dated March 8, 2013 ("**Impugned Order**"), partly allowed the amendment application filed by A.D. Rajgor. Godrej Projects Development Private Limited has filed a revision application before the Maharashtra State Co-operative Appellate Court, Mumbai, for setting aside the Impugned Order. The matter is currently pending.

2. A member Prabha Gurjar and others of Sundar Sangam Co-operative Housing Society, Malad, Mumbai, have filed a case in the Bombay City Civil Court at Dindoshi, Mumbai ("**Bombay City Civil Court**") against Shushila Gurjar and others, including Godrej Projects Development Private Limited, against being dispossessed them from their tenement. The Bombay City Civil Court, vide its interim order dated November 9, 2012, has permitted Godrej Projects Development Private Limited to undertake demolition of the premises for the purposes of redevelopment, upon submission of the necessary undertaking. Godrej Projects Development Private Limited has filed the necessary undertaking on November 23, 2012. The matter is currently pending.

Godrej Landmark Redevelopers Private Limited

Civil Proceedings

1. Ramesh Nadar, a member of Gokuldham Co-operative Housing Society, Sahakar Nagar ("**GCHS**"), has initiated proceedings against another member of GCHS, before the City Civil Court, Bombay for setting aside the alleged gift deed executed in relation to one of the flats in GCHS ("**Suit Premises**"). The Bombay High Court vide its order dated July 5, 2012 has directed the parties, amongst other things, to not deal with the developer, accept any compensation from the developer or put any party in possession, nor create third party interest in the Suit Premises. Godrej Landmark Redevelopers Private Limited, who is the developer in the present case, has been impleaded as party defendant in the matter by City Civil Court, Bombay. The matter is currently pending.

Godrej Realty Private Limited

Income Tax Proceedings

1. Godrej Realty Private Limited ("**GRPL**") has filed an appeal before the Appellate Tribunal on July 2, 2012 against the order of the Commissioner dated February 10, 2012 relating to the assessment year 2008-2009. The appeal has been filed on the ground that the Commissioner of Income Tax (Appeals) erred in confirming the action of the Assessing Officer in holding that an amount of ₹ 19.83 million was liable to be taxed as interest income under the head "Income from Other sources" since the same had accrued and become due to GRPL. It has been contended that the Commissioner of Income Tax (Appeals) has further erred in holding that such interest income was liable to be taxed under the head "Income from Other Sources" as against the head "Profits & Gains of Business" and in not directing the Assessing Officer to allow the expenditure attributable to the earning of such Interest Income. As a result of action of the Assessing Officer, interest under section 234B of the act has also been levied. The total amount claimed is approximately ₹9.25 million. The matter is currently pending.

   Pursuant to the above disallowance, a show cause notice dated March 19, 2013 has been issued to GRPL by Income Tax Officer, Mumbai in relation to the assessment year 2008-2009. GRPL has responded to the show cause notice on March 20, 2013 stating that the company has preferred an appeal to the Appellate Tribunal. However, the aforesaid appeal matter has not yet come up for hearing before the Income Tax Appellate Tribunal and has requested the Assessing Officer to keep the said penalty proceedings in abeyance till the disposal of the said appeal.

Godrej Nandhi Hills Project Private Limited

Income Tax Proceedings

1. Godrej Nandhi Hills Project Private Limited ("**GNHPPL**") has filed appeal under section 246A(a)(b) of the Income Tax Act,1961 before the Commissioner of Income Tax (Appeals), Bangalore on April 12, 2013 against the order dated March 19, 2013 passed by the Assessing Officer for the assessment year 2007-2008. The appeals has been filed on the ground that the assessing officer has erred in invoking the provisions of section 147 of the Income Tax Act, 1961 to disallow interest expenditure aggregating to ₹ 8.37 million as having been incurred towards the earning of dividend income and levying interest as a consequence of the disallowance made in the assessment order. The approximate amount claimed is ₹ 3.98 million. The matter is currently pending.

Godrej Sea View Properties Private Limited

Notice received

1. The Tamil Nadu Pollution Control Board ("**TNPCB**") has issued two show cause notices, each dated May 21, 2013 to Godrej Sea View Properties Private Limited ("**GSVPPL**") under the provisions of the Water (Prevention and Control of Pollution) Act, 1974 (the "**Water Act**") and the Air (Prevention and Control of Pollution) Act, 1981 (the "**Air Act**"), respectively. The show cause notices state that GSVPPL has carried

out production activity without obtaining consent to operate from TNPCB under the Water Act and the Air Act and has accordingly contravened the provisions of the Water Act and the Air Act. GSVPPL has been asked to show cause as to why penal actions should not be initiated against GSVPPL and as to why directions be not issued for the closure of the unit and stoppage of power supply to the unit. GSVPPL is in process of replying to the aforementioned notice.

Litigation by our Subsidiaries:

Godrej Developers Private Limited

Civil Proceedings

1. Godrej Developers Private Limited ("**GDPL**") has filed a writ petition before the High Court at Calcutta challenging the valuation of ₹ 486,728,767 arrived at and the consequent stamp duty demand of ₹ 34,071,034 made by the revenue authorities on the development agreement entered by GDPL with Simoco Telecommunications (South Asia) Limited and others, for the purposes of registration of the said development agreement. GDPL has paid the stamp duty demanded under protest and has contended that the matter be referred to the Collector for the purpose of valuation and determination of the applicable stamp duty on the above mentioned development agreement. The matter is currently pending.

Other Litigation:

1. SEBI had instituted proceedings against Hindustan Unilever Limited ("**HUL**") under the SEBI (Prohibition of Insider Trading) Regulations, 1992 ("**Insider Trading Regulation**") and held HUL and its directors, including Mr. Keki B. Dadiseth guilty of violation of Insider Trading Regulations. The order of SEBI was reversed by the appellate authority and HUL and its directors, including Mr. Keki B. Dadiseth were exonerated. Subsequently, SEBI has filed a writ challenging the decision of the Appellate Authority before the Bombay High Court and also filed prosecutions against the Company and its directors, including Mr. Keki B. Dadiseth. HUL and its directors, including Mr. Keki B. Dadiseth, challenged the prosecution proceedings before the Bombay High Court. The proceedings continue to be pending without any substantive progress so far for the last 14 years.

GOVERNMENT AND OTHER APPROVALS

We are required to obtain approvals at various stages of each of our projects, including upon completion of the respective projects or phases thereof. Such approvals typically include, inter alia, layout plan approval from the municipal corporation, intimation of disapproval (IOD) from the municipal corporation, commencement certificate from the municipal corporation, no objection certificate ("**NOC**") from the chief fire officer, environmental clearances from the state pollution control boards and Ministry of Environment and Forests or state environment impact assessment authorities, as may be applicable, occupancy certificate from the municipal corporation and other applicable project specific approvals. The requirement for such approvals for a particular project may vary depending on factors including the type of project, i.e., residential or commercial and the state where the project is located. Further, our obligation to obtain such approvals arises as we progress through different stages of construction and we will make applications for such approvals at the appropriate stage. For details of our Ongoing and Forthcoming Projects, please see *"Business – Description of our Business"* on page 73.

We have obtained necessary consents, licenses, permissions and approvals from the governmental and regulatory authorities that are required for carrying on our present business, except as stated below. Some of the approvals and licenses that we require for our present business operations may expire in the ordinary course of business, and we will apply for their renewal from time to time.

Stated below are the details of the pending approvals and pending renewals of licenses in relation to our projects:

Godrej Garden City, Ahmedabad

We have made an application for approval for supply of potable water to the buildings on April 13, 2009.

Godrej Eternia, Chandigarh

We have made applications for consent to operate the buildings on April 17, 2013 and for fire NOC on February 5, 2013. Further, we are yet to make an application for approval for running diesel generators.

Godrej Prakriti, Kolkata

We have made applications for approval of power supply on February 14, 2012 and for environmental clearance on October 8, 2010 for the project.

Godrej Horizon, Pune

We have made an application for use of land for non-agricultural purposes for phase 2, on March 19, 2013.

Godrej Frontier, Gurgaon

We have made applications for approval of service estimates on April 25, 2013 and for renewal of consent to establish on May 8, 2013. Further, we are yet to apply for the dump proof course certificate for plinth level.

Godrej Summit, Gurgaon

We have made applications for approval of service estimates on March 29, 2013, for consent to establish on December 18, 2012, and for environmental clearance on November 8, 2011.

Godrej Anandam, Nagpur

We have made an application for cutting trees in the construction area on January 28, 2013 and for renewal of fire NOC on March 30, 2013.

Godrej Palm Grove, Chennai

We have made applications for approval for abstraction of ground water on March 10, 2010 and for consent to establish on July 2, 2013.

Godrej Platinum, Kolkata

We have made applications for approval for construction of deep tube well on July 26, 2013 and for municipal water supply on June 28, 2013.

Godrej Platinum, Mumbai

We have made an application for amendment to the building plans for relocation of overhead water tanks on July 17, 2013.

Electronic City, Bangalore

We have made an application for commencement certificate for phase – 1 on July 12, 2013.

Godrej BKC, Mumbai

We have made an application for demand notice for payment of property taxes on August 1, 2013.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorised by a resolution of the Board of Directors of the Company passed at their meeting held on May 9, 2013, pursuant to Section 81 of the Companies Act.

The Company has received in-principle approvals from the BSE and the NSE for listing of the Equity Shares to be allotted in the Issue pursuant to letters dated June 13, 2013 and June 17, 2013, respectively.

RBI Letter with respect to renunciation

The Reserve Bank of India has, pursuant to a letter dated July 23, 2013 (the "**RBI Letter**"), approved the renunciation of Rights Entitlement by: (i) an Equity Shareholder resident in India, in favour of a non resident investor; (ii) an Equity Shareholder resident outside India to a person resident in India; and (iii) an Equity Shareholder resident outside India in favour of any other person resident outside India; subject to the conditions that: (a) any such renunciation shall be only on the floor of the Stock Exchanges; (b) the offer price to a non-resident investor should not be less than the offer price at which offer is made to a resident Equity Shareholder in terms of Regulation 6 of the Foreign Exchange Management (Transfer of Security by a Person Resident outside India) Regulations, 2000 (Notification No. FEMA.20/2000-RB dated May 3, 2000); (c) the individual as well as the overall limit for FII/NRI holding shall be complied with; and (d) our Company shall comply with the applicable documentation and reporting requirements.

Accordingly, in addition to renunciation of Rights Entitlement by an Equity Shareholder resident in India in favour of a person resident in India, renunciation of Rights Entitlement in the Issue can also be made by: (i) an Equity Shareholder resident in India, in favour of a non resident investor (being an FII or NRI applying under the Portfolio Investment Scheme); (ii) an Equity Shareholder resident outside India to a person resident in India; and (iii) an Equity Shareholder resident outside India in favour of any other person resident outside India (being an FII or NRI applying under the Portfolio Investment Scheme), each subject to compliance with the aforementioned conditions specified in the RBI Letter.

Further, in respect of applications for additional Equity Shares in the Issue, the RBI Letter states that only the existing non-resident shareholders can apply for additional shares, subject to the sectoral cap. Accordingly, only the following may apply for additional Equity Shares in the Issue:

(i) resident Equity Shareholders of our Company;
(ii) non-resident Equity Shareholders of our Company subject to the sectoral cap; and
(iii) resident Renouncees.

Prohibition by SEBI or Other Governmental Authorities

The Company, the Subsidiaries, the LLPs, the Promoters, the members of the Promoter Group, the Directors and the persons in control of the Company, persons in control of Promoters have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies with which the Promoters, the Directors or the persons in control of the Company are or were associated as promoter, directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except for Mr. Keki B. Dadiseth, who is a director in JM Financial Services Limited and ICICI Prudential Trust Limited, none of the Directors of the Company are associated with the securities markets in any manner.

Prohibition by RBI

None of the Company, the Promoters, the Directors, members of the Promoter Group and Group Companies have been identified as willful defaulters by the RBI or any other governmental authority.

Eligibility for the Issue

The Company is a listed company and has been incorporated under the Companies Act. The Equity Shares of the Company are presently listed on the Stock Exchanges. It is eligible to offer this issue in terms of Chapter IV of the SEBI Regulations.

Compliance with Part E of Schedule VIII of the SEBI Regulations

The Company is in compliance with the provisions specified in Clause (1), Part E, Schedule VIII of the SEBI Regulations as explained below:

(a) The Company has been filing periodic reports, statements and information in compliance with the listing agreement for the last three years immediately preceding the date of filing the Draft Letter of Offer with SEBI.

(b) The reports, statements and information referred to in sub-clause (a) above are available on the website of BSE and NSE or on a common e-filing platform specified by SEBI.

(c) The Company has an investor grievance-handling mechanism which includes meeting of the Shareholders/Investors' Grievance Committee at frequent intervals, appropriate delegation of power by the Board of Directors of the Company as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As the Company satisfies the conditions specified in Clause (1) of Part E of Schedule VIII of SEBI Regulations, disclosures in this Letter of Offer have been made in terms of Clause (5), Part E, Schedule VIII of SEBI Regulations.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THE DRAFT LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. THE LEAD MANAGER, KOTAK MAHINDRA CAPITAL COMPANY LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE THE LEAD MANAGER, KOTAK MAHINDRA CAPITAL COMPANY LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JUNE 5, 2013 WHICH READS AS FOLLOWS:

(1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT LETTER OF OFFER PERTAINING TO THE ISSUE;

(2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT

VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:

(a) THE DRAFT LETTER OF OFFER FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;

(b) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY SEBI, THE GOVERNMENT OF INDIA AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

(c) THE DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

(3) WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.

(4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – <u>NOT APPLICABLE</u>

(5) WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF ITS SPECIFIED SECURITIES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT LETTER OF OFFER WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT LETTER OF OFFER – <u>NOT APPLICABLE</u>

(6) WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER – <u>NOT APPLICABLE</u>

(7) WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE ISSUE – <u>NOT APPLICABLE</u>

(8) WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS'

LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.

(9) **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT LETTER OF OFFER. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. NOTED FOR COMPLIANCE, SUBJECT TO COMPLIANCE WITH REGULATION 56 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009.**

(10) **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT LETTER OF OFFER THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.**

(11) **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

(12) **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER:**

(a) **AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY AND**

(b) **AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.**

(13) **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.**

(14) **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE,ETC**.

(15) **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**

(16) **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS**

PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR DATED SEPTEMBER 27, 2011. NOT APPLICABLE.

(17) WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED, IN ACCORDANCE WITH ACCOUNTING STANDARD 18, IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT LETTER OF OFFER.

THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCE AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT LETTER OF OFFER.

Disclaimer clauses from the Company and the Lead Manager

Our Company and the Lead Manager accept no responsibility for statements made otherwise than in the Draft Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his own risk.

Investors who invest in the Issue will be deemed to have represented to our Company, the Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares, and are relying on independent advice / evaluation as to their ability and quantum of investment in the Issue.

CAUTION

Our Company and the Lead Manager shall make all information available to the Equity Shareholders and no selective or additional information would be available for a section of the Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of the Draft Letter of Offer with SEBI.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this document. You must not rely on any unauthorized information or representations. The Draft Letter of Offer is an offer to sell only the Equity Shares and rights to purchase the Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Letter of Offer is current only as of its date.

Disclaimer with respect to jurisdiction

This Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, India only.

Designated Stock Exchange

The Designated Stock Exchange for the purpose of the Issue will be BSE.

Disclaimer Clause of the BSE

As required, a copy of the Draft Letter of Offer has been submitted to the BSE. The Disclaimer Clause as intimated by the BSE to us, post scrutiny of the Draft Letter of Offer is as under:

BSE Limited ("the Exchange") has given vide its letter dated June 13, 2013 permission to this Company to use the Exchange's name in this Letter of Offer as one of the stock exchanges on which this Company's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

i. warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; or

ii. warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or

iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this letter of offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of the NSE

As required, a copy of the Draft Letter of Offer has been submitted to the NSE. The Disclaimer Clause as intimated by the NSE to us, post scrutiny of the Draft Letter of Offer is as under:

As required, a copy of this letter of offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref. No. NSE/LIST/207416–R dated June 17, 2013 permission to the Issuer to use the Exchange's name in this letter of offer as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinised this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the letter of offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation any analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Selling Restrictions

The distribution of this Letter of Offer and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer may come are required to inform themselves about and observe such restrictions. Our Company is making the Issue of Equity Shares on a rights basis to the Equity Shareholders of our Company and will dispatch this Letter of Offer and CAFs only to Equity Shareholders who have provided an Indian address.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of this Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Letter of Offer has been filed with the Stock Exchanges.

Accordingly, the Equity Shares and Rights Entitlement may not be offered or sold, directly or indirectly, and none of the Letter of Offer or any offering materials or advertisements in connection with the Equity Shares or Rights Entitlement may be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Letter of Offer and its accompanying documents are being supplied to you solely for your information

and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in the Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and additional Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Each person who exercises Rights Entitlement and subscribes for Equity Shares or excess Equity Shares, or who purchases Rights Entitlement or Equity Shares shall do so in accordance with the restrictions set out below.

Filing

The Draft Letter of Offer has been filed with the Corporation Finance Department of the SEBI, located at SEBI Bhavan, C-4-A, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, India for its observations. Pursuant to receipt of SEBI's observations, this Letter of Offer is being filed with the Designated Stock Exchange as per the provisions of the Companies Act. The PAN, bank account numbers and passport numbers of the Promoters were submitted to the Stock Exchanges at the time of filing the Draft Letter of Offer with the Stock Exchanges.

Issue Related Expenses

The expenses of the Issue payable by our Company include brokerage, fees and reimbursement to the Lead Manager, Auditor, Legal Advisor to the Issue, Registrar to the Issue, printing and distribution expenses, publicity, listing fees, stamp duty and other expenses and will be met out of the Issue Proceeds.

Particulars	Estimated Amounts (₹ in million)	As percentage of total expenses	As a percentage of Issue Size
Fees of Lead Manager, Bankers to the Issue, Legal Advisor, Registrar to the Issue and out of pocket expenses	50.10	55.58%	0.72%
Expenses relating to advertising, printing, distribution, marketing and stationery expenses and ASBA processing fees	30.43	33.76%	0.43%
Regulatory fees, filing fees, listing fees, depository fees, auditor fees and miscellaneous expenses	9.61	10.66%	0.14%
Total estimated Issue related expenses	**90.14**	**100.00%**	**1.29%**

Investor Grievances and Redressal System

Our Company has adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements under the Equity Listing Agreement. The Investors' Grievance cum Share Transfer Committee currently comprises of Mr. Adi B. Godrej (Chairman), Mr. Pirojsha Godrej and Mr. Amit B. Choudhury. The broad terms of reference include 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.

Time normally taken for disposal of various types of investor complaints: five to seven days

Status of outstanding investor complaints in relation to our Company

Nil

Investor Grievances arising out of the Issue

Our Company's investor grievances arising out of the Issue will be handled by Karvy Computershare Private Limited, who is the Registrar to the Issue. The Registrar will have a separate team of personnel handling only post-Issue correspondence.

The agreement between our Company and the Registrar will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of Allotment Advice/ share certificate / demat credit / refund order to enable the Registrar to redress grievances of Investors.

All grievances relating to the Issue may be addressed to the Registrar to the Issue or the SCSB in case of ASBA applicants giving full details such as folio no., name and address, contact telephone / cell numbers, email id of the first applicant, number and type of shares applied for, application form serial number, amount paid on application and the name of the bank and the branch where the application was deposited, alongwith a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar for attending to routine grievances will be 7-10 days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to attend to them as expeditiously as possible. Our Company undertakes to resolve the Investor grievances in a time bound manner.

Registrar to the Issue

Karvy Computershare Private Limited
Plot No. 17-24, Vithalrao Nagar
Madhapur, Hyderabad 500 081
Tel: (91 40) 4465 5000
Fax: (91 40) 2343 1551
Email: gpl.rights@karvy.com
Investor Grievance Email: einward.ris@karvy.com
Website: www.karisma.karvy.com
Contact Person: Muralikrishna M
SEBI Registration No: INR000000221

Investors may contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue/ post - Issue related problems such as non-receipt of Allotment advice/share certificates/ demat credit/refund orders etc. The contact details of the Compliance Officer are as follows:

Shodhan A. Kembhavi
Godrej Properties Limited
Godrej Bhavan, 4th Floor,
4A, Home Street, Fort,
Mumbai 400 001
Tel: (91 22) 6651 0200
Fax: (91 22) 2207 2044
Email: secretarial@godrejproperties.com

SECTION VII: ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Letter of Offer, the Abridged Letter of Offer, the CAF, the Memorandum of Association and Articles of Association of our Company, and the provisions of the Companies Act, FEMA, the guidelines and regulations issued by SEBI, the guidelines, notifications and regulations for the issue of capital and for listing of securities issued by the Government of India and other statutory and regulatory authorities from time to time, approvals, if any from the RBI or other regulatory authorities, the terms of listing agreements entered into by our Company with the Stock Exchanges and terms and conditions as stipulated in the allotment advice or security certificate.

Please note that, in terms of SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, QIB applicants, Non-Institutional Investors and other applicants whose application amount exceeds ₹ 200,000, complying with the eligibility conditions of SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, can participate in the Issue only through the ASBA process. The Investors who are not (i) QIBs, (ii) Non-Institutional Investors or (iii) investors whose application amount is more than ₹ 200,000, can participate in the Issue either through the ASBA process or the non ASBA process. ASBA Investors should note that the ASBA process involves application procedures that may be different from the procedure applicable to non ASBA process. ASBA Investors should carefully read the provisions applicable to such applications before making their application through the ASBA process. For details, please refer to "*Procedure for Application through the Applications Supported by Blocked Amount ("ASBA") Process*" on page 236.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in its own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, for ensuring compliance with the applicable regulations.

All rights/obligations of Rights Issue Equity Shareholders in relation to application and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

Basis for the Issue

The Equity Shares are being offered for subscription for cash to the existing Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held in the electronic form and on the register of members of our Company in respect of the Equity Shares held in physical form at the close of business hours on the Record Date, i.e. August 20, 2013, fixed in consultation with the Designated Stock Exchange.

Rights Entitlement

As your name appears as a beneficial owner in respect of the Equity Shares held in the electronic form or appears in the register of members as an Equity Shareholder of our Company in respect of the Equity Shares held in physical form as on the Record Date, i.e., August 20, 2013 you are entitled to the number of Equity Shares as set out in Part A of the CAFs.

The distribution of the Letter of Offer and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. The Company is making the issue of Equity Shares on a rights basis to the Equity Shareholders and the Letter of Offer/Abridged Letter of Offer and the CAFs will be dispatched only to those Equity Shareholders who have a registered address in India. Any person who acquires Rights Entitlements or Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer/Abridged Letter of Offer, that it is not and that at the time of subscribing for the Equity Shares or the Rights Entitlements, it will

not be in any restricted jurisdiction.

PRINCIPAL TERMS OF THE EQUITY SHARES

Face Value

Each Equity Share will have the face value of ₹ 10.

Issue Price

Each Equity Share shall be offered at an Issue Price of ₹ 325 for cash at a premium of ₹ 315 per Equity Share. The Issue Price has been arrived at after consultation between our Company and the Lead Manager and has been decided prior to the determination of the Record Date.

Rights Entitlement Ratio

The Equity Shares are being offered on a rights basis to the Equity Shareholders in the ratio of eight Equity Shares for every 29 Equity Shares held on the Record Date.

Terms of Payment

Full amount of ₹ 325 per Equity Share is payable on application.

Fractional Entitlements

The Equity Shares are being offered on a rights basis to the existing Equity Shareholders in the ratio of eight Equity Shares for every 29 Equity Shares held as on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Equity Shareholders is less than 29 Equity Shares or not in the multiple of 29, the fractional entitlement of such Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, Equity Shareholders whose fractional entitlements are being ignored as above would be given preferential consideration for the Allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any.

Those Equity Shareholders holding less than four Equity Shares and therefore entitled to 'Zero' Equity Shares under this Issue shall be despatched a CAF with 'Zero' entitlement. Such Equity Shareholders are entitled to apply for additional Equity Shares and would be given preference in the allotment of one additional Equity Share if, such Equity Shareholders have applied for the additional Equity Shares. However, they cannot renounce the same in favour of third parties. CAFs with zero entitlement will be non-negotiable/non-renounceable.

Ranking

The Equity Shares being issued shall be subject to the provisions of the Memorandum of Association and Articles of Association. The Equity Shares allotted in the Issue shall rank *pari passu* with the existing Equity Shares.

Mode of payment of dividend

In the event of declaration of dividend, we shall pay dividend to Equity Shareholders as per the provisions of the Companies Act and the provisions of our Articles of Association.

Listing and trading of Equity Shares proposed to be issued

Our Company's existing Equity Shares are currently traded on the Stock Exchanges under the ISIN INE484J0109. The fully paid up Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges under the existing ISIN for fully paid up Equity Shares of our Company.

The listing and trading of the Equity Shares shall be based on the current regulatory framework applicable thereto. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

The Equity Shares allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of the necessary formalities for listing and commencement of trading shall be taken within 15 days from the Issue Closing Date. Our Company has made an application for "in-principle" approval for listing of the Equity Shares to the BSE and the NSE and has received such approval from the BSE pursuant to the letter no. DCS/PREF/BS-RT/154/13-14 dated June 13, 2013 and from the NSE pursuant to the letter no. NSE/LIST/207416-R dated June 17, 2013.

Rights of the Equity Shareholder

Subject to applicable laws, the Equity Shareholders of our Company shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right to free transferability of Equity Shares; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum of Association and Articles of Association.

General Terms of the Issue

Market Lot

The Equity Shares of our Company are tradable only in dematerialized form. The market lot for Equity Shares in dematerialised mode is one. In case an Equity Shareholder holds Equity Shares in physical form, our Company would issue to the allottees one certificate for the Equity Shares allotted to each folio ("Consolidated Certificate"). Such Consolidated Certificates may be split into smaller denominations at the request of the Equity Shareholder.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint holders with the benefit of survivorship subject to the provisions contained in the Articles of Association.

Nomination

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 109A of the Companies Act. An Equity Shareholder can nominate any person by filling the relevant details in the CAF in the space provided for this purpose. In case of Equity Shareholders who are individuals, a sole Equity Shareholder or the first named Equity Shareholder, along with other joint Equity Shareholders, if any, may nominate any person(s) who, in the event of the death of the sole Equity Shareholder or all the joint Equity Shareholders, as the case may be, shall become entitled to the Equity Shares offered in the Issue. A person, being a nominee, becoming entitled to the Equity Shares by reason of the death of the original Equity Shareholder(s), shall be entitled to the same advantages to which he would be entitled if he were the registered Equity Shareholder. Where the nominee is a minor, the Equity Shareholder(s) may also make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Shares, in the event of death of the said Equity Shareholder, during the minority of the nominee. A nomination shall stand rescinded upon the sale of the Equity Shares by the person nominating. A transferee will be entitled to make a fresh nomination in the manner prescribed. Fresh nominations can be made only in the prescribed form available on request at the Registered Office of our Company or such other person at such addresses as may be notified by our Company. The Investor can make the nomination by filling in the relevant portion of the CAF. In terms of Section 109B of the Companies Act, any person who becomes a nominee by virtue of the provisions of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Only one nomination would be applicable for one folio. Hence, in case the Investor(s) has already registered the nomination with our Company, no further nomination needs to be made for Equity Shares that may be allotted in this Issue under the same folio.

In case the allotment of Equity Shares is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be allotted in this Issue. Nominations registered with respective Depositary Participant ("DP") of the Investor would prevail. Any Investor desirous of changing the existing nomination is requested to inform its respective DP.

Notices

All notices to the Equity Shareholder(s) required to be given by our Company shall be published in one English language national daily newspaper, one Hindi national daily newspaper and one Marathi language daily newspaper with wide circulation and/or, will be sent by post to the registered address of the Equity Shareholders in India or the Indian address provided by the Equity Shareholders from time to time.

Intention to Subscribe for Additional Equity Shares by the Promoters and members of the Promoter Group

The Promoters and the members of the Promoter Group of the Company have confirmed that they intend to subscribe to the full extent of their Rights Entitlement in the Issue. The consequent Allotment shall be subject to the aggregate shareholding of the Promoter and Promoter Group not exceeding 75% of the post-Issue equity share capital of the Company as on the date of Allotment, in accordance with clause 40A of the Equity Listing Agreements, and shall further be in compliance with the provisions of Regulation 10(4)(a) of the Takeover Regulations. In addition to subscription to their own Rights Entitlements, the Promoters and members of the Promoter Group have further confirmed that they intend to subscribe to additional Equity Shares for any unsubscribed shares in relation to the Rights Entitlement of the Promoter and Promoter Group, subject to aggregate shareholding of the Promoters and Promoter Group not exceeding 75% of the post-Issue equity share capital of the Company on the date of Allotment, in accordance with clause 40A of the Equity Listing Agreements. The acquisition of such additional Equity Shares by the Promoters and the members of the Promoter Group will be in accordance with Regulation 10(4)(b) of the Takeover Regulations.

However, in the event of an under-subscription in the Issue, specifically in relation to the Rights Entitlement in relation to the public shareholders of the Company, Allotment against the applications made by the Promoter and members of the Promoter Group, for their Rights Entitlement and additional Equity Shares, will be proportionally reduced such that aggregate shareholding of the Promoters and Promoter Group does not exceed 75% of the post-Issue equity share capital of the Company as on the date of Allotment.

For details, see "- *Basis of Allotment"* on page 244.

Procedure for Application

The CAF for the Equity Shares offered as part of the Issue would be printed for all Equity Shareholders. In case the original CAFs are not received by the Equity Shareholder or is misplaced by the Equity Shareholder, the Equity Shareholder may request the Registrar to the Issue, for issue of a duplicate CAF, by furnishing the registered folio number, DP ID Number, Client ID Number and their full name and Indian address. In case the signature of the Investor(s) does not match with the specimen registered with our Company, the application is liable to be rejected.

Please note that neither our Company nor the Registrar to the Issue shall be responsible for delay in the receipt of the CAF/duplicate CAF attributable to postal delays or if the CAF/duplicate CAF are misplaced in the transit.

Please note that QIB applicants, Non-Institutional Investors and other applicants whose application amount exceeds ₹ 200,000, complying with the eligibility conditions of SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, can participate in the Issue only through the ASBA process. The Investors who are not (i) QIBs, (ii) Non-Institutional Investors, or (iii) Investors whose application amount is more than ₹ 200,000, can participate in the Issue either through the ASBA process or the non ASBA process.

Please also note that by virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Equity Shareholder being an OCB is required to obtain prior approval from RBI for applying to this Issue.

The CAF consists of four parts:

Part A: Form for accepting the Equity Shares offered as a part of this Issue, in full or in part, and for applying for additional Equity Shares;

Part B: Form for renunciation of Equity Shares;

Part C: Form for application of Equity Shares by Renouncee(s);

Part D: Form for request for split Application forms.

Option available to the Equity Shareholders

The CAFs will clearly indicate the number of Equity Shares that the Equity Shareholder is entitled to.

If the Equity Shareholder applies for an investment in Equity Shares, then he can:

- Apply for his Rights Entitlement of Equity Shares in full;
- Apply for his Rights Entitlement of Equity Shares in part;
- Apply for his Rights Entitlement of Equity Shares in part and renounce the other part of the Equity Shares;
- Apply for his Rights Entitlement in full and apply for additional Equity Shares;
- Renounce his Rights Entitlement in full.

Acceptance of the Issue

You may accept the offer to participate and apply for the Equity Shares offered, either in full or in part, by filling Part A of the CAFs and submit the same along with the application money payable to the Bankers to the Issue or any of the collection centers as mentioned on the reverse of the CAFs before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by our Board of Directors in this regard. Investors at centres not covered by the collection branches of the Bankers to the Issue can send their CAFs together with the cheque drawn at par on a local bank at Hyderabad/demand draft payable at Hyderabad to the Registrar to the Issue by registered post so as to reach the Registrar to the Issue prior to the Issue Closing Date. Please note that neither the Company nor the Lead Manager nor the Registrar to the Issue shall be responsible for delay in the receipt of the CAF attributable to postal delays or if the CAF is misplaced in the transit. Such applications sent to anyone other than the Registrar to the Issue are liable to be rejected. For further details on the mode of payment, see "*Mode of Payment for Resident Investors*" and "*Mode of Payment for Non-Resident Investors*" on page 234.

Additional Equity Shares

You are eligible to apply for additional Equity Shares over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Equity Shares offered to you without renouncing them in whole or in part in favour of any other person(s). Applications for additional Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to sectoral caps and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under "*Basis of Allotment*" on page 244.

If you desire to apply for additional Equity Shares, please indicate your requirement in the place provided for additional Equity Shares in Part A of the CAF. The Renouncee applying for all the Equity Shares renounced in their favour may also apply for additional Equity Shares.

In terms of the RBI Letter dated July 23, 2013 (the "RBI Letter"), only the existing non-resident shareholders can apply for additional shares, subject to the sectoral cap. Accordingly, only the following may apply for additional Equity Shares in the Issue:

(i) **resident Equity Shareholders of our Company;**
(ii) **non-resident Equity Shareholders of our Company subject to the sectoral cap; and**
(iii) **resident Renouncees**

Where the number of additional Equity Shares applied for exceeds the number of Equity Shares available for Allotment, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

Renunciation

The Issue includes a right exercisable by you to renounce the Equity Shares offered to you either in full or in part in favour of any other person or persons. Your attention is drawn to the fact that our Company shall not Allot and/or register the Equity Shares in favour of the following Renouncees: (i) more than three persons (including joint holders); (ii) partnership firm(s) or their nominee(s); (iii) minors; (iv) HUF; or (v) any trust or society (unless the same is registered under the Societies Registration Act, 1860 or the Indian Trust Act, 1882 or any other applicable law relating to societies or trusts and is authorized under its constitution or bye-laws to hold Equity Shares, as the case may be). Additionally, existing Equity Shareholders may not renounce in favour of persons or entities who would otherwise be prohibited from being offered or subscribing for Equity Shares or Rights Entitlement under applicable securities laws.

Letter from the RBI with respect to renunciation

The Reserve Bank of India has, pursuant to a letter dated July 23, 2013 (the "**RBI Letter**"), approved the renunciation of Rights Entitlement by: (i) an Equity Shareholder resident in India, in favour of a non resident investor; (ii) an Equity Shareholder resident outside India to a person resident in India; and (iii) an Equity Shareholder resident outside India in favour of any other person resident outside India; subject to the conditions that: (a) any such renunciation shall be only on the floor of the Stock Exchanges; (b) the offer price to a non-resident investor should not be less than the offer price at which offer is made to a resident Equity Shareholder in terms of Regulation 6 of the Foreign Exchange Management (Transfer of Security by a Person Resident outside India) Regulations, 2000 (Notification No. FEMA.20/2000-RB dated May 3, 2000); (c) the individual as well as the overall limit for FII/NRI holding shall be complied with; and (d) our Company shall comply with the applicable documentation and reporting requirements.

Accordingly, in addition to renunciation of Rights Entitlement by an Equity Shareholder resident in India in favour of a person resident in India, renunciation of Rights Entitlement in the Issue can also be made by: (i) an Equity Shareholder resident in India, in favour of a non resident investor (being an FII or NRI applying under the Portfolio Investment Scheme); (ii) an Equity Shareholder resident outside India to a person resident in India; and (iii) an Equity Shareholder resident outside India in favour of any other person resident outside India (being an FII or NRI applying under the Portfolio Investment Scheme), each subject to compliance with the aforementioned conditions specified in the RBI Letter.

Further, in respect of applications for additional Equity Shares in the Issue, the RBI Letter states that only the existing non-resident shareholders can apply for additional shares, subject to the sectoral cap. Accordingly, only the following may apply for additional Equity Shares in the Issue:

(iv) resident Equity Shareholders of our Company;
(v) non-resident Equity Shareholders of our Company subject to the sectoral cap; and
(vi) resident Renouncees.

Any renunciation (i) from resident Indian equity shareholder(s) to non-resident(s); (ii) from non-resident equity shareholder(s) to resident Indian(s); or (iii) from a non-resident equity shareholder(s) to other non-resident(s), and subscription of Equity Shares by such renouncee other than as stated above is subject to the renouncer(s)/ renouncee(s) obtaining the regulatory approvals and such approvals should be attached to the CAF or SAF. In case of applications which are not accompanied by the aforesaid approvals, the Board reserves the right to reject such application.

By virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Accordingly, the existing Equity Shareholders of our Company who do not wish to subscribe to the Equity Shares being offered but wish to renounce the same in favour of Renouncee shall not renounce the same (whether for consideration or otherwise) in favour of OCB(s).

The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that **OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities** in terms of Regulation 5(1) of RBI Notification No.20/ 2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. Shareholders renouncing their rights in favour of OCBs may do so provided such Renouncee obtains a prior approval from the RBI. On submission of such approval to us at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the CAF.

(i) Part 'A' of the CAF must not be used by any person(s) other than those in whose favour this offer has been made. If used, this will render the application invalid. Submission of the CAF to the Banker to the Issue at its collecting branches specified on the reverse of the CAF with the form of renunciation (Part 'B' of the CAF) duly filled in shall be the conclusive evidence for our Company of the fact of renouncement to the person(s) applying for Equity Shares in Part 'C' of the CAF for the purpose of Allotment of such Equity Shares. The Renouncees applying for all the Equity Shares renounced in their favour may also apply for additional Equity Shares. Part 'A' of the CAF must not be used by the Renouncee(s) as this will render the application invalid. Renouncee(s) will have no right to further renounce any Equity Shares in favour of any other person.

Procedure for renunciation

To renounce all the Equity Shares offered to an Equity Shareholder in favour of one Renouncee

If you wish to renounce the offer indicated in Part 'A', in whole, please complete Part 'B' of the CAF. In case of joint holding, all joint holders must sign Part 'B' of the CAF. The person in whose favour renunciation has been made should complete and sign Part 'C' of the CAF. In case of joint Renouncees, all joint Renouncees must sign Part 'C' of the CAF.

To renounce in part/or renounce the whole to more than one person(s)

If you wish to either (i) accept this offer in part and renounce the balance, or (ii) renounce the entire offer under this Issue in favour of two or more Renouncees, the CAF must be first split into requisite number of forms. Please indicate your requirement of SAFs in the space provided for this purpose in Part 'D' of the CAF and return the entire CAF to the Registrar to the Issue so as to reach them latest by the close of business hours on the last date of receiving requests for SAFs as provided herein. On receipt of the required number of SAFs from the Registrar, the procedure as mentioned in paragraph above shall have to be followed.

In case the signature of the Equity Shareholder(s), who has renounced the Equity Shares, does not match with the specimen registered with our Company/Depositories, the application is liable to be rejected.

Renouncee(s)

The person(s) in whose favour the Equity Shares are renounced should fill in and sign Part 'C' of the CAF and submit the entire CAF to the Bankers to the Issue or any of the collection branches as mentioned on the reverse of the CAFs on or before the Issue Closing Date along with the application money in full.

Change and/or introduction of additional holders

If you wish to apply for Equity Shares jointly with any other person(s), not more than three including you, who is/are not already a joint holder with you, it shall amount to renunciation and the procedure as stated above for renunciation shall have to be followed. Even a change in the sequence of the name of joint holders shall amount to renunciation and the procedure, as stated above shall have to be followed.

However, this right of renunciation is subject to the express condition that the Board of Directors shall be entitled in its absolute discretion to reject the request for Allotment from the Renouncee(s) without assigning any reason thereof.

Instructions for Options

The summary of options available to the Equity Shareholder is presented below. You may exercise any of the following options with regard to the Equity Shares offered, using the CAF:

Option Available	Action Required
1. Accept whole or part of your Rights Entitlement without renouncing the balance.	Fill in and sign Part A *(All joint holders must sign)*
2. Accept your Rights Entitlement in full and apply for additional Equity Shares	Fill in and sign Part A including Block III relating to the acceptance of entitlement and Block IV relating to additional Equity Shares *(All joint holders must sign)*
3. Accept a part of your Rights Entitlement and renounce the balance to one or more Renouncee(s) OR Renounce your Rights Entitlement to all the Equity Shares offered to you to more than one Renouncee	Fill in and sign Part D *(all joint holders must sign)* requesting for SAFs. Send the CAF to the Registrar to the Issue so as to reach them on or before the last date for receiving requests for SAFs. Splitting will be permitted only once. On receipt of the SAF take action as indicated below. (i) For the Equity Shares you wish to accept, if any, fill in and sign Part A. (ii) For the Equity Shares you wish to renounce, fill in and sign Part B indicating the number of Equity Shares renounced and hand it over to the Renouncees. (iii) Each Renouncee should fill in and sign Part C for the Equity Shares accepted by them.
4. Renounce your Rights Entitlement in full to one person *(Joint Renouncees are considered as one)*.	Fill in and sign Part B *(all joint holders must sign)* indicating the number of Equity Shares renounced and hand it over to the Renouncee. The Renouncee must fill in and sign Part C *(All joint Renouncees must sign)*
5. Introduce a joint holder or change the sequence of joint holders	This will be treated as renunciation. Fill in and sign Part B and the Renouncee must fill in and sign Part C.

Please note that:

- Part 'A' of the CAF must not be used by any person(s) other than the Equity Shareholder to whom the Letter of Offer has been addressed. If used, this will render the application invalid.

- Request for each SAF should be made for a minimum of one Equity Share or, in each case, in multiples thereof and one SAF for the balance Equity Shares, if any.

- Request by the Investor for the SAFs should reach the Registrar to the Issue on or before September 4, 2013.

- Only the Equity Shareholder to whom the Letter of Offer has been addressed shall be entitled to renounce and to apply for SAFs. Forms once split cannot be split further.

- SAFs will be sent to the Investor(s) by post at the applicant's risk.

- Equity Shareholders may not renounce in favour of persons or entities who would otherwise be prohibited from being offered or subscribing for Equity Shares or Rights Entitlement under applicable securities laws. Please refer to "*Other Regulatory and Statutory Disclosures - RBI Letter with respect to renunciation*" on page 216.

- While applying for or renouncing their Rights Entitlement, all joint Equity Shareholders must sign the CAF and in the same order and as per specimen signatures recorded with our Company/ Depositories.

- *Non-resident Equity Shareholders:* Application(s) received from Non-Resident/ NRIs, or persons of Indian origin residing abroad for allotment of Equity Shares alloted as a part of this Issue shall, inter alia, be subject to conditions, as may be imposed from time to time by the RBI under FEMA in the matter of refund of application money, allotment of equity shares, subsequent issue and allotment of equity shares, interest, export of share certificates, etc. In case a Non-Resident or NRI Eligible Equity Shareholder has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF.

Availability of duplicate CAF

In case the original CAF is not received, or is misplaced by the Equity Shareholder, the Registrar to the Issue will issue a duplicate CAF on the request of the Investor who should furnish the registered folio number/ DP and Client ID number and his/ her full name and Indian address to the Registrar to the Issue. Please note that the request for duplicate CAF should reach the Registrar to the Issue at least seven days prior to the Issue Closing Date. Please note that those who are making the application in the duplicate form should not utilize the original CAF for any purpose including renunciation, even if it is received/ found subsequently. If the Investor violates such requirements, he / she shall face the risk of rejection of either original CAF or both the applications. Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of duplicate CAF in transit, if any.

Application on Plain Paper

An Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF may make an application to subscribe to the Issue on plain paper, along with an account payee cheque drawn on a bank in Hyderabad/ demand draft, net of bank and postal charges payable at Hyderabad and the Investor should send the same by registered post directly to the Registrar to the Issue. For details of the mode of payment, please see "*Modes of Payment*" on page 234. Applications on plain paper will not be accepted from any address outside India.

The envelope should be super scribed "Godrej Properties Limited – Rights Issue" and should be postmarked in India. The application on plain paper, duly signed by the Equity Shareholder including joint holders, in the same order and as per specimen recorded with our Company/ Depositories, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

- Name of our Company, being Godrej Properties Limited;

- Name and address of the Equity Shareholder including joint holders;

- Registered Folio Number/ DP and Client ID No.;
- Number of Equity Shares held as on Record Date;
- Share certificate numbers and distinctive numbers of Equity Shares, if held in physical form;
- Allotment option preferred - physical or demat form, if held in physical form;
- Number of Equity Shares entitled to;
- Number of Equity Shares applied for;
- Number of additional Equity Shares applied for, if any;
- Total number of Equity Shares applied for;
- Total amount paid at the rate of ₹ 325 per Equity Share;
- Particulars of cheque/ demand draft;
- Savings/ current account number and name and address of the bank where the Equity Shareholder will be depositing the refund order. In case of Equity Shares held in dematerialized form, the Registrar shall obtain the bank account details from the information available with the Depositories;
- Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Equity Shareholder and for each Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue;
- If the payment is made by a draft purchased from NRE/FCNR/NRO account, as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/FCNR/NRO account;
- Signature of the Applicant (in case of joint holders, to appear in the same sequence and order as they appear in our records); and
- Additionally, all such applicants are deemed to have accepted the following:

  "I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, and will be, registered under the United States Securities Act of 1933 (the "US Securities Act"), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "United States") or to, or for the account or benefit of a "U.S. Person" as defined in Regulation S of the US Securities Act ("Regulation S"), except for transactions which are exempt from registration under the US Securities Act.

  I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

  I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

  I/ We acknowledge that we, the Lead Manager, its affiliates and others will rely upon the truth and *accuracy of the foregoing representations and agreements."*

Please note that those who are making the application otherwise than on original CAF shall not be entitled to renounce their rights and should not utilize the original CAF for any purpose including renunciation even if it is received subsequently. If the Equity Shareholder violates such requirements, he/ she shall face the risk of rejection of both the applications. Our Company shall refund such application amount to the Equity Shareholder without any interest thereon.

Last date for Application

The last date for submission of the duly filled in CAF is September 11, 2013. The Board may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days.

If the CAF together with the amount payable is not received by the Banker to the Issue/ Registrar to the Issue on or before the close of banking hours on the aforesaid last date or such date as may be extended by the Board/ Committee of Directors, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and the Board/ Committee of Directors shall be at liberty to dispose off the Equity Shares hereby offered, as provided under "- *Basis of Allotment*" on page 244.

Modes of Payment

Mode of payment for Resident Investors

- All cheques / demand drafts accompanying the CAF should be drawn in favour of "Godrej Properties Limited – Rights Issue" crossed 'A/c Payee only' and should be submitted along with the CAF to the Bankers to the Issue/ Collecting Bank or to the Registrar to the Issue;

- Investors residing at places other than places where the bank collection centres have been opened by our Company for collecting applications, are requested to send their CAFs together with an account payee cheque drawn on a bank in Hyderabad/demand draft for the full application amount, net of bank and postal charges drawn in favour of "Godrej Properties Limited – Rights Issue", crossed 'A/c Payee only' and payable at Hyderabad directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. The envelope should be superscribed "Godrej Properties Limited – Rights Issue". Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.

Mode of payment for Non-Resident Investors

As regards the application by non-resident Investor, the following conditions shall apply:

- Individual non-resident Indian applicants who are permitted to subscribe for Equity Shares by applicable local securities laws can obtain application forms from the following address:

  Karvy Computershare Private Limited
  Plot No. 17-24, Vithalrao Nagar
  Madhapur, Hyderabad 500 081
  Tel: (91 40) 4465 5000
  Fax: (91 40) 2343 1551
  Email: gpl.rights@karvy.com
  Investor Grievance Email: einward.ris@karvy.com
  Website: www.karisma.karvy.com
  Contact Person: Muralikrishna M
  SEBI Registration No: INR000000221

- Applications will not be accepted from non-resident Indian in any jurisdiction where the offer or sale of the Rights Entitlements and Equity Shares may be restricted by applicable securities laws.

- Non-resident investors applying from places other than places where the bank collection centres have been opened by our Company for collecting applications, are requested to send their CAFs together with Demand Draft for the full application amount, net of bank and postal charges drawn in favour of "Godrej Properties Limited – Rights Issue", crossed 'A/c Payee only' payable at Hyderabad directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. The envelope should be superscribed "Godrej Properties Limited – Rights Issue". Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.

- Payment by non-residents must be made by demand draft payable at Hyderabad/cheque payable drawn on a bank account maintained at Hyderabad or funds remitted from abroad in any of the following ways:

  Application with repatriation benefits

  - By Indian Rupee drafts purchased from abroad and payable at Hyderabad or funds remitted from abroad (submitted along with Foreign Inward Remittance Certificate); or

  - By cheque/draft drawn on an NRE or FCNR Account maintained in Mumbai; or

  - By Rupee draft purchased by debit to NRE/FCNR Account maintained elsewhere in India and payable in Hyderabad;

  - FIIs registered with SEBI must utilise funds from special non-resident rupee account.

  - Non-resident investors with repatriation benefits should draw the cheques/ demand drafts in favour of "Godrej Properties Limited – Rights Issue - NR", crossed "A/c Payee only" for the full application amount, net of bank and postal charges and which should be submitted along with the CAF to the Bankers to the Issue/collection centres or to the Registrar to the Issue;

  - Applicants should note that where payment is made through drafts purchased from NRE/ FCNR/ NRO account as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/ FCNR/ NRO account should be enclosed with the CAF. In the absence of such an account debit certificate, the application shall be considered incomplete and is liable to be rejected.

  Application without repatriation benefits

  - As far as non-residents holding Equity Shares on non-repatriation basis are concerned, in addition to the modes specified above, payment may also be made by way of cheque drawn on Non-Resident (Ordinary) Account maintained in Mumbai or Rupee Draft purchased out of NRO Account maintained elsewhere in India but payable at Hyderabad. In such cases, the Allotment of Equity Shares will be on non-repatriation basis.

  - Non-resident investors without repatriation benefits should draw the cheques/demand drafts in favour of "Godrej Properties Limited – Rights Issue", crossed "A/c Payee only" for the full application amount, net of bank and postal charges and which should be submitted along with the CAF to the Bankers to the Issue/collection centres or to the Registrar to the Issue;

  - Applicants should note that where payment is made through drafts purchased from NRE/ FCNR/ NRO accounts, as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/ FCNR/ NRO account should be enclosed with the CAF. In the absence of such an account debit certificate, the application shall be considered incomplete and is liable to be rejected.

  - An eligible Equity Shareholder whose status has changed from resident to non-resident should open a new demat account reflecting the changed status. Any application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager.

Notes:

- In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the IT Act.

- In case Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India.

- The CAF duly completed together with the amount payable on application must be deposited with the Collecting Bank indicated on the reverse of the CAFs before the close of banking hours on or before the Issue Closing Date. A separate cheque or bank draft must accompany each CAF.

- In case of an application received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines/ rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

Procedure for Application through the Applications Supported by Blocked Amount ("ASBA") Process

This section is for the information of the ASBA Investors proposing to subscribe to the Issue through the ASBA Process. Our Company and the Lead Manager is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. Investors who are eligible to apply under the ASBA Process are advised to make their independent investigations and to ensure that the CAF is correctly filled up.

The Lead Manager, our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to applications accepted by SCSBs, Applications uploaded by SCSBs, applications accepted but not uploaded by SCSBs or applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for applications uploaded by SCSBs, the amount payable on application has been blocked in the relevant ASBA Account.

Please note that pursuant to the applicability of the directions issued by SEBI *vide* its circular CIR/CFD/DIL/1/ 2011 dated April 29, 2011, all applicants who are QIBs, Non-Institutional Investors or other applicants whose application amount exceeds ₹ 200,000 can participate in the Issue only through the ASBA process, subject to them complying with the requirements of SEBI Circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009. The Investors who are not (i) QIBs, (ii) Non-Institutional Investors or (iii) investors whose application amount is more than ₹ 200,000, can participate in the Issue either through the ASBA process or the non ASBA process.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in its own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, in accordance with the applicable regulations.

The list of banks which have been notified by SEBI to act as SCSBs for the ASBA Process is provided on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries. For details on Designated Branches of SCSBs collecting the CAF, please refer the above mentioned SEBI link.

Equity Shareholders who are eligible to apply under the ASBA Process

The option of applying for Equity Shares in the Issue through the ASBA Process is only available to the Equity Shareholders of our Company on the Record Date and who:

- hold the Equity Shares in dematerialised form as on the Record Date and have applied towards his/her Rights Entitlements or additional Equity Shares in the Issue in dematerialised form;

- have not renounced his/her Rights Entitlements in full or in part;

- are not a Renouncee;

- are applying through a bank account maintained with SCSBs; and

- are eligible under applicable securities laws to subscribe for the Rights Entitlement and the Equity Shares in the Issue.

CAF

The Registrar will despatch the CAF to all Equity Shareholders as per their Rights Entitlement on the Record Date for the Issue. Those Investors who wish to apply through the ASBA payment mechanism will have to select for this mechanism in Part A of the CAF and provide necessary details.

Investors desiring to use the ASBA Process are required to submit their applications by selecting the ASBA Option in Part A of the CAF only. Application in electronic mode will only be available with such SCSBs who provide such facility. The Investors shall submit the CAF to the Designated Branch of the SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the said ASBA Account.

More than one ASBA Investor may apply using the same ASBA Account, provided that the SCSBs will not accept a total of more than five CAFs with respect to any single ASBA Account.

Acceptance of the Issue

You may accept the Issue and apply for the Equity Shares either in full or in part, by filling Part A of the respective CAFs sent by the Registrar, selecting the ASBA process option in Part A of the CAF and submit the same to the Designated Branch of the SCSB before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by the Board of Directors of our Company in this regard.

Additional Equity Shares

You are eligible to apply for additional Equity Shares over and above the number of Equity Shares that you are entitled to, provided that you are eligible to apply for Equity Shares under applicable law and you have applied for all the Equity Shares (as the case may be) offered without renouncing them in whole or in part in favour of any other person(s). Applications for additional Equity Shares shall be considered and Allotment shall be made at the sole discretion of the Board, in consultation with the Designated Stock Exchange and in the manner prescribed under "*Basis of Allotment*" in this section on page 244.

If you desire to apply for additional Equity Shares please indicate your requirement in the place provided for additional Equity Shares in Part A of the CAF.

In terms of the RBI Letter dated July 23, 2013, only the existing non-resident shareholders can apply for additional shares, subject to the sectoral cap. Accordingly, only the following may apply for additional Equity Shares in the Issue:

(i) resident Equity Shareholders of our Company;
(ii) non-resident Equity Shareholders of our Company subject to the sectoral cap; and
(iii) resident Renouncees.

Renunciation under the ASBA Process

ASBA Investors can neither be Renouncees, nor can renounce their Rights Entitlement.

Mode of payment

All applicants who are QIBs, Non-Institutional Investors or who are applying in this Issue for Equity Shares for an amount exceeding ` 200,000, complying with the eligibility conditions of SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, shall mandatorily make use of ASBA facility.

The Investor applying under the ASBA Process agrees to block the entire amount payable on application with the submission of the CAF, by authorizing the SCSB to block an amount, equivalent to the amount payable on application, in an ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the CAF, the SCSB shall block an amount equivalent to the amount payable on application mentioned in the CAF until it receives instructions from the Registrar. Upon receipt of intimation from the Registrar, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account. This amount will be transferred in terms of the SEBI Regulations, into the separate bank account maintained by our Company for the purpose of the Issue. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue to the respective SCSB.

The Investor applying under the ASBA Process would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the CAF.

The SCSB may reject the application at the time of acceptance of CAF if the ASBA Account details of which have been provided by the Investor in the CAF does not have sufficient funds equivalent to the amount payable on application mentioned in the CAF. Subsequent to the acceptance of the application by the SCSB, our Company would have a right to reject the application only on technical grounds.

Options available to the Equity Shareholders applying under the ASBA Process

The summary of options available to the Investors is presented below. You may exercise any of the following options with regard to the Equity Shares, using the respective CAFs received from Registrar:

Sr. No.	Option Available	Action Required
1.	Accept whole or part of your Rights Entitlement without renouncing the balance.	Fill in and sign Part A of the CAF *(All joint holders must sign)*
2.	Accept your Rights Entitlement in full and apply for additional Equity Shares.	Fill in and sign Part A of the CAF including Block III relating to the acceptance of entitlement and Block IV relating to additional Equity Shares *(All joint holders must sign)*

The Investors applying under the ASBA Process will need to select the ASBA option process in the CAF and provide required necessary details. However, in cases where this option is not selected, but the CAF is tendered to the Designated Branch of the SCSBs with the relevant details required under the ASBA process option and the SCSBs block the requisite amount, then that CAFs would be treated as if the Investor has selected to apply through the ASBA process option.

Application on Plain Paper

An Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF and who is applying under the ASBA Process may make an application to subscribe to the Issue on plain paper. The Equity Shareholder shall submit the plain paper application to the Designated Branch of the SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

The envelope should be super scribed "Godrej Properties Limited – Rights Issue" and should be postmarked in India. The application on plain paper, duly signed by the Equity Shareholders including joint holders, in the same order and as per the specimen recorded with our Company/ Depositories, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

- Name of Issuer, being Godrej Properties Limited;
- Name and address of the Equity Shareholder including joint holders;
- Registered Folio Number/ DP and Client ID No.;
- Number of Equity Shares held as on Record Date;
- Number of Equity Shares entitled to;
- Number of Equity Shares applied for;
- Number of additional Equity Shares applied for, if any;
- Total number of Equity Shares applied for;
- Total amount paid at the rate of ₹ 325 per Equity Share;
- Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- In case of non-resident investors, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- Except for applications on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, PAN of the Equity Shareholder and for each Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue;
- Signature of the Equity Shareholders to appear in the same sequence and order as they appear in our records; and
- Additionally, all such applicants are deemed to have accepted the following:

  "I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, and will be, registered under the United States Securities Act of 1933 (the "US Securities Act"), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "United States") or to, or for the account or benefit of a "U.S. Person" as defined in Regulation S of the US Securities Act ("Regulation S"), except for transactions which are exempt from registration under the US Securities Act.

  I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

  I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

  I/ We acknowledge that we, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

Option to receive Equity Shares in Dematerialized Form

EQUITY SHAREHOLDERS UNDER THE ASBA PROCESS MAY PLEASE NOTE THAT THE EQUITY

SHARES UNDER THE ASBA PROCESS CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE EQUITY SHARES ARE HELD BY SUCH ASBA APPLICANT ON THE RECORD DATE.

General instructions for Investors applying under the ASBA Process

(a) Please read the instructions printed on the respective CAF carefully.

(b) Application should be made on the printed CAF only and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, Abridged Letter of Offer are liable to be rejected. The CAF must be filled in English**.**

(c) The CAF in the ASBA Process should be submitted at a Designated Branch of the SCSB and whose bank account details are provided in the CAF and not to the Bankers to the Issue/Collecting Banks (assuming that such Collecting Bank is not a SCSB), to our Company or Registrar or Lead Manager to the Issue.

(d) All applicants, and in the case of application in joint names, each of the joint applicants, should mention his/her PAN allotted under the Income-Tax Act, 1961, irrespective of the amount of the application. Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, **CAFs without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no allotment and credit of Equity Shares pursuant to the Issue shall be made into the accounts of such Investors.**

(e) All payments will be made by blocking the amount in the ASBA Account. Cash payment or payment by cheque/demand draft/pay order is not acceptable. In case payment is affected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.

(f) Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the CAF as per the specimen signature recorded with our Company/or Depositories.

(g) In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with our Company/ Depositories. In case of joint applicants, reference, if any, will be made in the first applicant's name and all communication will be addressed to the first applicant.

(h) All communication in connection with application for the Equity Shares, including any change in address of the Investors should be addressed to the Registrar to the Issue prior to the date of Allotment in this Issue quoting the name of the first/sole applicant Investor, folio numbers and CAF number.

(i) Only the person or persons to whom the Equity Shares have been offered and not renouncee(s) shall be eligible to participate under the ASBA process.

(j) Only persons outside the restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Equity Shares under applicable securities laws are eligible to participate.

(k) Only the Equity Shareholders holding shares in demat are eligible to participate through ASBA process.

(l) Equity Shareholders who have renounced their entitlement in part/ full are not entitled to apply using ASBA process.

(m) Please note that pursuant to the applicability of the directions issued by SEBI *vide* its circular CIR/CFD/DIL/1/ 2011 dated April 29, 2011, all applicants who are QIBs, Non-Institutional Investors and other applicants whose application amount exceeds ₹ 200,000, complying with the eligibility conditions of

SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009 can participate in the Issue only through the ASBA process. The Investors who are not (i) QIBs, (ii) Non-Institutional Investors or (iii) investors whose application amount is more than ₹ 200,000, can participate in the Issue either through the ASBA process or the non ASBA process.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in its own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, in accordance with the applicable regulations.

(n) In case of non – receipt of CAF, application can be made on plain paper mentioning all necessary details as mentioned under the heading "*Application on Plain Paper*" on page 238.

Do's:

(a) Ensure that the ASBA Process option is selected in Part A of the CAF and necessary details are filled in..

(b) Ensure that the details a*bout your Depository Partici*pant and beneficiary account are correct and the beneficiary account is activated as Equity Shares will be allotted in the dematerialized form only.

(c) Ensure that the CAFs are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the CAF.

(d) Ensure that there are sufficient funds (equal to {number of Equity Shares as the case may be applied for} X {Issue Price of Equity Shares, as the case may be}) available in the ASBA Account mentioned in the CAF before submitting the CAF to the respective Designated Branch of the SCSB.

(e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the CAF, in the ASBA Account, of which details are provided in the CAF and have signed the same.

(f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the CAF in physical form.

(g) Except for CAFs submitted on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, each applicant should mention their PAN allotted under the I. T. Act.

(h) Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF.

(i) Ensure that the Demographic Details are updated, true and correct, in all respects.

(j) Ensure that the account holder in whose bank account the funds are to be blocked has signed authorising such funds to be blocked.

Don'ts:

(a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.

(b) Do not apply on duplicate CAF after you have submitted a CAF to a Designated Branch of the SCSB.

(c) Do not pay the amount payable on application in cash, by money order, pay order or by postal order.

(d) Do not send your physical CAFs to the Lead Manager to Issue / Registrar / Collecting Banks (assuming that such Collecting Bank is not a SCSB) / to a branch of the SCSB which is not a Designated Branch of the SCSB / Company; instead submit the same to a Designated Branch of the SCSB only.

(e) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.

(f) Do not apply if the ASBA account has been used for five applicants.

(g) Do not apply through the ASBA Process if you are not an ASBA Investor.

(h) Do not instruct the SCSBs to release the funds blocked under the ASBA Process.

Grounds for Technical Rejection under the ASBA Process

In addition to the grounds listed under "*Grounds for Technical Rejection for non-ASBA Investors*" on page 251, applications under the ABSA Process are liable to be rejected on the following grounds:

(a) Application on a SAF.

(b) Application for allotment of Rights Entitlements or additional Equity Shares which are in physical form.

(c) DP ID and Client ID mentioned in CAF not matching with the DP ID and Client ID records available with the Registrar.

(d) Sending CAF to Lead Manager / Registrar / Collecting Bank (assuming that such Collecting Bank is not a SCSB) / to a branch of a SCSB which is not a Designated Branch of the SCSB / Company.

(e) Renouncee applying under the ASBA Process.

(f) Submission of more than five CAFs per ASBA Account.

(g) Insufficient funds are available with the SCSB for blocking the amount.

(h) Funds in the ASBA Account whose details are mentioned in the CAF having been frozen pursuant to regulatory orders.

(i) Account holder not signing the CAF or declaration mentioned therein.

(j) CAFs that do not include the certification set out in the CAF to the effect that the subscriber does not have a registered address (and is not otherwise located) in any restricted jurisdiction and is authorized to acquire the rights and the securities in compliance with all applicable laws and regulations.

(k) CAFs which have evidence of being executed in/dispatched from any restricted jurisdiction.

(l) QIBs, Non-Institutional Investors and other Equity Shareholders applying for Equity Shares in this Issue for value of more than ₹ 200,000 who hold Equity Shares in dematerialised form and is not a Renouncer or a Renouncee not applying through the ASBA process.

(m) The application by an Equity Shareholder whose cumulative value of Equity Shares applied for is more than ₹ 200,000 but has applied separately through split CAFs of less than ₹ 200,000 and has not done so through the ASBA process.

(n) Multiple CAFs, including cases where an Investor submits CAFs along with a plain paper application.

(o) Submitting the GIR instead of the PAN.

(p) An Equity Shareholder, who is not complying with any or all of the conditions for being an ASBA

Investor, applies under the ASBA process.

(q) Applications by persons not competent to contract under the Contract Act, 1872, as amended, except applications by minors having valid demat accounts as per the demographic details provided by the Depositories.

Depository account and bank details for Investors applying under the ASBA Process

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THE ASBA PROCESS TO RECEIVE THEIR EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THE ASBA PROCESS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE CAF. INVESTORS APPLYING UNDER THE ASBA PROCESS MUST ENSURE THAT THE NAME GIVEN IN THE CAF IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE CAF IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE CAF/PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under the ASBA Process should note that on the basis of name of these Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the CAF/plain paper applications, as the case may be, the Registrar to the Issue will obtain from the Depository, demographic details of these Investors such as address, bank account details for printing on refund orders and occupation ("Demographic Details"). Hence, Investors applying under the ASBA Process should carefully fill in their Depository Account details in the CAF.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor. The Demographic Details given by the Investors in the CAF would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the CAFs, the Investors applying under the ASBA Process would be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Letters intimating Allotment and unblocking or refund (if any) would be mailed at the address of the Investor applying under the ASBA Process as per the Demographic Details received from the Depositories. The Registrar to the Issue will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent equity shares are not allotted to such Investor. Investors applying under the ASBA Process may note that delivery of letters intimating unblocking of the funds may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Investor in the CAF would be used only to ensure dispatch of letters intimating unblocking of the ASBA Accounts.

Note that any such delay shall be at the sole risk of the Investors applying under the ASBA Process and none of our Company, the SCSBs or the Lead Manager shall be liable to compensate the Investor applying under the ASBA Process for any losses caused due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such applications are liable to be rejected.

Underwriting

The Issue is not underwritten.

Indicative Issue Schedule

Issue Opening Date:	August 28, 2013
Last date for receiving requests for SAFs:	September 4, 2013
Issue Closing Date:	September 11, 2013
Finalisation of Basis of Allotment with Stock Exchanges	September 18, 2013
Initiation of Refunds	September 19, 2013
Credit of Equity Shares to demat accounts of Allottees	September 20, 2013
Commencement of Trading	September 26, 2013

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within 15 days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

The Board may however decide to extend the Issue period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date.

Basis of Allotment

Subject to the provisions contained in the Letter of Offer, the Articles of Association of our Company and the approval of the Designated Stock Exchange, the Board will proceed to Allot the Equity Shares in the following order of priority:

(a) Full Allotment to those Equity Shareholders who have applied for their Rights Entitlement either in full or in part and also to the Renouncee(s) who has/ have applied for Equity Shares renounced in their favour, in full or in part.

(b) Investors whose fractional entitlements are being ignored would be given preference in allotment of one additional Equity Share each if they apply for additional Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Equity Shares after allotment under (a) above. If number of Equity Shares required for allotment under this head are more than the number of Equity Shares available after allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

(c) Allotment to the Equity Shareholders who having applied for all the Equity Shares offered to them as part of the Issue, have also applied for additional Equity Shares. The Allotment of such additional Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Equity Shares will be at the sole discretion of the Board of Directors in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.

(d) Allotment to Renouncees who having applied for all the Equity Shares renounced in their favour, have applied for additional Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Equity Shares will be at the sole discretion of the Board of Directors in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.

(e) Allotment to any other person that the Board of Directors as it may deem fit provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of the Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed' for the purpose of regulation 3(1)(b) of the Takeover Regulations.

Allotment to FIIs in the Issue shall be made such that the overall FII holding in the Company does not exceed 24% of the post-Issue capital of the Company as on the date of allotment.

In terms of the RBI Letter dated July 23, 2013, only the existing non-resident shareholders can apply for additional shares, subject to the sectoral cap. Accordingly, only the following may apply for additional Equity Shares in the Issue:

(i) resident Equity Shareholders of our Company;
(ii) non-resident Equity Shareholders of our Company subject to sectoral cap; and
(iii) resident Renouncees

The Promoters and the members of the Promoter Group of the Company have confirmed that they intend to subscribe to the full extent of their Rights Entitlement in the Issue. The consequent Allotment shall be subject to the aggregate shareholding of the Promoter and Promoter Group not exceeding 75% of the post-Issue equity share capital of the Company on the date of Allotment, in accordance with clause 40A of the Equity Listing Agreements, and shall further be in compliance with the provisions of Regulation 10(4)(a) of the Takeover Regulations. In addition to subscription to their own Rights Entitlements, the Promoters and members of the Promoter Group have further confirmed that they intend to subscribe to additional Equity Shares for any unsubscribed shares in relation to the Rights Entitlement of the Promoter and Promoter Group, subject to aggregate shareholding of the Promoters and Promoter Group not exceeding 75% of the post-Issue equity share capital of the Company on the date of Allotment, in accordance with clause 40A of the Equity Listing Agreements. The acquisition of such additional Equity Shares by the Promoters and the members of the Promoter Group will be in accordance with Regulation 10(4)(b) of the Takeover Regulations.

However, in the event of an under-subscription in the Issue, specifically in relation to the Rights Entitlement in relation to the public shareholders of the Company, Allotment against the applications made by the Promoter and members of the Promoter Group, for their Rights Entitlement and additional Equity Shares, will be proportionally reduced such that aggregate shareholding of the Promoters and Promoter Group does not exceed 75% of the post-Issue equity share capital of the Company as on the date of Allotment.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches, a list of the ASBA Investors who have been allocated Equity Shares in the Issue, along with:

- The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Allotment Advices / Refund Orders

Our Company will issue and dispatch Allotment advice/ share certificates/ demat credit and/or letters of regret along with refund order or credit the allotted Equity Shares to the respective beneficiary accounts, if any, within a period of 15 days from the Issue Closing Date. If such money is not repaid within eight days from the day our Company becomes liable to repay it (i.e. 15 days after the Issue Closing Date or the date of the refusal by the Stock Exchange(s), whichever is earlier) our Company and every Director of our Company who is an officer in default shall, on and from expiry of eight days, be jointly and severally liable to pay the money with interest as prescribed under Section 73 of the Companies Act.

Investors residing at centers where clearing houses are managed by the RBI will get refunds through National Electronic Clearing Service ("NECS") except where Investors have not provided the details required to send electronic refunds.

In case of those Investors who have opted to receive their Rights Entitlement in dematerialized form using electronic credit under the depository system, advice regarding their credit of the Equity Shares shall be given separately. Investors to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within 15 days of the Issue Closing Date.

In case of those Investors who have opted to receive their Rights Entitlement in physical form and our Company issues letter of allotment, the corresponding share certificates will be kept ready within three months from the date of Allotment thereof or such extended time as may be approved by the Company Law Board under Section 113 of the Companies Act or other applicable provisions, if any. Investors are requested to preserve such letters of allotment, which would be exchanged later for the share certificates.

The letter of allotment/ refund order would be sent by registered post/ speed post to the sole/ first Investor's registered address in India or the Indian address provided by the Equity Shareholders from time to time. Such refund orders would be payable at par at all places where the applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favour of the sole/ first Investor. Adequate funds would be made available to the Registrar to the Issue for this purpose.

In the case of Non-resident Shareholders or Investors who remit their Application Money from funds held in NRE/FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts, the details of which should be furnished in the CAF. Subject to the applicable laws and other approvals, in case of Non-resident Shareholders or Investors who remit their application money through Indian Rupee demand drafts purchased from abroad, refund and/or payment of dividend or interest and any other disbursement, shall be credited to such accounts and will be made after deducting bank charges or commission in US Dollars, at the rate of exchange prevailing at such time. Our Company will not be responsible for any loss on account of exchange rate fluctuations for conversion of the Indian Rupee amount into US Dollars. The Share Certificate(s) will be sent by registered post / speed post to the address in India of the Non Resident Shareholders or Investors.

The Letter of Offer/ Abridged Letter of Offer and the CAF shall be dispatched to only such Non-resident Shareholders who have a registered address in India or have provided an Indian address.

Payment of Refund

Mode of making refunds

The payment of refund, if any, would be done through any of the following modes:

1. NECS – Payment of refund would be done through NECS for Investors having an account at any of the 68 centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories/the records of the Registrar. The payment of refunds is mandatory for Investors having a bank account at any centre where NECS facility has been made available (subject to availability of all information for crediting the refund through NECS).

2. NEFT – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the registrar to our Company or with the depository participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

3. Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne

by our Company.

4. RTGS – If the refund amount exceeds ₹ 200,000, the investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the CAF. In the event the same is not provided, refund shall be made through NECS or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.

5. For all other Investors the refund orders will be despatched through Speed Post/ Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.

6. Credit of refunds to Investors in any other electronic manner permissible under the banking laws, which are in force, and is permitted by the SEBI from time to time.

Refund payment to Non- residents

Where applications are accompanied by Indian rupee drafts purchased abroad and payable at Mumbai, refunds will be made in the Indian rupees based on the U.S. dollars equivalent which ought to be refunded. Indian rupees will be converted into U.S. dollars at the rate of exchange, which is prevailing on the date of refund. The exchange rate risk on such refunds shall be borne by the concerned applicant and our Company shall not bear any part of the risk. Where the applications made are accompanied by NRE/FCNR/NRO cheques, refunds will be credited to NRE/FCNR/NRO accounts respectively, on which such cheques were drawn and details of which were provided in the CAF.

Printing of Bank Particulars on Refund Orders

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the Investor's bank account are mandatorily required to be given for printing on the refund orders. Bank account particulars, where available, will be printed on the refund orders/refund warrants which can then be deposited only in the account specified. Our Company will in no way be responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

Allotment advice / Share Certificates/ Demat Credit

Allotment advice/ share certificates/ demat credit or letters of regret will be dispatched to the registered address of the first named Investor or respective beneficiary accounts will be credited within 15 days, from the Issue Closing Date. In case our Company issues Allotment advice, the respective share certificates will be dispatched within one month from the date of the Allotment. Allottees are requested to preserve such allotment advice (if any) to be exchanged later for share certificates.

Option to receive Equity Shares in Dematerialized Form

Investors shall be allotted the Equity Shares in dematerialized (electronic) form at the option of the Investor. Our Company has signed a tripartite agreement with NSDL and Karvy Computershare Private Limited on June 10, 2008 which enables the Investors to hold and trade in Equity Shares in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates. Our Company has also signed a tripartite agreement with CDSL and Karvy Computershare Private Limited on May 30, 2008 which enables the Investors to hold and trade in Equity Shares in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

In this Issue, the allottees who have opted for Equity Shares in dematerialized form will receive their Equity Shares in the form of an electronic credit to their beneficiary account as given in the CAF, after verification with a depository participant. Investor will have to give the relevant particulars for this purpose in the appropriate place in the CAF. Allotment advice, refund order (if any) would be sent directly to the Investor by the Registrar to the Issue but the Investor's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Investor's depository account. CAFs, which do not accurately contain this information, will be given the Equity

Shares in physical form. No separate CAFs for Equity Shares in physical and/or dematerialized form should be made. If such CAFs are made, the CAFs for physical Equity Shares will be treated as multiple CAFs and is liable to be rejected. In case of partial Allotment, Allotment will be done in demat option for the Equity Shares sought in demat and balance, if any, will be allotted in physical Equity Shares. Equity Shareholders of our Company holding Equity Shares in physical form may opt to receive Equity Shares in the Issue in dematerialized form.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Equity Shares in this Issue in the electronic form is as under:

- Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. *Those Investors who have already opened such beneficiary account(s) need not adhere to this step.*

- For Equity Shareholders already holding Equity Shares of our Company in dematerialized form as on the Record Date, the beneficial account number shall be printed on the CAF. For those who open accounts later or those who change their accounts and wish to receive their Equity Shares pursuant to this Issue by way of credit to such account, the necessary details of their beneficiary account should be filled in the space provided in the CAF. It may be noted that the Allotment of Equity Shares arising out of this Issue may be made in dematerialized form even if the original Equity Shares of our Company are not dematerialized. Nonetheless, it should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company/ Depositories.

  The responsibility for correctness of information (including Investor's age and other details) filled in the CAF vis-à-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in CAF should be the same as registered with the Investor's depository participant.

  If incomplete / incorrect beneficiary account details are given in the CAF, the Investor will get Equity Shares in physical form.

  The Equity Shares allotted to applicants opting for issue in dematerialized form, would be directly credited to the beneficiary account as given in the CAF after verification. Allotment advice, refund order (if any) would be sent directly to the applicant by the Registrar to the Issue but the applicant's depository participant will provide to him the confirmation of the credit of such Equity Shares to the applicant's depository account.

  Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Equity Shares in this Issue. In case these details are incomplete or incorrect, the application is liable to be rejected.

General instructions for non-ASBA Investors

(a) Please read the instructions printed on the CAF carefully.

(b) Applicants that are not QIBs or are not Non – Institutional Investor or those whose Application Money does not exceed ₹ 200,000 may participate in the Issue either through ASBA or the non-ASBA process. Eligible Equity Shareholders who have renounced their entitlement (in full or in part), Renouncees and Applicants holding Equity Shares in physical form and/or subscribing in the Issue for Allotment in physical form may participate in the Issue only through the non ASBA process.

(c) Application should be made on the printed CAF, provided by our Company except as mentioned under the head "Application on Plain Paper" in this section on page 238 and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/ or which are not completed in conformity with the terms of the Letter of Offer are liable to be rejected and the money paid, if any, in respect thereof will be refunded without interest and after deduction of bank commission and other charges, if any. The CAF must be filled in English and the names of all the Investors, details of occupation, address, father's / husband's name must be filled in block letters.

The CAF together with the cheque/demand draft should be sent to the Bankers to the Issue/Collecting Bank or to the Registrar to the Issue and not to our Company or Lead Manager to the Issue. Investors residing at places other than cities where the branches of the Bankers to the Issue have been authorised by our Company for collecting applications, will have to make payment by Demand Draft payable at Mumbai of an amount net of bank and postal charges and send their CAFs to the Registrar to the Issue by registered post. If any portion of the CAF is/are detached or separated, such application is liable to be rejected.

Applications where separate cheques/demand drafts are not attached for amounts to be paid for Equity Shares are liable to be rejected. Applications accompanied by cash, postal order or stockinvest are liable to be rejected.

(d) Except for applications on behalf of the Central and State Government, the residents of Sikkim and the officials appointed by the courts, all Investors, and in the case of application in joint names, each of the joint Investors, should mention his/her PAN allotted under the I.T. Act, 1961, irrespective of the amount of the application. **CAFs without PAN will be considered incomplete and are liable to be rejected.**

(e) Investors, holding Equity Shares in physical form, are advised that it is mandatory to provide information as to their savings/current account number and the name of the bank with whom such account is held in the CAF to enable the Registrar to the Issue to print the said details in the refund orders, if any, after the names of the payees. Application not containing such details is liable to be rejected.

(f) All payment should be made by cheque/demand draft only. Cash payment is not acceptable. In case payment is effected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.

(g) Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/ her official seal. The Investors must sign the CAF as per the specimen signature recorded with our Company.

(h) In case of an application under power of attorney or by a body corporate or by a society, a certified true copy of the relevant power of attorney or relevant resolution or authority to the signatory to make the relevant investment under this Issue and to sign the application and a copy of the Memorandum and Articles of Association and / or bye laws of such body corporate or society must be lodged with the Registrar to the Issue giving reference of the serial number of the CAF. In case the above referred documents are already registered with our Company, the same need not be a furnished again. In case these papers are sent to any other entity besides the Registrar to the Issue or are sent after the Issue Closing Date, then the application is liable to be rejected. In no case should these papers be attached to the application submitted to the Bankers to the Issue.

(i) In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with our Company/Depositories. Further, in case of joint Investors who are Renouncees, the number of Investors should not exceed three. In case of joint Investors, reference, if any, will be made in the first Investor's name and all communication will be addressed to the first Investor.

(j) Application(s) received from NRs/NRIs, or persons of Indian origin residing abroad for Allotment of Equity Shares shall, *inter alia*, be subject to conditions, as may be imposed from time to time by the RBI under FEMA, including regulations relating to QFI's, in the matter of refund of application money, Allotment of Equity Shares, subsequent issue and Allotment of Equity Shares, interest, export of share certificates, etc. In case a NR or NRI Investor has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF. Additionally, applications will not be accepted from NRs/NRIs in any jurisdiction where the offer or sale of the Rights Entitlements and Equity Shares may be restricted by applicable securities laws.

(k) All communication in connection with application for the Equity Shares, including any change in address of the Investors should be addressed to the Registrar to the Issue prior to the date of Allotment in this Issue quoting the name of the first/sole Investor, folio numbers and CAF number. Please note that any intimation for change of address of Investors, after the date of Allotment, should be sent to the Registrar and Transfer Agents of our Company, in the case of Equity Shares held in physical form and to the respective depository participant, in case of Equity Shares held in dematerialized form.

(l) SAFs cannot be re-split.

(m) Only the person or persons to whom Equity Shares have been offered and not Renouncee(s) shall be entitled to obtain SAFs.

(n) Investors must write their CAF number at the back of the cheque /demand draft.

(o) Only one mode of payment per application should be used. The payment must be by cheque / demand draft drawn on any of the banks, including a co-operative bank, which is situated at and is a member or a sub member of the Bankers Clearing House located at the centre indicated on the reverse of the CAF where the application is to be submitted.

(p) A separate cheque / draft must accompany each CAF. Outstation cheques / demand drafts or post-dated cheques and postal / money orders will not be accepted and applications accompanied by such cheques / demand drafts / money orders or postal orders will be rejected. The Registrar will not accept payment against application if made in cash.

(q) No receipt will be issued for application money received. The Bankers to the Issue / Collecting Bank/ Registrar will acknowledge receipt of the same by stamping and returning the acknowledgment slip at the bottom of the CAF.

(r) The distribution of the Letter of Offer and issue of Equity Shares and Rights Entitlements to persons in certain jurisdictions outside India may be restricted by legal requirements in those jurisdictions. Persons in such jurisdictions are instructed to disregard the Letter of Offer and not to attempt to subscribe for Equity Shares.

Do's for non-ASBA Investors:

(a) Check if you are eligible to apply i.e. you are an Equity Shareholder on the Record Date;

(b) Read all the instructions carefully and ensure that the cheque/ draft option is selected in Part A of the CAF and necessary details are filled in;

(c) In the event you hold Equity Shares in dematerialised form, ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be allotted in the dematerialized form only;

(d) Ensure that your Indian address is available to us and the Registrar, in case you hold Equity Shares in physical form or the depository participant, in case you hold Equity Shares in dematerialised form;

(e) Ensure that the value of the cheque/ draft submitted by you is equal to the (number of Equity Shares applied for) X (Issue Price of Equity Shares, as the case may be) before submission of the CAF;

(f) Ensure that you receive an acknowledgement from the collection branch of the Banker to the Issue for your submission of the CAF in physical form;

(g) Ensure that you mention your PAN allotted under the I.T. Act with the CAF, except for Applications on behalf of the Central and State Governments, residents of the state of Sikkim and officials appointed by the courts;

(h) Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF;

(i) Ensure that the demographic details are updated, true and correct, in all respects.

Don'ts for non-ASBA Investors:

(a) Do not apply if you are not eligible to participate in the Issue the securities laws applicable to your jurisdiction;

(b) Do not apply on duplicate CAF after you have submitted a CAF to a collection branch of the Banker to the Issue;

(c) Do not pay the amount payable on application in cash, by money order or by postal order;

(d) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;

(e) Do not submit Application accompanied with Stock invest;

Grounds for Technical Rejections for non-ASBA Investors

Investors are advised to note that applications are liable to be rejected on technical grounds, including the following:

- Amount paid does not tally with the amount payable;
- Bank account details (for refund) are not given and the same are not available with the DP (in the case of dematerialized holdings) or the Registrar (in the case of physical holdings);
- Age of Investor(s) not given (in case of renouncees);
- Except for CAFs on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN not given for application of any value;
- In case of CAF under power of attorney or by limited companies, corporate, trust, relevant documents are not submitted;
- If the signature of the Investor does not match with the one given on the CAF and for renounce(s) if the signature does not match with the records available with their depositories;
- CAFs are not submitted by the Investors within the time prescribed as per the CAF and the Letter of Offer;
- CAFs not duly signed by the sole/joint Investors;
- CAFs/ SAFs by OCBs not accompanied by a copy of an RBI approval to apply in this Issue;
- CAFs accompanied by Stockinvest/ outstation cheques/ post-dated cheques/ money order/ postal order/ outstation demand draft;
- In case no corresponding record is available with the depositories that matches three parameters, namely, names of the Investors (including the order of names of joint holders), the Depositary Participant's identity (DP ID) and the beneficiary's identity;
- CAFs that do not include the certifications set out in the CAF to the effect that the subscriber does not have

a registered address (and is not otherwise located) in any restricted jurisdictions and is authorized to acquire the Rights Entitlements and Equity Shares in compliance with all applicable laws and regulations;

- CAFs which have evidence of being executed in/dispatched from restricted jurisdictions;
- CAFs by ineligible non-residents (including on account of restriction or prohibition under applicable local laws) and where a registered address in India has not been provided;
- CAFs where our Company believes that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements;
- In case the GIR number is submitted instead of the PAN;
- Applications by renouncees who are persons not competent to contract under the Indian Contract Act, 1872, except applications by minors having valid demat accounts as per the demographic details provided by the Depositories;
- Multiple CAFs, including cases where an Investor submits CAFs along with a plain paper application; and
- Applications from QIBs, Non-Institutional Investors or Investors applying in this Issue for Equity Shares for an amount exceeding ₹ 200,000, not through ASBA process.

Please read the Letter of Offer and the instructions contained therein and in the CAF carefully before filling in the CAF. The instructions contained in the CAF are an integral part of the Letter of Offer and must be carefully followed. The CAF is liable to be rejected for any non-compliance of the provisions contained in the Letter of Offer or the CAF.

Investment by FIIs

In accordance with the current regulations, the following restrictions are applicable for investment by FIIs:

No single FII can hold more that 10% of our post-Issue paid-up share capital. In respect of an FII investing in the Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 5% of our total paid-up share capital, in case such sub-account is a foreign corporate or an individual. In accordance with foreign investment limits applicable to the Company, the total FII investment cannot exceed 24% of the total paid-up capital of the Company.

Accordingly, Allotment to FIIs in the Issue shall be made such that the overall FII holding in the Company does not exceed 24% of the post-Issue capital of the Company as on the date of Allotment.

Applications will not be accepted from FIIs in restricted jurisdictions.

Please note that pursuant to the applicability of the directions issued by SEBI *vide* its circular bearing number CIR/ CFD/ DIL/ 1/ 2011 dated April 29, 2011, all applicants who are QIBs, Non-Institutional Investors or are other Equity Shareholders applying in this Issue for Equity Shares for an amount exceeding ₹ 200,000, complying with the eligibility conditions of SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, shall mandatorily make use of ASBA facility.

Investment by NRIs

Investments by NRIs are governed by the Portfolio Investment Scheme under Regulation 5(3)(i) of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000. Applications will not be accepted from NRIs in restricted jurisdictions.

Please note that pursuant to the applicability of the directions issued by SEBI *vide* its circular bearing number CIR/ CFD/ DIL/ 1/ 2011 dated April 29, 2011, all applicants who are QIBs, Non-Institutional Investors or are applying in this Issue for Equity Shares for an amount exceeding ₹ 200,000, complying with the eligibility conditions of SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, shall

mandatorily make use of ASBA facility.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with the SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Please note that pursuant to the applicability of the directions issued by SEBI *vide* its circular bearing number CIR/ CFD/ DIL/ 1/ 2011 dated April 29, 2011, all applicants who are QIBs, Non-Institutional Investors or are applying in this Issue for Equity Shares for an amount exceeding ₹ 200,000, complying with the eligibility conditions of SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, shall mandatorily make use of ASBA facility.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of section 68A of the Companies Act which is reproduced below:

"*Any person who makes in a fictitious name an application to a company for acquiring, or subscribing for, any shares therein, or otherwise induces a company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years*".

Dematerialized dealing

Our Company has entered into agreements dated June 10, 2008 and May 30, 2008 with NSDL and CDSL, respectively, and its Equity Shares bear the ISIN INE484J0109.

Payment by Stockinvest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the Stockinvest Scheme has been withdrawn. Hence, payment through Stockinvest would not be accepted in this Issue.

Disposal of application and application money

No acknowledgment will be issued for the application moneys received by our Company. However, the Bankers to the Issue / Registrar to the Issue/ Designated Branch of the SCSBs receiving the CAF will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each CAF.

The Board reserves its full, unqualified and absolute right to accept or reject any application, in whole or in part, and in either case without assigning any reason thereto.

In case an application is rejected in full, the whole of the application money received will be refunded. Wherever an application is rejected in part, the balance of application money, if any, after adjusting any money due on Equity Shares allotted, will be refunded to the Investor within a period of 15 days from the Issue Closing Date. If such money is not repaid within eight days from the day our Company becomes liable to repay it, our Company and every Director of our Company who is an officer in default shall, on and from expiry of eight days, be jointly and severally liable to repay the money with interest as prescribed under Section 73 of the Companies Act.

For further instructions, please read the CAF carefully.

Utilisation of Issue Proceeds

Our Board of Directors declares that:

(i) This amount will be transferred in terms of the SEBI Regulations, into the separate bank account maintained by our Company for the purpose of the Issue;

(ii) Details of all monies utilized out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;

(iii) Details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and

(iv) Our Company may utilize the funds collected in the Issue only after the basis of Allotment is finalized.

Undertakings by our Company

Our Company undertakes the following:

1. The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.

2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken within 15 days of the Issue Closing Date.

3. The funds required for making refunds to unsuccessful applicants as per the modes disclosed shall be made available to the Registrar to the Issue by our Company.

4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within seven working days of finalisation of basis of allotment, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.

5. Except for the issue of Equity Shares of our Company arising on the exercise of options granted under GPL ESGS, no further issue of securities affecting our Company's equity capital shall be made till the securities issued/ offered through the Letter of Offer Issue are listed or till the application money are refunded on account of non-listing, under-subscription etc.

6. Our Company accepts full responsibility for the accuracy of information given in this Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

7. Adequate arrangements shall be made to collect all ASBA applications and to consider then similar to non-ASBA applications while finalising the basis of Allotment.

8. At any given time there shall be only one denomination for the Equity Shares of our Company.

9. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue, our Company shall refund the entire subscription amount received within 15 days from the Issue closing date. If there is delay in the refund of the subscription amount by more than eight days after our Company becomes liable to pay the subscription amount (i.e.15 days after the Issue closing date), our Company and every Director of our Company who is an officer in default shall be jointly and severally liable to pay interest for the delayed period, at rates prescribed under sub-sections (2) and (2A) of Section 73 of the Companies Act, 1956.

Important

- Please read this Letter of Offer carefully before taking any action. The instructions contained in the CAF are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the application is liable to be rejected.

- All enquiries in connection with the Letter of Offer or CAF and requests for SAFs must be addressed (quoting the Registered Folio Number/ DP and Client ID number, the CAF number and the name of the first Equity Shareholder as mentioned on the CAF and super scribed 'Godrej Properties Limited - Rights Issue' on the envelope and postmarked in India) to the Registrar to the Issue at the following address:

  Karvy Computershare Private Limited
  Plot No. 17-24, Vithalrao Nagar
  Madhapur, Hyderabad 500 081
  Tel: (91 40) 4465 5000
  Fax: (91 40) 2343 1551
  Email: gpl.rights@karvy.com
  Investor Grievance Email: einward.ris@karvy.com
  Website: www.karisma.karvy.com
  Contact Person: Muralikrishna M
  SEBI Registration No: INR000000221

The Issue will remain open for a minimum 15 days. However, the Board will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date.

SECTION VIII: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all working days from the date of this Letter of Offer until the Issue Closing Date.

A. Material Contracts for the Issue

1. Engagement Letter dated May 31, 2013 between our Company and the Lead Manager.
2. Issue Agreement dated June 5, 2013 between our Company and the Lead Manager.
3. Memorandum of Understanding dated May 23, 2013 between our Company and the Registrar to the Issue.
4. Bankers to the Issue Agreement dated August 12, 2013 between our Company, the Lead Manager and the Bankers to the Issue.

B. Material Documents

1. Certified copies of the updated Memorandum and Articles of Association of our Company as amended.
2. Certificate of Incorporation of our Company.
3. Offer Document of our Company in relation to its Institutional Placement Programme dated March 26, 2012.
4. Consents of the Directors, Company Secretary and Compliance Officer, Statutory Auditor, Lead Manager, Bankers to the Issue, Legal Advisors, Monitoring Agency and the Registrar to the Issue to include their names in the Letter of Offer to act in their respective capacities.
5. Resolutions of our Board of Directors dated May 9, 2013 in relation to this Issue and other related matters.
6. Letter dated July 23, 2013 from RBI allowing the renunciation of Rights Entitlement by (a) an Equity Shareholder resident in India, in favour of a non resident investor; (b) an Equity Shareholder resident outside India to a person resident in India; and (c) an Equity Shareholder outside India in favour of any other person resident outside India, subject to the conditions specified therein.
7. The reports of the Statutory Auditor, being M/s. Kalyaniwalla & Mistry, Chartered Accountants, on the unconsolidated financial statements dated August 2, 2013, the report on the consolidated financial statements dated August 2, 2013 of our Company respectively.
8. Annual Reports of our Company for the Fiscal Years 2009, 2010, 2011, 2012 and 2013 taken on a standalone and consolidated basis.
9. The statement of special tax benefits available to our Company and its shareholders dated May 29, 2013 from the Statutory Auditor.
10. Due Diligence Certificate dated June 5, 2013 addressed to SEBI from the Lead Manager.

11. In principle listing approvals dated June 13, 2013 and June 17, 2013 issued by BSE and NSE respectively.

12. Tripartite Agreement dated June 10, 2008 between our Company, NSDL and Registrar to the Issue.

13. Tripartite Agreement dated May 30, 2008 between our Company, CDSL and Registrar to the Issue.

14. Letter no. CFD/DIL/ISSUES/HB/RG/OW/18914/2013 dated July 31, 2013 issued by the SEBI for the Issue.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

DECLARATION

We hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act 1956, the Securities and Exchange Board of India Act, 1992 or the rules made thereunder or regulations issued thereunder, as the case may be. We further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

We further certify that all disclosures made in the Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF THE COMPANY

Name	Signature
Mr. Adi B. Godrej *Chairman (Non-Executive)*	
Mr. Jamshyd N. Godrej *Non-Executive Director*	
Mr. Nadir B. Godrej *Non-Executive Director*	
Mrs. Parmeshwar A. Godrej *Non-Executive Director*	
Mr. Pirojsha Godrej *Managing Director and Chief Executive Officer*	
Mr. V. Srinivasan *Executive Director*	
Mr. K.T. Jithendran *Executive Director*	
Mr. Amit B. Choudhury *Independent Director*	
Mr. Keki B. Dadiseth *Independent Director*	
Mrs. Lalita D. Gupte *Independent Director*	
Mr. Pranay Vakil *Independent Director*	
Dr. Pritam Singh *Independent Director*	
Mr. S. Narayan *Independent Director*	
Mr. Amitava Mukherjee *Independent Director*	

Date: August 13, 2013
Place: Mumbai

Mr. Rajendra Khetawat
Vice-President – Finance and Accounts