Godrej Properties Limited
Regd.Office: Godrej One,
5th Floor, Pirojshanagar,
Eastern Express Highway,
Vikhroli (E), Mumbai- 400 079.Indi
Tel.: +91-22-6169 8500
Fax: +91-22-6169 8888
Website: www.godrejproperties.com

CIN : L74120MH1985PLC035308

July 9, 2018

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

The National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051

Ref: **Godrej Properties Limited**
BSE - Script Code: 533150, Scrip ID - GODREJPRP
BSE- Security ID 782GPL20 – Debt Segment
NSE - GODREJPROP

Sub: - Notice alongwith Annual Report of 33rd Annual General Meeting (AGM)

Dear Sir/Madam,

Please find enclosed the Notice of the 33rd AGM alongwith Annual Report of the Company.

Convening of AGM:

The Board has convened the 33rd Annual General Meeting of the members of the Company. The details of date, time and venue are given below:

Date: Thursday August 02, 2018
Time: 2.00 p.m.
Venue: Godrej One, 1st Floor The Auditorium,
Pirojshanagar, Eastern Express Highway,
Vikhroli (E), Mumbai 400 079

This is in compliance with the Listing Regulations and other provisions as applicable.

Thank you.

Yours truly,
For Godrej Properties Limited

Surender Varma
Company Secretary & Chief Legal Officer

Encl: a/a

ANNUAL REPORT

2017-18

A STEP TOWARDS BUILDING A SUSTAINABLE FUTURE

Godrej | PROPERTIES

CONTENTS

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

VISION

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

THE YEAR THAT WAS

FINANCIAL HIGHLIGHTS

- GPL's total Income increased by 38% to INR 2,397 crore from INR 1,733 crore
- EBITDA increased by 25% to INR 503 crore from INR 403 crore
- Net profit increased by 14% to INR 235 crore from INR 207 crore
- Generated INR 1,868 crore of net operating cash flow leading to a debt reduction of INR 653 crore

SALES HIGHLIGHTS

- Highest ever sales in a financial year by GPL - booking value of INR 5,083 crore is the highest booking value achieved by any publicly listed real estate developer in India in FY18
- Total value of bookings in FY18 stood at INR 5,083 crore, which represents a 152% year-on-year increase
- Delivered sales of more than INR 1,000 crore in each of the four quarters of FY18
- For the first time, GPL emerged amongst the top three developers by value of real estate sold in each of the four focus markets of Mumbai, NCR, Bangalore, and Pune
- Sold more than 1.25 million sq. ft. with a booking value of over INR 800 crore in each of the four focus markets viz. Mumbai, NCR, Bangalore and Pune
- Sales from existing inventory stood at INR 2,780 crore in FY18 as compared to INR 1,052 crore in FY17

COMMERCIAL PROJECTS

- FY18 sales at Godrej BKC stood at INR 697 crore leading to remaining inventory of only ~ 51,000 sq. ft.
- Entered into a deal with Godrej Fund Management (GFM) to sell 50% stake in Godrej Two

BUSINESS DEVELOPMENT

- Best ever year for business development - Added 12 new projects with saleable area of 23.5 million sq. ft.
- 83% of the area added in FY18 is in partnership with other developers
- All the projects added are in the four largest real estate markets in India

SUSTAINABILITY HIGHLIGHTS

- GPL was ranked 2nd in Asia & 6th globally by GRESB (Global Real Estate Sustainability Benchmark) - An industry-driven organization which assesses Environmental, Social and Governance (ESG) performance of real estate assets globally. GRESB is committed to rigorous and independent evaluation of the sustainability performance of real estate assets across the globe
- Godrej Garden City had the distinction of receiving Platinum certification by the Indian Green Building Council. The IGBC Green Residential Society Platinum certification is recognized as the highest rating for residential societies and with this achievement, Godrej Garden City becomes the largest township in India to be IGBC Green Residential Society Platinum certified
- 7 developments received green building certifications

OTHER HIGHLIGHTS

- Delivered ~ 3 million sq. ft. across 4 cities in FY18
- 52 awards received in FY18


Godrej BKC, Mumbai

Actual image

COMPANY INFORMATION

Mr. Adi B. Godrej
Chairman Emeritus

DIRECTORS:

Mr. Pirojsha Godrej
Executive Chairman

Mr. Mohit Malhotra
Managing Director & Chief Executive Officer

Mr. Jamshyd N. Godrej
Non-Executive Director

Mr. Nadir B. Godrej
Non-Executive Director

Mr. Amit B. Choudhury
Independent Director

Mr. Keki B. Dadiseth
Independent Director

Mrs. Lalita D. Gupte
Independent Director

Mr. Amitava Mukherjee
Independent Director

Dr. Pritam Singh
Independent Director

Mr. Pranay Vakil
Independent Director

REGISTERED OFFICE

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

REGISTRAR & TRANSFER AGENT

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

STATUTORY AUDITORS

B S R & Co. LLP
5th Floor, Lodha Excelus,
Apollo Mills Compound,
N. M. Joshi Marg, Mahalaxmi,
Mumbai - 400 011.

BANKERS

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

COMPANY SECRETARY & CHIEF LEGAL OFFICER

Mr. Surender Varma


Godrej Platinum, Kolkata
Actual image

AWARDS & RECOGNITION

Awards received by Godrej Properties in FY2018

Golden Peacock National Quality Award – 2017	• Institute Of Directors India's 27th World Congress on Business Excellence and Innovation
Best Developer of the year 2017	• Construction Times Builders Award 2017
Recognition for shaping the industry, creating unique positioning, and altering the basis of competition for Construction, Real Estate and Steel	• IFC Times Network Strategy Award
Real Estate Company of the Year 2017	• APAC Insider
India's Top Builders Award	• CWAB Awards 2017
Runner's up trophy for Excellence in Procurement Sustainability	• CPO Awards 2017
Developer of the year	• Golden Bricks Awards 2016-17
Sectoral Procurement Excellence - Construction & Real Estate	• 5th Procurement Excellence Awards
Best Real Estate Development Partner - India	• Business Vision Awards 2017
Outstanding Contribution in Real Estate Sector	• 5th National Conference Resident Welfare Associations (NCRWA) Exhibition - Mumbai
Leader in Sustainable Real Estate Developments	• 2017 Grohe Hurun Report
India's Most Trusted Real Estate Brand	• IBB Awards 2018
Developer of the Year 2017-18	• QuikrHomes Realty Fact Awards 2018
Excellence in Real Estate – India	• Corporate Insider
Godrej Properties HR team	• Gold for "UNIQUE HR INITIATIVE" - 8th Annual Corporate Collateral awards by PRCI

AWARDS & RECOGNITION

Project & Individual Awards received in FY2018

Godrej One, Vikhroli	• Emerson Cup award for 2017 - IGBC Green New Buildings Category • International Engineering Society of North America (IESNA) has presented AWA Lighting Designers - 2017 Award of Merit for the Godrej One project, in recognition of meritorious contribution to lighting design
GPL Design Studio	• Joint winner - The Gold Prize at Yuan Ye Award International Competition 2017 • Joint winner - commendation in the Heritage Architecture category at the Grohe NDTV Design & Architecture Awards 2017
Godrej Garden City, Ahmedabad	• Best Township Project Award of the Year 2018 - Construction Times Awards 2018
Godrej Origins, Vikhroli	• Innovative Marketing Campaign of the Year - Asia Real Estate Excellence awards 2017
Godrej 24, Pune	• Innovative Concept Project of the year - Golden Bricks Awards 2016-17
Godrej Infinity, Pune	• Silver for 'Privileges are now 0 KM Away' campaign - MMA SMARTIES India Awards 2017
Godrej Prana, Pune I Godrej Infinity, Pune	• National Safety Council
Godrej United, Bangalore	• Safety Award - The Safety Institute & Director of Factories Karnataka
Godrej Summit, Phase I, Gurgaon	• CIDC Green Performance Award Certificate 2018
Godrej Platinum, Kolkata	• Best Luxury Residential Project - Asia Pacific Property Awards • Best Landscape Award - Asia Pacific Property Awards • The Times Realty Icon 2018 - Best Super Luxury Projects • Ultra-luxury segment in the east zone - 12th CNBC-AWAAZ Real Estate Awards
Godrej Gold County, Bangalore	• Outstanding Contribution in Green Building Project - Real Estate Category at the 7th EPC World Awards 2017 • Innovative Concept of the Year - 9th Realty Plus Excellence Awards 2017 (South) • Runner's up trophy under the category "Green Project of the Year" - Construction Week India Awards 2017
Godrej Greens, Pune	• Gold for 'Feel The Greens' campaign - MMA SMARTIES India Awards 2017 • Silver at IDMA 2017 for best Digital Innovation in the Best Banners - Rich Media With or Without Video category for its campaign "Feel the Greens"

AWARDS & RECOGNITION

Project & Individual Awards received in FY2018

Godrej Prakriti, Kolkata	• Integrated Township Project of the Year - 10th Realty Plus Excellence Awards EAST 2018 • Silver at IDMA 2017 for best Digital Innovation in the Best Digital Direct Response Campaign category for its campaign "Feel the Greens"
Godrej Genesis, Kolkata	• Best commercial project in the East Zone - 12th CNBC-AWAAZ Real Estate Awards
Godrej Azure I Godrej Infinity I The Trees I Godrej Aria I Godrej 101 I Godrej United	• Construction Health, Safety & Environment (CODE-I) - 10th CIDC Vishwakarma Awards
Adi Godrej	• Global Leadership Award - U.S. India Business Council
Pirojsha Godrej	• 100 Most Trusted CEO's of 2017 - World Consulting & Research Corporation (WCRC) Leaders Asia • Pride of India - Globe Luxurié Décodé 2017 • AsiaOne 40 Most Influential Indians Under 40 - 2017
Mohit Malhotra	• Economic Times 40 under 40 list of 2017
Anubhav Gupta	• Perspective 40 under 40 in the architecture category
Ruhie Pande	• 100 super leaders in HR by world HRD congress


Godrej Meridien, Gurgaon
Artist's impression. Not an actual site photograph.

MESSAGE FROM THE EXECUTIVE CHAIRMAN

Pirojsha Godrej
Executive Chairman,
Godrej Properties

FY18 has been the best ever year for Godrej Properties on three very important operating parameters: sales, operating cash flows, and business development. Sales in FY18 grew by 152% to INR 5,083 crore, ensuring it was GPL's best ever year in terms of the value of real estate we sold. As a result, we have once again emerged as the largest publicly listed developer in India by sales value in FY18.

Dear Shareholders,

I am happy to report that FY18 has been a year of great progress at your company, both in terms of operational results and improvements to business standards. We continue to focus our energies on customer centricity, employee engagement, and building operational scale and efficiency.

As the quality of real estate projects in India has improved over the past decade, customer expectations have also evolved. Consumers want and expect more from leading developers, both in terms of design quality and service experience. At Godrej Properties, we know that our ability to drive customer value, in product and service, will be the most significant determinant of your company's success. For the first time, this year, we have introduced the customer Net Promoter Score (NPS), a customer rating of our performance, as a key component of every employee's goals and incentives. This reinforces a mindset that puts the customer at the center of every decision we make at Godrej Properties.

To deliver outstanding experiences for our customers, our employees must be engaged and empowered to deliver their best. For the most senior members of our team, who comprise the management committee of the business, we've introduced long-term incentives through which they can earn up to ten times their current in-year compensation if the organization generates shareholder value that far exceeds our industry peers. Similarly, for all employees, we've introduced incentive systems that disproportionately reward outstanding value creation. We continue to focus on diversity and inclusion initiatives to attract the best talent to Godrej, and ensure we foster a supportive environment for all. For example: Godrej partnered with the United Nations Human Rights Office to launch global standards for businesses to tackle discrimination against LGBTI people; we will work to ensure inclusivity is a cherished principle both at Godrej and the broader corporate community. We are also proactively building gender balanced teams, by performing a rigorous wage gap audit and creating programs that help new mothers transition smoothly back to work after maternity leave.

One important area of pride and motivation for our team at Godrej is our focus on corporate social responsibility. We've partnered with Pratham, a nonprofit organization, on a grant that will catalyze small scale entrepreneurship within the construction sector. Through the grant, we provide access to loans to small-scale contractors without adequate credit history allowing them to scale their operations and create new job opportunities in the process. This initiative was recognized by the Stanford Social Innovation Review in its article, "New Frontiers in Indian Corporate Social Responsibility." In a separate initiative, GPL has set up a waste management plant that converts horticultural waste to fuel briquettes in collaboration with the Municipal Corporation of Greater Mumbai. The plant will divert 50 tons of green waste from landfills per day (10% of Mumbai's total green waste). We are also proud of our integrated watershed management program, through which we have successfully transformed over 8,000 acres of barren drought-prone land in rural Maharashtra into year round crop yielding productive landscapes. With over a quarter million new trees planted, this program will deliver strong environmental benefits, in addition to the positive impact it will have on the livelihoods of thousands of people.

The safety and wellbeing of the construction workers who build our projects has been another area of focus. In addition to rigorous safety standards vetted by independent third parties, we have invested in several programs to improve health of construction workers through regular health check-ups, trainings, and efforts to reduce dengue and malaria infections. We also collaborate with Mobile Creches, an organization that provides schooling and nutrition to the children of construction workers.

As a group, Godrej has always championed sustainable development, and I am happy to share that this year, your company was ranked 2nd in Asia & 6th globally by the Global Real Estate Sustainability Benchmark, widely recognized as the global standard for portfolio-level sustainability and governance reporting and benchmarking in the real estate sector. I am also happy to note that Godrej Garden City had the distinction of receiving Platinum certification by the Indian Green Building Council (IGBC) under its Green Residential Society rating. With this achievement, Godrej Garden City becomes the largest township in India to be IGBC Green Residential Society Platinum certified.

Another new initiative we launched during the year was the Godrej Public Art Initiative, through which we will partner with leading contemporary Indian and international artists to bring public art to our projects across India. Our first partners are Subodh Gupta and Manish Nai, both of whom are amongst India's brightest artistic talents. We have already installed large-scale works by these artists at Godrej BKC, a LEED Platinum commercial office building at Bandra Kurla Complex in Mumbai. Aside from incorporating public art into our own developments, Godrej Properties is also supporting public art in locations across India. As a first step, Godrej Properties is

Manish Nai - Godrej BKC, Mumbai

Subodh Gupta - Godrej BKC, Mumbai

Beed Watershed Development - Beginning of Project - March 2016

Beed Watershed Development - September 2017

proud to be a sponsor of the Madhavendra Sculpture Palace at Nahargarh Fort, one of India's first sculpture parks located within an iconic fort in Jaipur.

Last year, we had a leadership transition with my colleague, Mohit, taking over as CEO of Godrej Properties. This transition has been seamless, and Mohit, along with his extremely capable management team, has delivered a record year. At the start of the last financial year, we set two primary financial targets that we hoped to deliver within five years. These were, first, to establish ourselves as consistently among the top three developers by value of real estate sold in each of the four largest real estate markets in the country – Mumbai, Bangalore, NCR, and Pune – and, second, to double our return on equity to 20%. I am happy to report that we have made strong progress on these targets. Your company has already achieved a position among the top three developers in each of the four largest markets in FY18, with a leadership position in NCR, a number two position in Mumbai and Pune, and a number three position in Bangalore. We sold more than 1.25 million sq. ft. with a booking value of over INR 800 crore in each of our four focus markets, becoming the first developer in India to achieve this scale across multiple geographies. A combination of robust sales, significant new business development, and improved operating cash flows ensured that FY18 was a substantial first step towards delivering on our 20% ROE goal.

FY18 has been the best ever year for Godrej Properties on three very important operating parameters: sales, operating cash flows, and business development. Sales in FY18 grew by 152% to INR 5,083 crore, ensuring it was GPL's best ever year in terms of the value of real estate we sold. It was also the first time we sold over INR 1,000 crore worth of space in each of the four quarters in the financial year. As a result, we have once again emerged as the largest publicly listed developer in India by sales value in FY18. We are especially pleased with this sales performance given that sales for the industry as a whole have declined during the financial year.

Sales from existing inventory have been particularly exciting: our performance more than doubled, to INR 2,780 crore. That allowed a greater percentage of cash collection from each sale, which in turn led to our best ever collections performance of nearly INR 4,000 crore, an increase of 54% over FY17. As a result, we have generated INR 1,868 crore of net operating cash flow in FY18, which allowed us to reduce debt by INR 653 crore while continuing to rapidly grow the company's development portfolio.

In FY18, we added more new projects than in any previous year. GPL added 12 new projects with a total saleable area of 23.5 million sq. ft. More than 80% of the area added in FY18 is in partnership with other real estate developers, and all of these projects are in the four largest real estate markets in India.

The Indian real estate sector has undergone a lot of disruption, starting with demonetization in 2016, and continuing with the Real Estate Regulatory Act (RERA), and GST being introduced in the last financial year. These measures are helping to drive consolidation in the sector. A weak property market and increasing customer preference for stronger developers has created an unprecedented business development opportunity for developers with strong customer franchises and development capabilities. GPL is well placed to capitalize on these opportunities in the business development space. To ensure we have the financial resources we need to pursue rapid growth in the coming years, your company successfully raised INR 1,000 crore of equity capital in June 2018 from a leading global investor.

Your company has a tremendous opportunity. India is likely to be the fastest growing major economy in the world over the next two decades. Within India, the real estate sector is likely to be one of the fastest growing major sectors. And within the real estate sector, given our brand, our national presence, and our strong team and capabilities, we are as well placed as any other company to capture this opportunity.

Our team at Godrej Properties is an exceptional group of talented individuals and I am grateful to them for their tremendous efforts and outstanding results. We would like to thank our customers, joint venture partners, and business associates for their support. Finally, thanks to you, our shareholders, for your continued belief in Godrej Properties.

Best Wishes,

Pirojsha Godrej
Executive Chairman
Godrej Properties

MANAGEMENT DISCUSSION & ANALYSIS

GLOBAL ECONOMY

According to The World Economic Outlook (WEO) update around 120 economies, accounting for three quarters of world GDP, saw a pickup in growth in year-on-year terms in 2017, the broadest synchronized global growth upsurge since 2010. Global output is estimated to have grown by 3.7 percent in 2017. The International Monetary Fund has raised its growth forecasts for 2018 to 3.9%, expecting the global economy to continue to recover on the back of buoyant trade and investment.

Among advanced economies, the U.S. growth forecast has been raised from 2.3% to 2.7% in 2018. The U.S. tax policy changes are expected to stimulate activity, with the short-term impact in the United States mostly driven by the investment response to the corporate income tax cuts. Growth rates for many of the euro area economies have been marked up, especially for Germany, Italy, and the Netherlands, reflecting the stronger momentum in domestic demand and higher external demand.

Asia continues to be the main engine of the world's economy, accounting for more than 60% of global growth—three-quarters of it coming China and India alone, per IMF's Regional Economic Outlook: Asia and Pacific (REO). Asia is expected to grow at 5.6% in 2018-19, supported by strong global demand, as well as accommodative policies and financial conditions. According to The International Monetary Fund (IMF), India is projected to grow at 7.4% of its gross domestic product (GDP) in 2018 as against China's 6.6%, making it the fastest growing economy among emerging economies.

INDIAN ECONOMY

After facing several headwinds over the previous year, Indian economy is now back on track. The CSO, reported a GDP growth of 7.7% in the 4th quarter of 2017-18 - the fastest pace in seven quarters. The economy grew at the highest rate since the 2nd quarter of FY17, ahead of the demonetization in November 2016. The turnaround in the economy was led by robust agriculture (4.5%) and manufacturing growth (9.1%) as well as double-digit growth in construction activities (11.5%) in the 4th quarter. Gross fixed capital formation, a proxy for investment demand in the economy, expanded at a double-digit pace (14.4%) after a gap of seven quarters, signaling a revival in investment activities. GDP growth for the year ended 31st March stood at 6.7%, a tad higher than previously estimated by the Central Statistics Office. While high oil prices may pose a risk to economic recovery and the inflation outlook, forecast of a normal monsoon by India's weather office is expected to mitigate farm distress and boost rural demand this year. The World Bank in its India Economic Update expects economic growth to accelerate to 7.3% in 2018-19 and 7.5% in 2019-20.

The rollout of the GST was a landmark accomplishment despite the initial glitches and will enhance efficiency, create a common national market, and improve tax buoyancy. India is steadily moving towards greater formalization of the informal economy. According to the Deloitte Voice of Asia report, revival in rural demand and increased infrastructure spending are key economic drivers that are likely to drive the economy's growth in the current year in spite of obstacles like rising debt and the recent trade protectionism. After a year of disruptions and growth slowdown, the Indian economy is consolidating the gains from the recent reforms and is moving in the right direction. With a steady increase in FDI inflows and pickup in growth, 2018 is expected to be a period of strong growth for India.

REAL ESTATE SECTOR

According to a report by CREDAI and JLL India, the Indian real estate sector is projected to reach a market size of $180 billion by 2020, a sharp rise from $126 billion in 2015. The housing sector's contribution to the Indian GDP is expected to almost double to more than 11% by 2020 up from an estimated 5-6% today. A 2014 study by the National Council of Applied Economic Research indicates that every additional rupee of capital invested in the housing sector adds INR 1.54 to the gross domestic product (GDP) and every INR 1 lakh invested in residential housing creates 2.69 new jobs in the economy. Regulatory reforms, steady demand generated through rapid urbanization, rising household income and the emergence of affordable housing and nuclear housing are expected to be key drivers of growth for the real estate sector.

According to a CLSA report, there is currently no listed developer achieving sales of US$1bn per annum in India's US$100bn+ residential market. Fragmentation is high, not just at a national level, but at a city level too. However disruption-with demonetization in 2016 and the Real Estate Regulatory Act (RERA) reform in 2017 has triggered accelerated consolidation. Customer preferences also have shifted towards better quality and branded developments. Access to cheaper capital has gained importance as working capital requirements rise. The organized sector should be able to more than double its market share of the residential property market, to nearly 20% over the next five to seven years.

The CLSA report further compares the Indian and the Chinese real estate market. The top 10 Chinese developers accounted for 22% of residential property sales in 2016, double the level of 11% in 2008. The top developers have steadily utilized their balance-sheet advantages and delivery capabilities to scale-up. In 2016, the top-three Chinese developers together sold US$150bn of properties, accounting for 11% of the market share. As delivery capabilities and balance sheets start to matter more in India, it expects a similar consolidation to unfold in India as well.

The Indian residential real estate sector is at the cusp of a gradual demand revival, aided by affordability at a 15-year high, and new buyer-friendly regulations that have increased the confidence of property buyers. Improvement in the current subdued job creation/income growth outlook could lead to even faster growth. Developers with a scalable business model are better placed to grow market share in a regulatory environment that demands greater accountability and transparency from developers.

RESIDENTIAL REAL ESTATE MARKET

According to property research firm Knight Frank, the Indian residential market breached new lows in terms of supply and sales in CY18. Clocking the largest percentage drop in supply volumes during this decade, the annual supply levels in the Indian real estate residential market in 2017 stood at one fourth of those in 2015. The NCR was the most affected market with its annual supply volume at just 7% of its decadal high. Total sales volume in the top eight cities dropped by 7% in CY2017 to 0.23 million units.

Godrej Vihaa, Badlpaur

Artist's impression. Not an actual site photograph.

The Indian residential real estate sector is at the cusp of a gradual demand revival, aided by affordability at a 15-year high, and new buyer-friendly regulations that have increased the confidence of property buyers.

During the last four years, the growth in residential prices in most of the top eight cities of India has been below retail inflation growth and the gap has progressively increased since H1 2016. This has significantly improved home affordability and average ticket sizes of housing units in most cities are now inching closer to or are below the Knight Frank Affordability Benchmark of 4.5 times the annual household income of the city. Improved affordability will drive the impending housing market's recovery. Affordability is at its best level in 15 years, through a combination of weak property prices, decade-low mortgage rates and steady income increases. Incrementally, support has come from the government in the form of affordable housing, tax incentives and credit-linked subsidies on home loans.

Mumbai

Maharashtra notified The Real Estate (Regulation and Development) Act, 2016 in a timely manner and subsequently implemented it statewide in May 2017. The residential sales in the Mumbai Metropolitan Region increased by 3% and stood at 62,256 units in CY2017 compared to CY2016. In the post RERA era, developers are concentrating their resources and efforts towards completing existing projects and as a result the number of new launches were subdued. The launches across MMR in CY2017 decreased by 32% YoY and stood at 23,253 units and were down 83% from the peaks of 2010.

Bangalore

From a peak of 57,366 units sold in CY2013, the sales volume declined by 40% to 34,546 units at the end of CY2017. Whilst Bangalore started witnessing a declining trend of new launches since CY2014, new launches stood at 22,410 units in CY2017 registering a decrease of 71% from the peak witnessed in CY2013 and 41% compared to CY2016. The stress in the market is also captured in the age of unsold inventory, which progressively increased from 7.5 quarters in 2014 to 13 quarters in 2017. However green shoots of recovery are visible as the unsold inventory declined by 10% YoY in H2 2017.

NCR

New launches in NCR have been on a constant decline since its peak in 2010 and fell further in CY2017. Piling up inventory, lack of consumer confidence due to litigations and infrastructure delays and policy initiatives such as RERA and GST are some of the major factors that have adversely affected market dynamics and have taken the steam out of new project launches in the region. NCR saw approximately 11,726 units launched in CY2017 compared to 26,734 units in CY2016 resulting in a decline of 56%. On a yearly comparison, approximately 37,653 units were sold in NCR in CY2017, registering a drop of 6% over the 2016 sales numbers. Sales in the second half of CY2017 stood at 20,465 units compared to 16,913 units in H2 CY2016 registering a YoY increase of 21%.

Pune

Against the backdrop of stringent RERA regulations and subdued demand conditions in H2 CY2017, developers focused their efforts on completing ongoing projects rather than launching new ones. This led to a severe contraction in the Pune residential market, where launches decreased by 77% from the peak launch volume of 56,000 units recorded in CY2012. The number of new launches decreased by 37% and stood at 12,705 units in CY2017 compared to CY2016. The annual sales increased by 5% increase and stood at 33,966 units in CY2017 on account of a better start in the first half.

OFFICE MARKET

According to a report by Knight Frank, the Indian office space market has been plagued by a lack of availability of quality office space while demand has remained steady. This slide in office space development was arrested in 2017 with supply growing by 7% in annual terms. The overall transactions stood at 41.7 million sq. ft. which continue to substantially exceed supply and has pulled down the vacancy levels to a decadal low of 11.6% from 13.5% a year ago. The lack of fresh office space is most visible in the IT/ITeS sector dominated markets of Bengaluru, Pune and Hyderabad that currently have single digit vacancy levels at 3%, 6% and 5% respectively while Chennai stands at 10%. Rental growth was strong across markets with the exception of Mumbai which experienced flat growth due to increasing supply and vacancy levels. Hyderabad and Bengaluru experienced the strongest rental growth at 8.5% and 9.2% YoY respectively.

The affordable housing segment is expected to continue to drive the real estate sector in 2018 with several developers and institutional funds eyeing opportunities in this space. The end-user demand in this segment along with the government's thrust through incentives such as granting infrastructure status is ensuring a rising appetite for such projects across the country.

REFORMS

RERA Implementation

RERA was passed to ensure accountability, infuse transparency and bring uniformity in real estate practices. According to a report by property consultancy firm Knight Frank, only Maharashtra, Madhya Pradesh and Punjab have established a permanent Real Estate Regulatory Authority, and 19 states and Union Territories (UTs) have a functional portal in place. MahaRERA's proactive implementation of RERA stands out and of the total 25,000 projects registered under RERA across India, 62% are in Maharashtra alone. Maharashtra is the only state with detailed project level pages providing relevant information such as number of units along with carpet area, revised dates of project completion, building wise break up of configurations along with available and sold units, copies of sanctioned building plans, amongst others. While other state RERA websites do allow basic search, project level details are still not available in many states. Though things are falling into place, the pace of creating physical infrastructure like setting up regulator's offices and hiring officials can be quickened. All states need to invest heavily to create technically superior and information-rich portals, which will serve as a primary source of real estate information to all stakeholders.

Goods and Services Tax (GST)

The Goods and Services Tax (GST), a crucial indirect tax reform was implemented on 1st July, 2017. The new tax structure subsumes various indirect taxes such as excise duty, service tax and value added tax (VAT) which were levied by the central and state government. The GST aims to create a uniform market and eliminate multiple levels of taxation. This is expected to pave the way for higher transparency on the back of a streamlined structure.

The GST is expected to bring the unorganized sector under the ambit of taxation which will help to increase the tax base and provide a level playing field for organized developers.

Incentives for mid income/affordable housing

In a major decision to boost affordable housing the government has increased the carpet area of houses eligible for interest subsidy under the Credit Linked Subsidy Scheme (CLSS) for the middle-income group (MIG) under Pradhan Mantri Awas Yojana (Urban). According to the revised norms, the ministry of housing & urban affairs has enhanced the carpet area of houses eligible for subsidy under CLSS to 160 square meter for MIG-I and 200 square meter for MIG-II. The clause is applicable from Jan 1 2017. Government provides 3-4% interest subsidy (up to INR 2,35,000) for homes qualifying under PMAY scheme CLSS scheme. Under MIG-I, 4 percent interest subsidy is available on loan up to INR 9 lakh for people with an annual income between INR 0.6-1.2 million, while 3 per cent interest subsidy is given on loan up to INR 1.2 million to people with income between INR 1.2-1.8 million per annum. As of June 11, an amount of INR 7.36 billion has been disbursed to 35,204 beneficiaries belonging to the MIG category. The Union Budget has also proposed to set up dedicated affordable housing fund in the National Housing Bank funded from priority sector lending shortfall and fully serviced bonds authorized by the government of India. The affordable housing segment is expected to continue to drive the real estate sector in 2018 with several developers and institutional funds eyeing opportunities in this space. The end-user demand in this segment along with the government's thrust through incentives such as granting infrastructure status is ensuring a rising appetite for such projects across the country.

REITs

While the initial rules for formation of Indian Real Estate Investment Trusts (REITs) were formulated over 3 years ago, India is yet to see its first REIT listing owing to a number of procedural delays on the regulation and taxation front. However, with most of these issues now being sorted out, India may see its first REIT listing in CY18. Given the expanding universe of Grade A office properties in Indian cities as well as rising rentals across their micro-markets, REITs offer an attractive way for investors to trade in prime commercial real estate. REITs are effectively going to increase the available growth capital for developers. Cushman and Wakefield estimates Indian commercial real estate (like office, retail assets) offers investment opportunities for REITs worth \$43 billion – \$54 billion across top cities.

THREATS & CHALLENGES

Regulatory Hurdles

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

Dumping ground

In March 16, the Mumbai High Court restricted Municipal Corporation of Mumbai (BMC) from approving new construction of residential and commercial space in Mumbai due to failure to adhere to solid waste management rules. Mumbai had only three solid waste dumping grounds in the suburbs of Deonar, Mulund and Kanjurmarg and more than 50% of the solid waste was not processed before disposal. The High Court had also banned sale of new units in redevelopment projects thereby impacting 400+ redevelopment projects as per National Real Estate Development Council. After two years, the Supreme Court lifted the stay on the construction of new buildings in Greater Mumbai for six months on the condition that the debris will be deposited at a specific site approved by BMC. The Maharashtra Chamber of Housing Industry has identified 10 dumping sites in and around Greater Mumbai for solid waste disposal – Ulwe Node, Vahal node, JNPT SEZ, Pushpak Node in Navi Mumbai; Aarey Picnic Point and Aarey Colony in Mumbai; Village Kalher, Bhivandi; Village Bambavle, Raigad; MIDC Land, Mhape and MIDC Land, Ambernath.

Shortage of Manpower & Technology

Despite being the second largest employer in the country, the construction sector as a whole faces manpower shortages. Further the sector is heavily dependent on manual labor which increases the timelines for construction companies and results in supply getting deferred. There is a need to promote new mass housing construction technologies such as prefabricated, pre-engineered buildings (PEBs), modular homes and tunnel formwork technologies to name a few. Active R&D in modern technology space must be promoted.

ABOUT GODREJ PROPERTIES LIMITED

Godrej Properties Limited (GPL) is the real estate development arm of the Godrej Group, which was started in 1897 and is today one of India's most successful conglomerates. Godrej Properties brings the Godrej Group philosophy of innovation, sustainability, and excellence to the real estate industry. Each Godrej Properties development combines a 121 year legacy of excellence and trust with a commitment to cutting-edge design and technology. Godrej Properties is currently developing residential, commercial and township projects spread across more than ~150 million sq. ft. in 12 cities.

Throughout its operations, GPL aims to deliver superior value to all stakeholders through extraordinary and imaginative spaces created out of deep customer focus and insight. GPL has always embraced the notion that collaboration is the essence of excellence. To that end, we have worked with the best designers, architects and contractors within India and around the globe to deliver imaginative and sustainable spaces. By bringing together the best talent in the global real estate sector, GPL works to create developments that will last into the future and foresee the needs of each and every resident.

a. Leveraging the Godrej brand

We believe that the 'Godrej' brand is instantly recognizable across India due to its long standing presence in the Indian market, the diversified businesses in which the Godrej Group

Godrej One, Vikhroli

Actual image

For the first time, we have emerged as amongst the top three developers by value of real estate sold in each of our four focus markets of Mumbai, NCR, Bangalore, and Pune. In FY18, we were the largest developer in NCR, the second largest developer in Mumbai and Pune, and the third largest developer in Bangalore by value of real estate sold.

operates and the trust it has developed over the course of its operating history. We believe that the strength of the 'Godrej' brand and its association with trust, quality and reliability help us in many aspects of our business.

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

b. Sales Momentum

Your Company posted its best ever sales performance in FY18 in terms of the value and volume of real estate we have been able to sell. For the first time in its history, GPL has delivered sales of more than INR 1,000 crore in each of the four quarters of the financial year. Also, for the first time, we have emerged as amongst the top three developers by value of real estate sold in each of our four focus markets of Mumbai, NCR, Bangalore, and Pune. In FY18, we were the largest developer in NCR, the second largest developer in Mumbai and Pune, and the third largest developer in Bangalore by value of real estate sold. GPL sold more than 1.25 million sq. ft. with a booking value of over INR 800 crore in each of the four focus markets viz. Mumbai, NCR, Bangalore and Pune. This has largely been possible by combining our traditional strength in new launches with a strong improvement in sales from existing inventory, which stood at INR 2,780 crore in FY18. The total value of bookings in FY18 stood at INR 5,083 crore, which represents a 152% year-on-year increase. As a result, GPL has emerged as the largest publicly listed developer in India by sales value in FY18. We are especially pleased with this sales performance given that sales for the industry as a whole have declined during the financial year.

Mumbai

Godrej Origins at 'The Trees' in Vikhroli witnessed sales of 130 apartments within the first week of launch. The total sales at 'The Trees' stood at 315,548 sq. ft. with a booking value of INR 651 crore in FY18. Godrej Emerald, Thane which was launched in FY17 witnessed strong sales from existing inventory, and the total sales stood at 427,882 sq. ft. with a booking value of INR 386 crore. In addition to this we launched Godrej Tranquil at Kandivali within a month of adding the project to our portfolio. The project witnessed sales of INR 185 crore in the launch quarter. Total sales in Mumbai stood at ~1.51 million sq. ft. with a booking value of INR 2,347 crore.

NCR

GPL continued to build on its momentum in the NCR market which has been weak for the last several years. After having done well in Gurgaon, we successfully entered the Noida market last year. The Suites at Godrej Golf Links in Greater Noida received a tremendous response with 500 apartments being sold within the first month of its launch. Godrej Nest, our second project in Noida witnessed sales of well over 200 apartments with a booking value of 195 crore in the launch quarter. Our cumulative sales in the Noida market have crossed 1 million sq. ft. with a booking value in excess of INR 670 crore in FY18. Your Company launched Godrej Nature+ in Gurgaon within nine months of adding the project to our portfolio. We sold more than 250 apartments with a booking value of close to INR 244 crore in the launch month. Total sales in NCR stood at ~1.58 million sq. ft. with a booking value of INR 906 crore.

Bangalore

At Godrej Air in Bangalore, we sold more than 600,000 sq. ft. with a booking value of INR 401 crore making it our best ever launch in the Bangalore market. Godrej Eternity also witnessed strong traction and the total sales stood at ~325,000 sq. ft.

FY18 has also been the best ever year for business development in the history of GPL in terms of the number of new projects added. GPL added 12 new projects with saleable area of 23.5 million sq. ft. More than 80% of the area added in FY18 is in partnership with other real estate developers and all the projects added are in the four largest real estate markets in India.

with a booking value of INR 169 crore. Total sales in Bangalore stood at ~1.26 million sq. ft. with a booking value of INR 811. crore

Pune

Godrej 24 in Pune saw sales of over 450 apartments with an area in excess of 500,000 sq. ft. during the launch weekend. The total sales stood at 791,289 million sq. ft. with a booking value of INR 469 crore. Godrej Infinity witnessed strong traction in sales from existing inventory and total sales stood at ~313,000 sq. ft. with a booking value of INR 175 crore. Total sales in Pune stood at ~1.47 million sq. ft. with a booking value of INR 811 crore.

c. Monetizing the commercial portfolio

GPL entered into a deal with Godrej Fund Management (GFM) for a 50% stake in Godrej Two, a commercial building at The Trees, Vikhroli. Godrej Two is located within our flagship mixed-use project, 'The Trees'. The commercial precinct also houses Godrej One, the Godrej Group's global headquarters, a delivered asset that is a clear demonstration of the GPL's commitment to product design and quality being central to Vikhroli's development. Godrej Two has achieved LEED-Platinum pre-certification, the highest global rating for sustainable design and will offer approximately 1.2 million square feet of built space.

Godrej BKC registered sales of 199,140 sq. ft. with a booking value of INR 697 crore in FY18. We now have only ~51,000 sq. ft. of remaining inventory in the project. We also remain strongly focused on monetizing the balance inventory in our other two commercial projects at Chandigarh and Kolkata though the market conditions in these two cities are haven't been very conducive which has been the main reason for subdued sales in both these projects.

d. Business development

FY18 has also been the best ever year for business development in the history of GPL in terms of the number of new projects added. GPL added 12 new projects with saleable area of 23.5 million sq. ft. More than 80% of the area added in FY18 is in partnership with other real estate developers and all the projects added are in the four largest real estate markets in India. The Indian real estate sector has undergone a lot of disruptions in the recent past viz. demonetization, RERA implementation and goods and services tax (GST). This has led to consolidation in the sector with several small developers either monetizing their land parcels on outright basis or entering into joint development or development management agreements. With rapid consolidation underway in the sector, which will only accelerate going forward we believe there is a huge opportunity for GPL to further build on the business development momentum. Below is the list of deals signed by GPL in FY18.

Particulars	Saleable Area (million sq. ft.)
Godrej Nature +, Gurgaon	1.7
Sector 85, New Gurgaon	1.05
Magadi Road, Bangalore	0.6
Godrej Meridien, Gurgaon	1.5
Godrej Alive, Mumbai	2.1
Sarjapur 3, Bangalore	4.7
Devanhalli 2, Bangalore	1.34
Mamurdi, Pune	4.5
Devanhalli 3, Bangalore	2.15
Electronic City, Bangalore	1.4
Noida Expressway, NCR	1.7
Sector 3, Gurgaon	0.75

e. Customer Centricity

GPL's endeavor is to be recognized as the most customer-centric real estate organization in the country. To ensure a consistent and positive customer experience across all our

Godrej Gold County, Bangalore

projects, GPL has focused on three important aspects:

- Standard Operating Processes (SOPs)
- Empowered team
- Use of technology

Standard Operating Processes (SOPs) for all critical processes have been documented. Regular & focused training is imparted to ensure that the SOPs are adhered to. Customer Centricity (CC) has also been focusing on people with capability development through Customer Experience Lab, on the job training through certifications and various role based e-modules for skill development.

GPL recognizes the importance of engaging with customers considering the long gestation period from sales to handover. GPL has taken its big first step into making Net Promoter Score (NPS) as a single measure of its customer experience & advocacy. Net Promoter Score is now the worldwide standard for organizations to measure, understand and improve their customer experience. The frame work for the NPS process implementation is now in place and Baseline NPS and Brand NPS will be tracked closely in order to consistently improve our customer experiences.

During FY18 we delivered ~3 million sq. ft. across 4 cities. The table on the next page gives details of these projects:

Particulars	Saleable Area (million sq. ft.)
Godrej Summit, Gurgaon	1.86
Godrej Frontier, Gurgaon	0.42
Godrej Prakriti, Kolkata	0.4
Godrej Platinum, Mumbai	0.15
Godrej Gold County, Bangalore	0.08

f. Global recognition for sustainability initiatives

GPL was ranked 2nd in Asia & 6th globally by GRESB (Global Real Estate Sustainability Benchmark) - An industry-driven organization which assesses Environmental, Social and Governance (ESG) performance of real estate assets globally. GRESB is committed to rigorous and independent evaluation of the sustainability performance of real assets across the globe. GRESB data is used by more than 200 institutional investors, listed property companies and fund managers and is backed by all leading international real estate associations and industry bodies. It provides investors the tools to benchmark their investments against each other based on property type, country and regional peer groups. GRESB is widely recognized as the global standard for portfolio-level ESG reporting and benchmarking in the real asset sector.

g. Sustainable development

At Godrej Properties, we have made sustained efforts to integrate sustainability as a part our business strategy allowing us to address the risks that might arise due to climate change, depletion of resources and increasing pressures on land for development. To demonstrate commitment to sustainable practices, the Godrej Industries Limited & Associated Companies (GILAC) initiated the 'Godrej Good & Green' program to achieve specified environmental targets by the year 2020. Under the ambit of this initiative, at GPL we have committed ourselves to the triple bottom line approach of People, Planet & Profit. We follow a comprehensive approach to sustainable development from an early design phase through the construction period. In our integrated process, the way we design our developments takes on key importance. Utilizing tools such as energy modeling allows us to reduce energy consumption in buildings which in turn reduces their operational carbon footprint. Our focus on sustainable development covers environmental parameters including site selection and planning, pedestrian friendly developments,

Godrej Garden City, Ahmedabad

Actual image

GPL was ranked 2nd in Asia & 6th globally by GRESB (Global Real Estate Sustainability Benchmark) - An industry-driven organization which assesses Environmental, Social and Governance (ESG) performance of real estate assets globally.

indoor environmental quality, maximizing day lighting and natural ventilation, water and energy efficiency and responsible material sourcing. We integrate the concept of sustainable development across our operations.

Sustainability is one of the key principles that underscores our design led approach and is a part of the GPL Design Studio's mandate. This has allowed us to leverage sustainable design as an innovation mechanism and has proved useful for us to action our goal that all of our buildings should be certified green under credible external ratings systems such as the Indian Green Building Council (IGBC), Leadership in Energy and Environmental Design (LEED) etc. We look at sustainability at a larger organizational level. As a part of the Godrej group, we are one of the founding members of the IGBC, which is actively involved in promoting green building concepts in India.

Additionally as part of IFC's eco-cities program which is supported by the European Union, we are one of the five founding members of the Sustainable Housing Leadership Consortium (SHLC). The SHLC is a voluntary, collaborative effort with leading Indian housing sector companies to drive sustainability in India's housing market. Brought together by the International Finance Corporation (IFC), a member of the World Bank Group, the SHLC's mandate is to promote sustainable urban development. It makes relentless efforts for providing leadership and advocacy for industry and government policy actions in order to make 20 per cent of India's new housing construction sustainable by 2022.

The founding members had aimed for 100 per cent sustainable housing portfolio by 2017 through appropriate green building certifications as well as a 20 per cent reduction in incremental variable cost for sustainable building. We at GPL, are fully certified under IGBC Green Homes for housing and LEED India Core & Shell rating System for commercial projects since 2014.

The focus areas of the consortium include:

- Policy development
- Inclusion for green housing
- Technology availability
- Skill development and improvement in construction workforce
- Consumer awareness regarding benefits of green housing

As part of our sustainability practices, we monitor sustainability across all domains of our business in line with the parameters of the Global Reporting Initiative Generation 4 (GRI G4) guidelines. We undertake Sustainability reporting as per GRI G4 Core for internal purposes. The Global Reporting Initiative (GRI) is a comprehensive framework for product responsibility and ensuring triple bottom line sustainability for business. It is a non-financial disclosure of performance indicators that cover social, environmental & economic aspects. This assessment has ensured a continuous integration of sustainable practices across operations at GPL. We have base-lined our consumption patterns in 2014-15 and are now able to monitor and assess efficiency in operational practices, processes, technologies and materials and understand our environmental footprint. We have initiated cross functional learning's and best practices as well as mitigation and offset projects to reduce our environmental footprint that will in turn help us fulfil our Good & Green 2020 vision.

h. Health and safety management system

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

Contract health and safety management system

This proactive system starts well before awarding the contract with safety assessment of prospective contractors through the pre-qualification (PQ) process, assessment of business risk and initiating required mitigation plan based on the PQ score of the contractor. Also, in the pre-qualification stage we give preference to contractors who are OHSAS 18001 (Occupational Health and Safety Assessment Series) certified.

A weak property market and increasing customer preference for stronger developers has created an unprecedented business development opportunity for developers with strong customer franchises and development capabilities. We believe GPL is well placed to capitalize on these opportunities in the business development space.

The contractor who is brought on board is briefed in a joint safety kick-off meeting and the subsequent mobilization phase is guided and audited by a safety and health infra tracker. The contractor signs a legal undertaking while rolling out the site health and safety plan. This also provides guidelines to the contractors for undertaking work at the site.

Hazard Identification and Risk Assessment (HIRA)

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

Health Surveillance Program

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

Training and Awareness Campaign

We believe that skill enhancement, capability building and awareness are the strongest pillars of our safety and health management system. Thus, we give special impetus to awareness programs, skill training sessions, motivational campaigns and heath camps. In the reporting year we conducted more than 7,800 safety training sessions with close to 177,000 attendees. Events like National Safety Day, World Environment Day, Road Safety Week and Fire Service Day are celebrated across our sites as they provide important platforms to create awareness about health and safety.

Safety Audit

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

i. Human Capital

As part of the 121 year old Godrej Group, we are fortunate to have a proud legacy built on the strong values of trust, integrity and respect for others. At the same time, our exciting and ambitious growth plans allow us to offer unparalleled career opportunities relatively early on in a person's career. Core to our employer brand, is the philosophy of tough love. We expect the best from our employees, differentiate on the basis of performance and potential through career opportunities and rewards and lay particular emphasis on developing, mentoring and training. In line with our operational scale-up we have increased our total employee strength from 1,004 to 1,174 employees over the year.

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

THREATS, RISKS AND CONCERNS

1. Industry Cyclicality

The real estate market is inherently a cyclical market and is affected by macroeconomic conditions, changes in applicable governmental schemes, changes in supply and demand for projects, availability of consumer financing and illiquidity. Your Company has attempted to hedge against the inherent risks through a business model comprising joint ventures, residential

platforms, and development management through a pan-India presence. However, any future significant downturn in the industry and the overall investment climate may adversely impact business.

2. Statutory Approvals

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

OUTLOOK

The Indian real estate sector is on the cusp of a major transformation. India's fragmented property sector is witnessing a major change as far-reaching reforms like the introduction of GST and The Real Estate (Regulation and Development) Act, 2016 (RERA) drive consolidation. These changes combined with the most affordable house prices in decades should lead to an improvement in sentiment which is extremely important for the revival of the sector. High-quality developers, with a greater focus on the residential market, will benefit disproportionately from this cyclical upturn. With growing transparency and improving policies, the country's real estate sector is expected to become more institutionalized and we expect 2018 to be a year of consolidation and recovery for the property sector. A weak property market and increasing customer preference for stronger developers has created an unprecedented business development opportunity for developers with strong customer franchises and development capabilities. We believe GPL is well placed to capitalize on these opportunities in the business development space. We strongly believe our focus on building presence in high return markets with a deep focus on execution across our project portfolio puts us in a strong position to benefit from a robust recovery in the sector and improve market share in the years ahead.

DIRECTORS' REPORT FOR **THE FINANCIAL YEAR ENDED MARCH 31, 2018**

TO THE MEMBERS

The Directors have pleasure in presenting the Thirty-Third Directors' Report of your Company along with the financial statements for the financial year ended March 31, 2018.

1. OPERATING RESULT :

Certain key aspects of the Company's performance (on a standalone basis) during the financial year ended March 31, 2018, as compared to the previous financial year are summarized below:

(₹ in crore)

Particulars	Financial Year 2017 – 2018	Financial Year 2016 – 2017
Revenue from Operations	955.83	998.63
Other Income	493.61	222.40
Total Income	1,449.44	1,221.03
Profit before Tax	373.54	266.08
Profit after Tax	240.85	196.51
Other Comprehensive Income	(2.76)	(0.31)
Total Comprehensive Income	238.09	196.20

2. DIVIDEND:

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

Keeping in view of the overall objective of improving Return on Capital Employed through various projects being added in Company's portfolio, the Board believes that conserving and investing the Company's capital in the many high return investment opportunities currently available instead of distributing it as a dividend will maximize shareholder value creation. The Board therefore felt that in the interest of the minority retail investors, the Company should utilize the internal accruals on its projects rather than paying dividend to shareholders. The Directors have therefore not recommended any dividend for the financial year ended March 31, 2018.

3. SHARE CAPITAL:

During the financial year ended March 31, 2018, the Company had issued and allotted 115,436 equity shares of ₹ 5/- each of the Company to its eligible employees on exercise of options granted under the Godrej Properties Limited Employee Stock Option Scheme, 2011 (GPL ESGS). Consequently, the issued, subscribed and paid–up equity share capital of the Company has increased to 216,480,128 equity shares of ₹ 5/- each. The Company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to the employees or Directors of the Company under any Scheme, other than GPL ESGS.

4. OVERVIEW OF OPERATIONS:

For the financial year under review, GPL's total income stood at ₹ 2,397 crore on a consolidated basis, an increase of 38% compared to the previous year. EBITDA increased by 25% to ₹ 503 crore and net profit increased by 14% to ₹ 235 crore.

In a weak real estate market GPL delivered a very strong performance. GPL added 12 new projects with 23.5 million sq.ft. saleable area potential in aggregate located across Bengaluru, Pune, National Capital Region and Mumbai. The projects added are all of substantial size and are in line with the Company's long term strategy of focusing on value accretive and risk efficient models. These new projects have further strengthened GPL's project pipeline and will drive the Company performance in coming years.

From sales perspective we significantly outperformed the market. Though the real estate market slowdown continued leading to a decline in sales over the previous year, GPL's sales grew by 152%, from ₹ 2020 crore in FY17 to ₹ 5083 crore in FY18, making us India's largest publicly listed developer by value of real estate sales. We launched 10 new projects in FY18 across our 4 growth markets leading to over ₹ 2200 crore in booking value. Most notable of these were The Suites in Greater Noida, Godrej 24 in Pune and Godrej Air in Bengaluru where over 1,300 units were sold within a month of launch generating over ₹ 1000 crore in sales. These successful launches were further complimented by an equally strong performance in sustenance sales. The Company achieved sales of more than 6 million square feet in FY18 which was twice the area sold in the previous year and as a result significantly strengthened GPL's market position helping it to become one of the Top 3 players in each of its four key growth markets.

On the operational front, we successfully delivered over 3 million sq.ft. across our projects. We have now delivered over 18 million sq. ft. of real estate in the last five years. Our delivery record demonstrates that we can operate at a large scale and keep pace with our accelerating sales.

GPL is committed to deliver on its vision of being amongst the nation's top 3 real estate companies, and was recognized for the 'Best Developer of the year 2017' award by Construction Times Builders Award, 'Developer of the Year – Residential' award by Real Estate Company of the Year 2017 - APAC Insider and 'Outstanding Contribution in Real Estate Sector' award by 5th National Conference Resident Welfare Associations (NCRWA) Exhibition – Mumbai. Sustainable development is an important part of our vision and we received several recognitions for our efforts on environment and safety such as 'Leader in Sustainable Real Estate Developments' award by 2017 Grohe Hurun Report and 'Golden Peacock National Quality Award' by Institute Of Directors (IOD). GPL received significant external recognition with a total of 47 awards being received in FY18.

The Company's credit rating has been reaffirmed by ICRA at AA, with continued access to cheaper capital, showcasing confidence in the Company's operations.

5. FUTURE PROSPECTS AND OUTLOOK OF THE COMPANY:

Consumer demand for residential real estate continued to remain low in FY18. In addition, key reforms like Real Estate Regulation and Development Act (RERA) and Goods and Service Tax (GST) were implemented leading to a decline in number of new projects launched in FY18 potentially due to short-term uncertainty. The Company continue to believe that these reforms will lead to improved governance in the sector and bring about consolidation amongst real estate players. The Company remains positive about long term potential of the sector due to higher consumer confidence, favorable interest rates, rising disposable income and stagnant real estate prices. The Company believes that we are in a strong position to disproportionately benefit from expected shifts in the sector. With a strong brand, pan-India presence, demonstrated track record and excellent sales & marketing capabilities we are well poised for a high growth trajectory over next few years.

This Company will continue to add new projects on a Development Management Model on a fee basis as well as through joint development agreement with land owners working with our residential investment platform to enter projects which require significant upfront capital. The Company will continue to focus on 4 key markets - Mumbai, NCR, Bengaluru and Pune, while at the same time opportunistically evaluating other markets. When evaluating new projects we will continue to seek superior long-term growth in shareholder value by maximizing returns through optimal financing and fiscal discipline.

On the operational front, the Company shall continue to focus on business development activities to create a healthy project pipeline across our growth markets, quick project launch turnaround times to optimize return on capital, delivering exceptional customer service and experiences to promote loyalty and using technology for increased construction productivity and higher quality.

6. DEPOSITORY SYSTEM:

Your Company's equity shares are available for dematerialisation through National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2018, 99.98 % of the equity shares of the Company were held in dematerialised form.

7. CORPORATE RESTRUCTURING:

(A). Scheme of Arrangement between Godrej Vikhroli Properties India Limited ('GVPIL') and Godrej Green Homes Limited ('GGHL') and Godrej Highrises Properties Private Limited ('GHPPL')

Godrej Vikhroli Properties India Limited was developing a mixed use project which consists of premium commercial office space ('the Commercial Project'), residential towers ('the Residential Project'), and a luxury hotel ('the Hotel Project').

Pursuant to the Scheme of Arrangement for demerger of the businesses of GVPIL, the Commercial Project and the Hotel Project has been segregated into separate companies such that it will result in focused approach to exploit the growth potential of each of the projects. Accordingly, the Commercial Project is transferred to Godrej Green Homes Limited and the Hotel Project has come under Godrej Highrises Properties Private Limited. The National Company Law Tribunal, Mumbai Bench ('Tribunal') has sanctioned the Scheme of Arrangement on November 10, 2017. The appointed date of the Scheme was March 31, 2017.

(B). Scheme of Amalgamation of Godrej Vikhroli Properties India Limited with Godrej Properties Limited ('The Company')

Godrej Vikhroli Properties India Limited (GVPIL), a wholly owned subsidiary of the Company, was amalgamated with the Company in terms of the Scheme of Amalgamation (Scheme) approved by the National Company Law Tribunal, Mumbai Bench vide its order dated December 07, 2017. Pursuant to the Scheme of Amalgamation, the Residential Project of GVPIL has come under the Company. The appointed date of the Scheme was April 01, 2017.

(C). Scheme of Amalgamation of Godrej Real Estate Private Limited with Godrej Properties Limited ('The Company'):

Godrej Real Estate Private Limited (GREPL), a wholly owned subsidiary of the Company, was amalgamated with the Company in terms of the Scheme of Amalgamation (Scheme) approved by the National Company Law Tribunal, Mumbai Bench vide its order dated April 11, 2018. The appointed date of the Scheme was April 01, 2017.

8. ISSUE OF NON-CONVERTIBLE DEBENTURES:

During the year, the Company has issued unsecured, rated, listed, redeemable, non-convertible debentures (NCDs) of ₹ 500 crore. The proceeds of the issue of NCDs were utilized towards refinancing of existing debt as per the objects of the issue stated in the Disclosure Document.

9. EXTRACT OF ANNUAL RETURN:

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

10. NUMBER OF MEETINGS OF THE BOARD:

The Board met 4 (four) times in the financial year ended March 31, 2018 on May 04, 2017, August 02, 2017, November 03, 2017 and February 02, 2018.

11. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors hereby confirm that:

i. In the preparation of the annual accounts for the financial year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures.

ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on March 31, 2018.

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

iv. They have prepared the annual accounts for financial year ended March 31, 2018 on a 'going concern' basis.

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

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

12. DECLARATION BY INDEPENDENT DIRECTORS:

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

13. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

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

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All transactions entered into during the financial year 2017-2018 with Related Parties as defined under the Companies Act and SEBI LODR Regulations were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any transaction referred to in Section 188 of the Companies Act, with related parties which could be considered material under SEBI LODR Regulations. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Companies Act in Form AOC-2 is not applicable. Attention of Members is drawn to the disclosures of transactions with related parties set out in Notes to Accounts – Note No 43 forming part of the Standalone financial statements.

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

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

There have been no material changes and commitments affecting the financial position of the Company which have occurred between March 31, 2018 and the date of this Report, other than those disclosed in this Report.

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

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

18. BUSINESS RISK MANAGEMENT:

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

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

19. CORPORATE SOCIAL RESPONSIBILITY:

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

20. VIGIL MECHANISM:

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

21. ANNUAL EVALUATION OF PEFORMANCE OF THE BOARD:

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

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

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

- Board processes (including Board composition, strategic orientation and team dynamics);
- Individual committees;
- Individual Board members; and
- Chairman's Feedback Report

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

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

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

22. SUBSIDIARY COMPANIES:

A. Subsidiaries

During the financial year under review, the Company incorporated a wholly owned subsidiary in United States of America known as Godrej Properties Worldwide INC.

As at March 31, 2018, the Company had 16 subsidiaries under the Companies Act, namely, Godrej Realty Private Limited, Godrej Buildcon Private Limited, Godrej Garden City Properties Private Limited, Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited), Godrej Landmark Redevelopers Private Limited, Godrej Redevelopers (Mumbai) Private Limited, Godrej Home Developers Private Limited, Godrej Hillside Properties Private Limited, Godrej Prakriti Facilities Private Limited, Godrej Highrises Properties Private Limited, Godrej Genesis Facilities Management Private Limited, Godrej Skyline Developers Private Limited, Godrej Residency Private Limited, Prakritiplaza Facilities Management Private Limited, Citystar Infraprojects Limited and Godrej Properties Worldwide INC.

During the financial year under review, GBTC I (Master) Pte. Ltd, an investee company of Godrej Fund Management, had entered into Share Subscription, Share Purchase and Shareholders' Agreements with the Company in respect of Godrej Green Homes Limited (GGHL), pursuant to which the Company has sold 50% of the equity share capital of GGHL to GBTC I (Master) Pte. Ltd. Further, the Company had sold its entire stake in its wholly owned subsidiary, Godrej Investment Advisers Private Limited, to Anamudi Real Estates LLP. Accordingly, Godrej Investment Advisers Private Limited and its subsidiary Godrej Fund Management Pte Ltd has ceased to be subsidiaries of the Company.

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

As at March 31, 2018, Wonder Space Properties Private Limited, Wonder City Buildcon Private Limited, Godrej Home Constructions Private Limited, Godrej Greenview Housing Private Limited, Wonder Projects Development Private Limited, Godrej Real View Developers Private Limited, Pearlite Real Properties Private Limited, Godrej One Premises Management Private Limited and Godrej Green Homes Limited are associate companies of the Company.

B. Limited Liability Partnerships (LLPs)

Your Company is a partner in the following LLPs as of March 31, 2018:

1. Godrej Property Developers LLP
2. Mosiac Landmarks LLP
3. Dream World Landmarks LLP
4. Oxford Realty LLP
5. Godrej SSPDL Green Acres LLP
6. M S Ramaiah Ventures LLP
7. Oasis Landmarks LLP

8. Caroa Properties LLP
9. Amitis Developers LLP
10. Godrej Construction Projects LLP
11. Godrej Housing Projects LLP
12. Godrej Land Developers LLP
13. Godrej Developers & Properties LLP
14. Godrej Highrises Realty LLP
15. Godrej Project Developers & Properties LLP
16. A R Landcraft LLP
17. Godrej Highview LLP
18. Prakhyat Dwellings LLP
19. Godrej Skyview LLP
20. Bavdhan Realty @ Pune 21 LLP
21. Godrej Green Properties LLP
22. Godrej Projects (Pune) LLP
23. Godrej Projects (Soma) LLP
24. Godrej Projects North Star LLP
    (formerly known as Godrej Century LLP)
25. Godrej Projects North LLP
    (formerly known as Godrej Projects (Bluejay) LLP)
26. Sai Srushti Onehub Projects LLP
27. Godrej Athenmark LLP
28. Godrej Vestamark LLP
29. Godrej Irismark LLP
30. Godrej Avamark LLP

C. Material Non-Listed Indian Subsidiary:

As at March 31, 2018, Godrej Buildcon Private Limited, a wholly owned subsidiary of the Company was considered material non-listed Indian subsidiary under Regulation 24 of SEBI LODR Regulations and accordingly one Independent Director of the Company was on the Board of Godrej Buildcon Private Limited.

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

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

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

Sr. No.	Particulars	(₹ in crore)
1	Accepted during the year	-
2	Remained unpaid or unclaimed as at the end of the year	0.63
3	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved:-	-
	(i) at the beginning of the year	-
	(ii) maximum during the year	-
	(iii) at the end of the year	-
4	details of deposits which are not in compliance with the requirements of Chapter V of the Companies Act	-

The Company has not accepted any deposits from its Directors.

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

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

26. INTERNAL FINANCIAL CONTROL SYSTEM:

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

27. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the Articles of Association of the Company and the provisions of the Section 152(6)(e) of the Companies Act, Mr. Nadir Godrej (DIN: 00066195) will retire by rotation at the ensuing Annual General Meeting and being eligible, offered himself for re-appointment. Mr. S. Narayan (00094081) who was appointed as an Independent Director of the Company had stepped down from the Board of Directors of the Company with effect from closure of the business hours on August 2, 2017 owing to his other commitments. The Board placed on record its gratitude for the contribution made by Mr. Narayan during his tenure as Independent Director. The Board of Directors at its meeting held on February 02, 2018, re-appointed, subject to approval of the members of your Company, Mr. Pirojsha Godrej as the Executive Chairman and Mr. Mohit Malhotra as Managing Director & Chief Executive Officer of the Company with effect from April 1, 2018 for a period of 3 (three) years.

Mr. Pirojsha Godrej (DIN: 00432983) - Executive Chairman, Mr. Mohit Malhotra (DIN: 07074531) - Managing Director and Chief Executive Officer, Mr. Rajendra Khetawat - Chief Financial Officer and Mr. Surender Varma - Company Secretary & Chief Legal Officer are the Key Managerial Personnel of the Company as at the date of this Report.

28. STATUTORY AUDITORS' REPORT:

There are no qualifications, reservations or adverse remarks or disclaimers made by BSR & Co. LLP, Statutory Auditors, in their report.

29. COST AUDITORS:

The Board of Directors of the Company, on recommendation of Audit Committee, appointed M/s. R Nanabhoy & Co, Cost Accountants, as Cost Auditors of the Company for the financial year 2018–19 at a fee of ₹ 1,05,000 (Rupees One Lakh five thousand only) plus applicable taxes and out of pocket expenses subject to the ratification of the said fees by the shareholders at the ensuing Annual General Meeting pursuant to Section 148 of the Companies Act.

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

30. SECRETARIAL AUDIT REPORT:

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

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

The Board further confirms that the Company has complied with all the provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India.

31. FRAUD REPORTING:

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

32. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

33. CORPORATE GOVERNANCE:

Your Company is committed to maintaining the highest standards of Corporate Governance and adhering to the corporate governance requirements as set out by Securities and Exchange Board of India. The Report on Corporate Governance as stipulated under SEBI LODR Regulations forms part of the Annual Report. The Certificate from the Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under Schedule V to SEBI LODR Regulations and applicable provisions of the Companies Act forms part of the Corporate Governance Report.

34. AUDIT COMMITTEE OF THE COMPANY:

Your Company's Audit Committee comprises the following 6 (six) Independent Directors, viz. Mr. Keki B. Dadiseth (Chairman), Mrs. Lalita D. Gupte, Mr. Amit B. Choudhury, Mr. Pranay D. Vakil, Dr. Pritam Singh and Mr. Amitava Mukherjee.

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

35. PARTICULARS OF EMPLOYEES:

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

36. EMPLOYEES STOCK OPTION SCHEMES:

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

37. BUSINESS RESPONSIBILITY REPORT:

The Business Responsibility Report for the financial year ended March 31, 2018 as stipulated under Regulation 34(2) of SEBI LODR Regulations is attached as part of the Annual Report.

38. AWARDS & RECOGNITIONS:

The Directors take pleasure in informing the Members that the Company, its people and projects were acknowledged with several awards and ratings during the financial year ended March 31, 2018. The details of the award received are given at page no. 8 of this Report.

39. ACKNOWLEDGMENTS:

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

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

Pirojsha Godrej
Executive Chairman
(DIN: 00432983)

Place: Mumbai
Date : May 04, 2018

ANNEXURE I TO THE DIRECTOR'S REPORT

1. BACKGROUND AND APPLICABILITY:

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

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

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

2. DIVIDEND DISTRIBUTION PHILOSOPHY:

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

3. DIVIDEND:

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

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

4. CIRCUMSTANCES UNDER WHICH SHAREHOLDERS CANNOT EXPECT DIVIDEND:

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

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

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

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

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

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

5. INTERIM AND FINAL DIVIDEND:

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

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

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

- Macroeconomic and business conditions in general
- Providing of unforeseen event and contingency with financial implications
- Any other relevant factors that the Board may deem fit to consider before declaring Dividend

7. UTILISATION OF RETAINED EARNINGS:

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

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

8. MODIFICATION OF THE POLICY:

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

9. DISCLAIMER:

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

ANNEXURE II TO THE DIRECTORS' REPORT

Form No. MGT-9
Extract of Annual Return as on the financial year ended on March 31, 2018
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

Sr. No.		
i.	CIN	L74120MH1985PLC035308
ii.	Registration Date	8th February, 1985
iii.	Name of the Company	GODREJ PROPERTIES LIMITED
iv.	Category / Sub-Category of the Company	Public Limited Company
v.	Address of the Registered office and contact details	Godrej One, 5th floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East) Mumbai 400079 Tel.: 91-22-6169 8500 Fax: 91-22-6169 8888 Website : www.godrejproperties.com
vi.	Whether listed company (Yes / No)	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Unit : Godrej Properties Limited Karvy Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serilingampally, Hyderabad-500 032 Email : einward.ris@karvy.com Phone : 040-67162222 Fax : 040-23001153 Website: www.karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Godrej Industries Limited Godrej One, Pirojshanagar Eastern Express Highway, Vikhroli, Mumbai 400079	L24241MH1988PLC097781	Holding company	56.67	2(46)
2	Godrej Buildcon Private Limited*	U70102MH2010PTC207957	Subsidiary Company	100	2(87)
3	Godrej Garden City Properties Private Limited*	U74900MH2011PTC213782	Subsidiary Company	100	2(87)
4	Godrej Projects Development Limited* (formerly known as Godrej Projects Development Private Limited)	U70102MH2010PLC210227	Subsidiary Company	100	2(87)
5	Godrej Properties Worldwide INC 95, South Market Street, Suite 530, San Jose, CA 95113, United States of America.	N.A.	Subsidiary Company	100	2(87)
6	Godrej Home Developers Private Limited*	U70102MH2015PTC263223	Subsidiary Company	100	2(87)
7	Godrej Hillside Properties Private Limited*	U70102MH2015PTC263237	Subsidiary Company	100	2(87)
8	Godrej Highrises Properties Private Limited*	U70200MH2015PTC266010	Subsidiary Company	100	2(87)
9	Godrej Residency Private Limited*	U70109MH2017PTC292515	Subsidiary Company	100	2(87)
10	Godrej Prakriti Facilities Private Limited*	U70102MH2015PTC265345	Subsidiary Company	100	2(87)
11	Godrej Genesis Facilities Management Private Limited*	U70100MH2016PTC273316	Step-down Subsidiary Company	100	2(87)
12	Prakritiplaza Facilities Management Private Limited*	U70109MH2016PTC284197	Subsidiary Company	100	2(87)
13	Godrej Skyline Developers Private Limited*	U45309MH2016PTC287858	Step-down Subsidiary Company	26	2(87)
14	Citystar Infraprojects Limited Godrej Waterside, Tower- II, Unit No. 109, D.P. 5, Sector- V, Salt Lake Kolkata West Bengal-700091	U45400WB2008PLC122810	Subsidiary Company	100	2(87)
15	Godrej Realty Private Limited*	U70100MH2005PTC154268	Subsidiary Company	51	2(87)
16	Godrej Redevelopers (Mumbai) Private Limited*	U70102MH2013PTC240297	Step-down Subsidiary Company	51	2(87)

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
17	Godrej Landmark Redevelopers Private Limited*	U70102MH2012PTC228114	Step-down Subsidiary Company	51	2(87)
18	Wonder Space Properties Private Limited*	U70102MH2013PTC242495	Associate Company	25.10	2(6)
19	Wonder City Buildcon Private Limited*	U70100MH2013PTC247696	Associate Company	25.10	2(6)
20	Wonder Projects Development Private Limited*	U70102MH2015PTC265969	Associate Company	20	2(6)
21	Godrej Greenview Housing Private Limited*	U70102MH2015PTC264491	Associate Company	20	2(6)
22	Godrej Home Constructions Private Limited*	U70102MH2015PTC263486	Associate Company	25.10	2(6)
23	Godrej One Premises Management Private Limited*	U70102MH2015PTC266773	Associate Company	30	2(6)
24	Pearlite Real Properties Private Limited*	U45309MH2016PTC285479	Associate Company	49	2(6)
25	Godrej Real View Developers Private Limited*	U45309MH2016PTC285438	Associate Company	20	2(6)
26	Godrej Green Homes Limited*	U70200MH2013PLC251378	Associate Company	50	2(6)
27	Mosiac Landmark LLP*	AAA-5797	Body Corporate	66.66	2(27)
28	Dream World Landmarks LLP*	AAA-8207	Body Corporate	66.66	2(27)
29	Oxford Realty LLP*	AAC-1059	Body Corporate	51	2(27)
30	Godrej SSPDL Green Acres LLP*	AAA-5137	Body Corporate	66.66	2(27)
31	M S Ramaiah Ventures LLP 80, Hulkul Ascent, 2nd Cross, Lavelle Road, Bengaluru, Karnataka - 560001	AAC-2431	Body Corporate	51	2(27)
32	Oasis Landmarks LLP*	AAC-4016	Body Corporate	66.66	2(27)
33	Godrej Housing Projects LLP*	AAD-0883	Body Corporate	51	2(27)
34	Godrej Construction Projects LLP*	AAD-0882	Body Corporate	51	2(27)
35	Amitis Developers LLP 10/1C, Diamond Harbour Road, Kolkata, West Bengal, 700027	AAD-1617	Body Corporate	50	2(27)
36	Caroa Properties LLP*	AAA-8234	Body Corporate	66.66	2(27)
37	Godrej Property Developers LLP*	AAA-4369	Body Corporate	50	2(27)
38	Godrej Land Developers LLP*	AAD-7998	Body Corporate	100	2(27)

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
39	Godrej Developers & Properties LLP*	AAD-7997	Body Corporate	100	2(27)
40	Godrej Highrises Realty LLP*	AAD-7994	Body Corporate	100	2(27)
41	Godrej Project Developers & Properties LLP*	AAE-1835	Body Corporate	100	2(27)
42	A R Landcraft LLP UM House, 3rd Floor, Plot No. 35p, UM House, Sector 44 Gurgaon – 122002	AAF-6499	Body Corporate	100	2(27)
43	Godrej Highview LLP*	AAH-5060	Body Corporate	100	2(27)
44	Godrej Green Properties LLP*	AAH-7127	Body Corporate	100	2(27)
45	Godrej Skyview LLP*	AAH-6366	Body Corporate	100	2(27)
46	Prakhhyat Dwellings LLP*	AAE-2222	Body Corporate	100	2(27)
47	Bavdhan Realty @ Pune 21 LLP*	AAH-6993	Body Corporate	45	2(27)
48	Godrej Projects (Pune) LLP*	AAI-4645	Body Corporate	100	2(27)
49	Godrej Projects (Soma) LLP*	AAI-7488	Body Corporate	100	2(27)
50	Godrej Projects North LLP*	AAI-7141	Body Corporate	50	2(27)
51	Godrej Projects North Star LLP*	AAI-8236	Body Corporate	100	2(27)
52	Godrej Athenmark LLP*	AAJ-2145	Body Corporate	100	2(27)
53	Godrej Vestamark LLP*	AAJ-2144	Body Corporate	100	2(27)
54	Godrej Irismark LLP*	AAJ-2172	Body Corporate	100	2(27)
55	Godrej Avamark LLP*	AAJ-2162	Body Corporate	100	2(27)
56	Sai Srushti Onehub Projects LLP No. 18, 17th Cross, 9th Main, 7th Sector, HSR Layout, Bangalore Karnataka 560102	AAC-4667	Body Corporate	50	2(27)

* Registered Office Address – Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079

Note - In case of LLPs, the % of shares held denotes the % of voting rights held by Godrej Properties Limited in the respective LLPs.

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

i) Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year (April 01, 2017)				No. of Shares held at the end of the year (March 31, 2018)				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters & Promoter Group									
(1) Indian									
Individual/HUF	19,932,144	-	19,932,144	9.21	10,454,176	-	10,454,176	4.83	(4.39)
Central Govt.									
State Govt.(s)									
Bodies Corp.	142,154,926	-	142,154,926	65.70	142,154,926	-	142,154,926	65.66	(0.04)
Banks / FI									
Any Other Private Trusts	-	-	-	-	8,875,740	-	8,875,740	4.10	4.10
Sub-total (A)(1)	**162,087,070**	**-**	**162,087,070**	**74.91**	**161,484,842**	**-**	**161,484,842**	**74.59**	**(0.32)**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	602,228	-	602,228	0.28	0.28
b) Other – Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp.	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**162,087,070**	**-**	**162,087,070**	**74.91**	**162,087,070**	**-**	**162,087,070**	**74.87**	**(0.04)**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	6,060,067	-	6,060,067	2.80	5,324,019	-	5,324,019	2.46	(0.34)
b) Banks / FI	95,325	-	95,325	0.04	64,816	-	64,816	0.03	(0.01)
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs/ FPIs	19,236,817		19,236,817	8.89	19,218,361	-	19,218,361	8.88	(0.01)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others - Foreign Nationals	-	-	-	-	150	-	150	0.00	0.00
Sub-total (B)(1)	**25,392,209**		**25,392,209**	**11.74**	**24,607,346**	**-**	**24,607,346**	**11.37**	**(0.37)**

Category of shareholders	No. of Shares held at the beginning of the year (April 01, 2017)				No. of Shares held at the end of the year (March 31, 2018)				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2. Non-Institutions									
a) Bodies Corp.	4,694,621	-	4,694,621	2.17	4,261,805	-	4,261,805	1.97	(0.2)
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	11,089,530	46,218	11,135,748	5.15	11,039,571	39,025	11,078,596	5.12	(0.03)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	12,021,483	-	12,021,483	5.56	13,369,712	-	13,369,712	6.18	0.62
c) Others (specify)									
Non-Resident Individuals Non Repatriation	764,522		764,522	0.35	995,653	-	995,653	0.45	0.10
Clearing Members	136,914		136,914	0.06	60,064	-	60,064	0.03	(0.03)
NBFC Registered with RBI	132,125		132,125	0.06	12,464	-	12,464	0.01	(0.05)
Employee Trusts	-	-	-	-	2,400	-	2,400	0.00	-
IEPF	-	-	-	-	5,168	-	5,168	0.00	-
Sub-total (B)(2)	**28,839,195**		**28,885,413**	**13.35**	**29,746,837**	**-**	**29,785,862**	**13.76**	**0.41**
Total Public Shareholding (B) = (B)(1)+(B)(2)	**54,231,404**	**46,218**	**54,277,622**	**25.09**	**54,354,033**	**39,025**	**54,393,058**	**25.13**	**0.04**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**216,318,474**	**46,218**	**216,364,692**	**100**	**216,441,103**	**39,025**	**216,480,128**	**100**	**-**

(ii) Shareholding of Promoters :

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (April 01, 2017)			Shareholding at the end of the year (March 31, 2018)			% change in share-holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Godrej Industries Limited	122,681,066	56.70	-	122,681,066	56.67	-	*(0.03)
2.	Godrej & Boyce Manufacturing Co. Ltd	10,650,688	4.92	-	10,650,688	4.91	-	*(0.01)
3.	Innovia Multiventures Private Limited	7,440,862	3.44	-	7,440,862	3.43	-	*(0.01)
4.	Ensemble Holdings and Finance Ltd.	1,382,310	0.64	-	1,382,310	0.63	-	*(0.01)
5.	Nadir Barjorji Godrej	3,986,430	1.84	-	1,027,854	0.47	-	(1.37)
6.	Rishad Kaikhushru Naoroji	30	0.00	-	30	0.00	-	-
7.	Rishad Kaikhushru Naoroji (as a partner of RKN ENTERPRISES)	3,986,400	1.84	-	3,986,400	1.84	-	-
8.	Freyan Berie Crishna	2,081,516	0.96	-	602,228	0.28	-	(0.68)
9.	Navroze Jamshyd Godrej	2,081,516	0.96	-	2,081,516	0.96	-	-
10.	Jamshyd Naoroji Godrej, Pheroza Jamshyd Godrej & Navroze Jamshyd Godrej (Trustees of Raika Godrej Family Trust)	1,904,912	0.88	-	12	0.00	-	(0.76)
11.	Nyrika Holkar	1,904,912	0.88	-	425,624	0.20	-	(0.68)
12.	Tanya Arvind Dubash	1,328,824	0.61	-	342,632	0.16	-	(0.45)
13.	Nisaba Adi Godrej	1,328,802	0.61	-	342,610	0.16	-	(0.45)
14.	Pirojsha Adi Godrej	1,328,802	0.61	-	342,610	0.16	-	(0.45)
15.	Tanya Arvind Dubash (Trustee of TAD Family Trust)	0	0.00	-	986,192	0.45	-	0.45
16.	Nisaba Godrej (Trustee of NG Family Trust)	0	0.00	-	986,192	0.45	-	0.45
17.	Pirojsha Godrej (Trustee of PG Family Trust)	0	0.00	-	986,192	0.45	-	0.45
18.	Smita Godrej Krishna, Freyan Crishna Bieri and Nyrika Holkar (Trustee of FVC Family Trust)	0	0.00	-	1,479,288	0.68	-	0.68
19.	Smita Godrej Krishna, Freyan Crishna Bieri and Nyrika Holkar (Trustee of NVC Family Trust)	0	0.00	-	1,479,288	0.68	-	0.68
20.	Nadir Godrej (Trustee of BNG Family Trust)	0	0.00	-	986,192	0.46	-	0.46
21.	Nadir Godrej (Trustee of SNG Family Trust)	0	0.00	-	986,192	0.46	-	0.46
22.	Nadir Godrej (Trustee of HNG Family Trust)	0	0.00	-	986,192	0.46	-	0.46
23.	Raika Godrej	0	0.00	-	1,904,900	0.88	-	0.88

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

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

Sl. No.	Particulars	Shareholding at the beginning of the year (April 01, 2017)					Cumulative Shareholding during the year (March 31, 2018)	
		No. of Shares	% of total Shares of the Company	Date	Increase/ decrease in shareholding	Reason	No. of Shares	% of total Shares of the Company
1.	Tanya Arvind Dubash	1,328,824	0.61	27.03.2018	(986,192)	Inter-se Transfer	342,632	0.16
		At the end of the year					342,632	0.16
2.	Nisaba Godrej	1328802	0.61	27.03.2018	(986,192)	Inter-se Transfer	342,610	0.16
		At the end of the year					342,610	0.16
3.	Pirojsha Godrej	1,328,802	0.61	27.03.2018	(986,192)	Inter-se Transfer	342,610	0.16
		At the end of the year					342,610	0.16
4.	Tanya Arvind Dubash (Trustee of TAD Family Trust)	0	-	27.03.2018	986,192	Inter-se Transfer	986,192	0.45
		At the end of the year					986,192	0.45
5.	Nisaba Godrej (Trustee of NG Family Trust)	0	-	27.03.2018	986,192	Inter-se Transfer	986,192	0.45
		At the end of the year					986,192	0.45
6.	Pirojsha Godrej (Trustee of PG Family Trust)	0	-	27.03.2018	986,192	Inter-se Transfer	986,192	0.45
		At the end of the year					986,192	0.45
7.	Nadir Godrej	3,986,430	1.84	27.03.2018	(2,958,576)	Inter-se Transfer	1,027,854	0.47
		At the end of the year					1,027,854	0.47
8.	Nadir Godrej (Trustee of BNG Family Trust)	0	-	27.03.2018	986,192	Inter-se Transfer	986,192	0.45
		At the end of the year					986,192	0.45
9	Nadir Godrej (Trustee of SNG Family Trust)	0	-	27.03.2018	986,192	Inter-se Transfer	986,192	0.45
		At the end of the year					986,192	0.45

Sl. No.	Particulars	Shareholding at the beginning of the year (April 01, 2017)					Cumulative Shareholding during the year (March 31, 2018)	
		No. of Shares	% of total Shares of the Company	Date	Increase/ decrease in shareholding	Reason	No. of Shares	% of total Shares of the Company
10.	Nadir Godrej (Trustee of HNG Family Trust)	0	-	27.03.2018	986,192	Inter-se Transfer	986,192	0.45
		At the end of the year					986,192	0.45
11.	Jamshyd Naoroji Godrej, Pheroza Jamshyd Godrej & Navroze Jamshyd Godrej (Trustees of Raika Godrej Family Trust)	1,904,912	0.88	27.03.2018	(1,904,900)	Inter-se Transfer	12	0.00
		At the end of the year					12	0.00
12.	Raika Godrej	0	-	27.03.2018	1,904,900	Inter-se Transfer	1,904,900	0.88
		At the end of the year					1,904,900	0.88
13.	Freyan Bierie Crishna	2,081,516	0.96	27.03.2018	(1,479,288)	Inter-se Transfer	602,228	0.28
		At the end of the year					602,228	0.28
14.	Nyrika Holkar	1,904,912	0.88	27.03.2018	(1,479,288)	Inter-se Transfer	425,624	0.20
		At the end of the year					425,624	0.20
15.	Smita Godrej Krishna, Freyan Crishna Bieriand Nyrika Holkar (Trustee of FVC Family Trust)	0	-	27.03.2018	1,479,288	Inter-se Transfer	1,479,288	0.68
		At the end of the year					1,479,288	0.68
16.	Smita Godrej Krishna, Freyan Crishna Bieri and Nyrika Holkar (Trustee of NVC Family Trust)	0	-	27.03.2018	1,479,288	Inter-se Transfer	1,479,288	0.68
		At the end of the year					1,479,288	0.68

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

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in share - holding	Reason	Cummulative Shareholding during the year (01/04/17 to 31/03/18)	
		No. of Shares at the beginning (01/04/17)/ end of the year (31/03/18)	% of total shares of the company				No. of Shares	% of total shares of the Company
1	L & T Mutual Fund Trustee Ltd - L & T Cap Fund *	3698178	1.71	1-Apr-17				
				28-Apr-17	152122	Bought	3850300	1.78
				12-May-18	58800	Bought	3909100	1.81
				19-May-17	10000	Bought	3919100	1.81
				2-Jun-17	90500	Bought	4009600	1.85
				9-Jun-17	20500	Bought	4030100	1.86
				16-Jun-17	38600	Bought	4068700	1.88
				16-Jun-17	478000	Sold	3590700	1.66
				23-Jun-17	126413	Bought	3717113	1.72
				30-Jun-17	104837	Bought	3821950	1.77
				7-Jul-17	123449	Bought	3945399	1.82
				14-Jul-17	50000	Bought	3995399	1.85
				21-Jul-17	50000	Bought	4045399	1.87
				4-Aug-17	159114	Bought	4204513	1.94
				11-Aug-17	78190	Bought	4282703	1.98
				18-Aug-17	23628	Bought	4306331	1.99
				25-Aug-17	342	Bought	4306673	1.99
				15-Sep-17	258990	Bought	4565663	2.11
				29-Sep-17	90715	Bought	4656378	2.15
				6-Oct-17	41453	Bought	4697831	2.17
				13-Oct-17	16512	Bought	4714343	2.18
				20-Oct-17	25000	Bought	4739343	2.19
				27-Oct-17	14574	Bought	4753917	2.20
				3-Nov-17	50000	Bought	4803917	2.22
				10-Nov-17	78600	Bought	4882517	2.26
				24-Nov-17	39600	Bought	4922117	2.27
				8-Dec-17	23800	Bought	4945917	2.29

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in share - holding	Reason	Cummulative Shareholding during the year (01/04/17 to 31/03/18)	
		No. of Shares at the beginning (01/04/17)/ end of the year (31/03/18)	% of total shares of the company				No. of Shares	% of total shares of the Company
				8-Dec-17	874796	Sold	4071121	1.88
				15-Dec-17	100000	Sold	3971121	1.84
				5-Jan-18	500000	Sold	3471121	1.60
				12-Jan-18	44161	Bought	3515282	1.62
				9-Feb-18	55639	Bought	3570921	1.65
				23-Mar-18	1001208	Sold	2569713	1.19
				30-Mar-18	59923	Sold	2509790	1.16
		2509790	1.16	31-Mar-18	0		2509790	1.16
2	Cinnamon Capital Limited *	0	0	1-Apr-17				
				8-Dec-17	1473577	Bought	1473577	0.68
				15-Dec-17	317000	Bought	1790577	0.83
				22-Dec-17	206000	Bought	1996577	0.92
				5-Jan-18	200000	Bought	2196577	1.02
		2196577	1.02	31-Mar-18			2196577	1.02
3	Goldman Sachs India Fund Limited	2005780	0.93	1-Apr-17				
				7-Apr-17	164530	Bought	2170310	1.00
		2170310	1.00	31-Mar-18			2170310	1.00
4	SBI Magnum Midcap Fund *	0	0	1-Apr-17				
				5-Jan-18	595872	Bought	595872	0.28
				9-Feb-18	300000	Bought	895872	0.41
				2-Mar-18	156414	Bought	1052286	0.49
				9-Mar-18	43586	Bought	1095872	0.51
				23-Mar-18	1000000	Bought	2095872	0.97
		2095872	0.97	31-Mar-18			2095872	0.97
5	Franklin Templeton Investment Funds	2306716	1.07	1-Apr-17				
				23-Jun-17	268134	Sold	2038582	0.94
				30-Jun-17	389	Sold	2038193	0.94
				7-Jul-17	31067	Sold	2007126	0.93

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in share - holding	Reason	Cummulative Shareholding during the year (01/04/17 to 31/03/18)	
		No. of Shares at the beginning (01/04/17)/ end of the year (31/03/18)	% of total shares of the company				No. of Shares	% of total shares of the Company
				14-Jul-17	9100	Sold	1998026	0.92
				9-Mar-18	279551	Sold	1718475	0.79
		1718475	0.79	31-Mar-18			1718475	0.79
6	Oxbow Master Fund Limited *	0	0	1-Apr-17				
				16-Jun-17	612790	Bought	612790	0.28
				23-Jun-17	113900	Bought	726690	0.34
				7-Jul-17	32544	Sold	694146	0.32
				21-Jul-17	377299	Bought	1071445	0.50
				11-Aug-17	95605	Bought	1167050	0.54
				18-Aug-17	1897	Bought	1168947	0.54
				29-Dec-17	58448	Sold	1110499	0.51
				23-Feb-18	11984	Bought	1122483	0.52
		1122483	0.52	31-Mar-18			1122483	0.52
7	CLSA Global Markets Pte. Ltd. *	0	0	1-Apr-17				
				14-Apr-17	374699	Bought	374699	0.17
				21-Apr-17	358401	Bought	733100	0.34
				1-Sep-17	32244	Bought	765344	0.35
				8-Sep-17	166946	Bought	932290	0.43
				13-Oct-17	10500	Bought	942790	0.44
				27-Oct-17	45898	Bought	988688	0.46
				9-Mar-18	2900	Bought	991588	0.46
		991588	0.46	31-Mar-18			991588	0.46
8	BNP Paribas Arbitrage *	0	0	1-Apr-17				
				29-Sep-17	105298	Bought	105298	0.05
				6-Oct-17	74158	Bought	179456	0.08
				27-Oct-17	118056	Bought	297512	0.14
				31-Oct-17	36269	Bought	333781	0.15
				3-Nov-17	68981	Bought	402762	0.19
				23-Feb-18	59377	Bought	462139	0.21

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in share - holding	Reason	Cummulative Shareholding during the year (01/04/17 to 31/03/18)	
		No. of Shares at the beginning (01/04/17)/ end of the year (31/03/18)	% of total shares of the company				No. of Shares	% of total shares of the Company
				2-Mar-18	113895	Bought	576034	0.27
				9-Mar-18	288955	Bought	864989	0.40
		864989	0.40	31-Mar-18			864989	0.40
9	Skandia Asien	1114151	0.51	1-Apr-17				
				14-Jul-17	21898	Sold	1092253	0.50
				21-Jul-17	172103	Sold	920150	0.43
				8-Sep-17	65261	Sold	854889	0.40
				15-Sep-17	39033	Sold	815856	0.38
				22-Sep-17	28568	Sold	787288	0.36
				29-Sep-17	9290	Sold	777998	0.36
				3-Nov-17	48753	Bought	826751	0.38
				10-Nov-17	2386	Sold	824365	0.38
				17-Nov-17	23190	Sold	801175	0.37
				24-Nov-17	4824	Bought	805999	0.37
				1-Dec-17	38328	Bought	844327	0.39
				8-Dec-17	44733	Bought	889060	0.41
				22-Dec-17	14884	Bought	903944	0.42
				12-Jan-18	10311	Bought	914255	0.42
				2-Feb-18	10909	Bought	925164	0.43
				9-Feb-18	70781	Sold	854383	0.39
				23-Feb-18	59860	Sold	794523	0.37
				9-Mar-18	12744	Sold	781779	0.36
		781779	0.36	31-Mar-18			781779	0.36
10	Manish Jain *	96137	0.04	1-Apr-17				
				19-Jan-18	130000	Bought	226137	0.10
				26-Jan-18	250000	Bought	476137	0.22
				2-Feb-18	250000	Bought	726137	0.34
		726137	0.34	31-Mar-18			726137	0.34

* Not in the List of Top 10 Shareholders as on 01-04-2017. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2018

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the directors and KMP	Shareholding at the beginning of the year (April 01, 2017)		Cumulative Shareholding during the year (March 31, 2018)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	**Mr. Pirojsha Godrej – Executive Chairman**				
	At the beginning of the year	1,328,802	0.61		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Inter-se transfer on 27.03.2018 of 986,192 equity shares			
	At the end of the year			342,610	0.16
2.	**Mr. Jamshyd N. Godrej - Non Executive Director**				
	At the beginning of the year	1,904,912	0.88		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year			1,904,912	0.88
3.	**Mr. Nadir B. Godrej – Non Executive Director**				
	At the beginning of the year	3,986,430	1.84		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Inter-se transfer on 27.03.2018 of 2,958,576 equity shares			
	At the end of the year			1,027,854	0.47
4.	**Mr. Amit B. Choudhury – Independent Director**				
	At the beginning of the year	3,850	0.002		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year			3,850	0.00
5.	**Mr. Keki B. Dadiseth – Independent Director**				
	At the beginning of the year	Nil	0.00		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year			Nil	0.00
6.	**Mrs. Lalita D. Gupte – Independent Director**				
	At the beginning of the year	14,000	0.007		

Sl. No.	For each of the directors and KMP	Shareholding at the beginning of the year (April 01, 2017)		Cumulative Shareholding during the year (March 31, 2018)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year			14,000	0.007
7.	**Mr. Pranay D. Vakil – Independent Director**				
	At the beginning of the year	Nil	0.00	-	-
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year			Nil	0.00
8.	**Dr. Pritam Singh – Independent Director**				
	At the beginning of the year	2000	0.001		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year			2000	0.001
9.	**Mr. Amitava Mukherjee – Independent Director**				
	At the beginning of the year	Nil	0.00		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year			Nil	0.00
10.	**Mr. Mohit Malhotra – Managing Director & CEO**				
	At the beginning of the year	21,756	0.010		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	(08/05/2017 – Sale of 18,000 Equity Shares)	0.008	3,756	0.001
		(17/07/2017 – Allotment under GPL ESGS) (18,170)	0.008	21,926	0.010
	At the end of the year			21,926	0.010
11.	**Mr. Rajendra Khetawat – Chief Financial Officer**				
	At the beginning of the year	22,695	0.010		

Sl. No.	For each of the directors and KMP	Shareholding at the beginning of the year (April 01, 2017)		Cumulative Shareholding during the year (March 31, 2018)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	(695) [09.06.2017 – sale of shares]	0.00	22,000	0.010
		(900) [16.06.2017 – sale of shares]	0.00	21,100	0.009
		(500) [23.06.2017 – sale of shares]	0.00	20,600	0.009
		9376 [17/07/2017 – Allotment under GPL ESGS]	0.004	29,976	0.013
		(1700) [08.09.2017 – sale of shares]	0.00	28,276	0.013
		(3000) [15.09.2017 – sale of shares]	0.001	25,276	0.011
	At the end of the year			25,276	0.011
12.	**Mr. Surender Varma – Company Secretary and Chief Legal Officer**				
	At the beginning of the year	3234	0.001		
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	3321(17/07/2017 – Allotment under GPL ESGS)	0.001	6,555	0.003
		769 (14/11/2017 – Allotment under GPL ESGS)	0.000	7,324	0.003
	At the end of the year			7,324	0.003

V. INDEBTEDNESS :

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

₹ in crore

Particulars	Secured Loans (excluding deposits)	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,260.43	2,241.30	-	3,501.73
ii) Interest due but not paid	-		-	-
iii) Interest accrued but not due	1.93	2.00	-	3.93
Total (i+ii+iii)	1,262.36	2,243.30	-	3,505.66
Change in Indebtedness during the financial year				
Addition	29,715.12	8,104.77	-	37,819.90
Reduction	(30,041.61)	(7,583.76)	-	(37,625.36)
Net Change	(326.49)	521.01	-	194.52
Indebtedness at the end of the financial year				
i) Principal Amount	933.95	2,762.46	-	3,696.41
ii) Interest due but not paid			-	-
iii) Interest accrued but not due	6.36	20.23	-	26.59
Total (i+ii+iii)	940.31	2,782.70	-	3,723.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹ in Lakh

Sr. No.	Particulars of Remuneration	Executive Directors		Total Amount
		Pirojsha Godrej (Executive Chairman)	Mohit Malhotra (Managing Director & CEO)	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	621.12	629.23	1,250 .35
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	177.56	58.53	236.09
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2.	Stock Option	-	68.67	68.67
3.	Sweat Equity	NA	NA	NA
4.	Commission - as % of profit - others, specify…	0	0	0
5.	Others	-	-	-
	Total (A)	**798.68**	**756.42**	**1,555.10**
	Ceiling as per the Act	Amount paid is within the ceiling of 10% of the Net Profits of the company calculated as per Section 198 of the Companies Act, 2013		

B. REMUNERATION TO OTHER DIRECTORS:

₹ in Lakh

Sr No.	Particulars of Remuneration	Name of Director							Total Amt
1.	**Independent Directors**	**Mr. Keki B. Dadiseth**	**Mrs. Lalita D. Gupte**	**Mr. Amit B. Choudhury**	**Mr. Pranay D. Vakil**	**Dr. Pritam Singh**	***Mr. S. Narayan**	**Mr. Amitava Mukherjee**	
a.	Fee for attending board / committee meetings	12.00	12.00	12.40	12.00	9.00	6.00	12.00	**75.40**
b.	Commission	6.50	6.50	6.50	6.50	6.50	-	6.50	**39.00**
	Others, please specify	-	-	-	-	-	-	-	**-**
	Total (1)	**18.50**	**18.50**	**18.90**	**18.50**	**15.50**	**6.00**	**18.50**	**114.40**
2.	**Other Non-Executive Directors**	**Mr. Jamshyd Godrej**	**Mr. Nadir Godrej**						
a.	Fee for attending board / committee meetings	3.00	4.00	-	-	-	-	-	**7.00**
b.	Commission	6.50	6.50	-	-	-	-	-	**13.00**
	Others, please specify	-	-	-	-	-	-	-	**-**
	Total (2)	**9.50**	**10.50**	**-**	**-**	**-**	**-**	**-**	**20.00**
	Total (B)=(1b+2b)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**52.00**
	Total Managerial Remuneration (A+B)	-	-	-	-	-	-	-	**1,607.10**
	Overall Ceiling as per the Act (%)	Amount paid is within the ceiling of 1% of the Net Profit of the Company calculated as per Section 198 of the Companies Act, 2013							

*ceased to be independent director of the Company with effect from August 03, 2017

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

₹ in Lakh

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Rajendra Khetawat (Chief Financial Officer)	Mr. Surender Varma (Company Secretary)	Total Amount
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	349.51	200.61	550.12
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	14.51	12.99	27.50
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2.	Stock Option	35.34	19.35	54.70
3.	Sweat Equity	NA	NA	NA
4.	Commission - as % of profit - others, specify…	0	0	0
5.	Others	-	-	-
	Total	**399.36**	**232.95**	**632.31**

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

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

ANNEXURE III TO THE DIRECTORS' REPORT

NOMINATION & REMUNERATION POLICY

(DIRECTORS, KMP & SENIOR MANAGEMENT)

INTRODUCTION

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

OBJECTIVE

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

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

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

DEFINITIONS

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

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

PART – A

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

APPOINTMENT

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

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

TERM/ TENURE

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

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

EVALUATION

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

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

REMOVAL

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

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

RETIREMENT

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

PART – B

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

EVALUATION PROCESS:

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

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

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

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

1. The remuneration/ compensation/ commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Managing Director in accordance with the HR policy, which is based upon the Final Annual Rating, employee potential and market benchmark compensation. The revised remuneration is shared with the Nomination & Remuneration Committee for review.
2. The company stock options granted under the Employee Stock Grant Scheme to the Whole-time Director and Senior Management Personnel will be determined by the Managing Director as per the ESGS guidelines and recommended to the Committee and the Board for approval in the subsequent board meeting.
3. The remuneration/ compensation/ commission etc. shall be subject to the prior/ post approval of the shareholders of the Company and Central Government, wherever required.
4. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder.
5. Increments to the existing remuneration/ compensation structure may be recommended by the Managing Director to the Committee and the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director. Increments will be effective from 1st April in respect of a Whole-time Director and other employees of the Company.
6. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employee for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

ANNEXURE IV TO THE DIRECTORS' REPORT

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

A. CONSERVATION OF ENERGY

I. (A) STEPS TAKEN FOR CONSERVATION OF ENERGY:

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

1. Comprehensive Energy modeling during the design stage to realize energy conservation while meeting the functional requirements for both residential and commercial projects.
2. Building envelope design and material selection using passive cooling techniques wherever possible.
3. Use of high efficiency glazing that cuts down heat ingress while maintaining optimum day lighting and noise levels.
4. Use of high energy efficiency equipment – e.g. Elevators, Water pumps, STP.
5. Solar PV lighting in external common areas in several projects to reduce dependence on fossil fuels.
6. Effective preventive and predictive maintenance system for maintaining all energy intensive equipment i.e., DG sets for energy generation, cranes, hoists, loaders, excavators, trucks and other transport vehicles.
7. Installation of energy efficient chillers with high Co-efficient of Performance (COP)
8. EPI has been benchmarked for internal and external space for residential as well as conditioned and unconditioned space for commercial.
9. Encouraging occupants to lead a greener lifestyle by using high efficiency ACs and refrigerators (BEE 5 star rated) through a formal handover event.
10. ECBC Guidelines are followed while designing Commercial Projects

II. STEPS TAKEN BY THE COMPANY FOR UTILIZING ALTERNATE SOURCES OF ENERGY:

GPL ensures that all projects are green building certified. As part of the green building, we often integrate solar energy for the development. Two of our sites are using solar energy during the construction process to offset the carbon emissions of the projects' construction process. As per the new amendment in IGBC Green Homes, the requirement of Renewable Energy requires it to meet 50% to 100% of the common lighting demand. This makes it more feasible for us to incorporate this in future projects.

III. CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENT:

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

B. TECHNOLOGY ABSORPTION

I. The efforts made towards technology absorption

(a) Technical Initiatives:

- Deployment of machines to substitute partly or fully manual work.
- Use of pre-fabrication fully or partly at site to increase reliability.
- The improvement of existing or the development/ deployment of new construction technologies to speed up the process and make construction more efficient.

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

(b) Process Initiatives:

- The organization of the work with the help of scheduling, structuring of work force in tandem with job descriptions and closing time gaps to ensure efficiency.
- In depth planning of construction activities/ procedures which in turn will result in stable levels of quality, shorter time lines and reduced consumptions of man and material at site.
- Standardization of building elements and parts, introducing rules and regulations based on national and international standards and internal classifications.
- The usage of special sub-contractors/ consultants to realize tasks efficiently.
- Operational energy consumption and performance indicators are being monitored for all projects i.e. annual energy consumption per square foot of saleable area for all in-construction projects and for GPL administrative offices.

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

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

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

- The Company has not imported any technology since incorporation.

IV. Expenditure incurred on Research & Development: ₹ Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the financial year 2017-18, expenditure in foreign currencies in terms of actual outflow amounted to ₹ 7.32 crore (Previous year ₹ 7.87 crore) on account of professional & consultation fees and expenses incurred for business promotion. The Company has not earned any foreign exchange during the year.

ANNEXURE V TO THE DIRECTORS' REPORT

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

1. GOAL OF CSR REPORTING

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

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

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

2. CSR REPORT FRAMEWORK

2.1 Outline of CSR Policy

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

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

CSR policy is stated herein below:

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

2.2 CSR Committee Composition

2.2.1 Management Members

This committee comprises of

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

2.2.2 Responsibilities

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

2.2.3 Executive Committee Members

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

Members of this committee

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

2.3 CSR Budget and Expenditure

₹ in crore

1.	Average net profit of last 3 years:	69.09
2.	Calculated 2% spend for the current financial year:	1.38
3.	Amount spent during the current financial year:	1.38
4.	Amount unspent of the recommended 2% budget, if any:	0.00

2.4 Compliance Report

Details of the CSR expenditures incurred by GPL during the current financial year 2017-2018 has been depicted in the table given below:

₹ in Lakh

Sr. No.	CSR project or activity	Sector in which the project is covered	Location of projects or programmes 1. Local area or Other 2. District (State) 3. Projects or programmes	Amount outlay(budget) project or programme wise	Amt spent on projects, 1) Direct expenditure (INR) 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent direct or through the implementing agency (Amount spent; Implementing agency name; Legal structure of the agency; Date of establishment of implementing agency)
1	Nipun - Skill Enhancement Training for construction and related trades	Employment enhancing vocational skills	Gurgaon (Haryana) Rohtak (Haryana) Bangalore (Karnataka) Kolkata (West Bengal) Pune (Maharashtra) Mumbai (Maharashtra) Chennai (Tamil Nadu) Silvassa (Dadra and Nagar Haveli) Palamu (Jharkhand) Dumka (Jharkhand) Koderma (Jharkhand) Hazaribagh (Jharkhand) Simdega (Jharkhand) Jamshedpur (Jharkhand) Sarikela (Jharkhand) Purnea (Bihar) Bundu (Jharkhand) Jajpur (Odisha) Hanumanthai (Tamil Nadu)	118.88	1. Direct Expenditure - 117.52 2. Overheads- 1.36	118.88	Direct Implementation: 14.09 Implementing Agencies: 22.76; Sambhav Foundation; Registered Foundation; 2006 14.81; Pipal Tree Foundation; Section 25; 2011 26.85; Lok Bharti Education Society; Registered Society; 1993 18.00; PanIIT Alumni Reach for India Foundation; Section 25; 2009 21.00; Pratham Education Foundation; Charitable Trust; 2002
2	Providing day care services to the children of marginalized, migrant laborers working on construction sites	Promoting gender equality, empowering women, setting up homes & hostels for women & orphans, setting up old age homes, **day care centers** & such other facilities for senior citizens & measures for reducing inequalities faced by socially & economically backward groups;	Pune (Maharashtra) Ahmedabad (Gujarat)	19.12	1.Direct Expenditure- 18.00 2. Overheads-1.12	19.12	Direct Implementation: 00.00 Implementing Agencies: 12.00; Tara Mobile Creches; Section 25 Company; 2007 6.00; Mobile Creches for working Mother's Children; Registered Society; 1969

2.5 Reasons for shortfall from prescribed 2% spend

Godrej Properties Limited has spent the complete CSR budget for FY 2017-18 towards various CSR projects as detailed in the previous sections.

2.6 Responsibility Statement

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

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

For Godrej Properties Limited

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

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

Pirojsha Godrej
Chairman of the Corporate Social
Responsibility Committee
(DIN:00432983)

ANNEXURE VI TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended on 31st March, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

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

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

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

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

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

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

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

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

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

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

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

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

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

i. Securities and Exchange Board of India (Listing obligations and Disclosures Requirements) Regulations, 2015 [SEBI (LODR)].

(vi) The management has identified the Real Estate (Regulation and Development) Act, 2016 and Maharashtra Real Estate (Registration of Real Estate Projects, Registration of Real Estate Agents, Rates of Interest and Disclosures on Website) Rules, 2017 and the circulars as issued by the MahaRERA Authority from time to time as specifically law applicable to the Company. Having regard to the compliance system prevailing in the Company, we further report that on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the same.

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

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

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

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

Date of event	Details of the specific events/ actions bearing on Company's affairs pursuance of the above referred laws, rules, regulations, guidelines etc.
25.04.2017	The Hon'ble National Company Law Tribunal at Mumbai had by its Order dated 29th March, 2017 sanctioned the scheme of amalgamation of Happy Highrises Limited and their respective shareholders with Godrej Properties Limited. The said amalgamation has become effective upon filing of Form No. INC-28 with the Registrar of Companies, Maharashtra, Mumbai on 25th April, 2017.
25.09.2017	Issued and alloted of 5,000 Listed Unsecured Redeemable Rated Non-Convertible Debentures of ₹ 10,00,000/- each amounting to ₹ 500 crore on private placement basis.
29.12.2017	The Hon'ble National Company Law Tribunal at Mumbai had by its Order dated 30th November, 2017 sanctioned the scheme of amalgamation of Godrej Vikhroli Properties India Limited and their respective shareholders with Godrej Properties Limited. The said amalgamation has become effective upon filing of Form No. INC-28 with the Registrar of Companies, Maharashtra, Mumbai on 29th December, 2017.
17.03.2018	GBTC I (Master) Pte. Ltd, an investee company of Godrej Fund Management, had entered into Share Subscription, Share Purchase and Shareholders' Agreements with the Company in respect of Godrej Green Homes Limited (GGHL), pursuant to which the Company has sold 50% of the equity share capital of GGHL to GBTC I (Master) Pte. Ltd. The Company has allotted 1,15,436 Equity Shares of ₹ 5/- each to the Eligible Employees of the Company under the Godrej Properties Limited Employees Stock Grants Scheme, 2011 (GPL ESGS) on various dates.

For A K Jain & Co.
Company Secretaries

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

Place: Mumbai
Date: May 04, 2018

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

ANNEXURE A

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

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

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

For A K Jain & Co.
Company Secretaries

Ashish Kumar Jain
Proprietor
CP No. 6124
FCS : 6058

Place: Mumbai
Date: May 04, 2018

ANNEXURE VII TO THE DIRECTORS' REPORT

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

i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

₹ in Lakh

Sr. No.	Name of Director/KMP & Designation	Remuneration of Director/KMP for financial year 2017-18	% increase in Remuneration in the financial year 2017-18	Ratio of Remuneration of each Director/KMP to median remuneration of employees
1	Mr. Pirojsha Godrej Executive Chairman	798.68	61	67.6:1
2	Mr. Jamshyd Godrej Non-Executive Director	9.50	Nil	0.80:1
3	Mr. Nadir Godrej Non-Executive Director	10.50	Nil	0.88:1
4	Mr. Amit Choudhury Independent Director	18.90	(5.02)	1.60:1
5	Mr. Keki Dadiseth Independent Director	18.50	(5.02)	1.56:1
6	Mrs. Lalita D Gupte Independent Director	18.50	(5.02)	1.56:1
7	Dr. Pritam Singh Independent Director	15.50	(20.51)	1.31:1
8	Mr. Pranay Vakil Independent Director	18.50	(5.02)	1.56:1
9	Mr. S. Narayan# Independent Director	6.00	(61.29)	0.50:1
10	Mr. Amitava Mukherjee Independent Director	18.50	(5.02)	1.56:1

Sr. No.	Name of Director/KMP & Designation	Remuneration of Director/KMP for financial year 2017-18	% increase in Remuneration in the financial year 2017-18	Ratio of Remuneration of each Director/KMP to median remuneration of employees
11	Mr. Mohit Malhotra Managing Director & Chief Executive Officer	756.42	107	64:1
12	Mr. Rajendra Khetawat Chief Financial Officer	399.36	100.84	33.78:1
13	Mr. Surender Varma Company Secretary & Chief Legal Officer	232.95	56.94	19.72:1

** Profit before tax increased by 40.38% and the Profit after tax increased by 22.56% in the financial year 2017-18.
# Mr. S. Narayan ceased to be a Director from the Board of the Company w.e.f. August 03, 2017.

i. The median remuneration of employees of the Company during the financial year 2017-18 was ₹ 11,81,052;

ii. In the financial year there was an decrease of 4.48 % in the median remuneration of employees;

iii. There were 1,174 permanent employees on the rolls of Company as on March 31, 2018;

iv. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2017-18 was 12% whereas the increase in the managerial remuneration for the same financial year was 74.57%.

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

ANNEXURE VIII TO THE DIRECTORS' REPORT

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

Sr. No.	Particulars	Godrej Properties Limited Employee Stock Grant Scheme, 2011
1	Date of shareholders' approval for the options granted under the scheme	March 18, 2011 & April 06, 2015
2	Total number of options approved for grants under the scheme	15,00,000
3	Vesting requirements	As specified by the Nomination & Remuneration Committee subject to minimum 1 year from the date of grant
4	Exercise Price or Pricing formula	₹ 5 per share
5	Maximum term of options granted	As may be decided by the Nomination & Remuneration Committee as per the prevalent regulatory provisions.
6	Source of shares	Direct Allotment
7	Variation of terms of options	None
8	Options granted till March 31, 2018	9,41,178
9	Options vested upto March 31, 2018	5,92,960
10	Options exercised upto March 31, 2018	5,83,952
11	The total number of shares arising as a result of exercise of option;	5,83,952
12	Options lapsed	1,78,428
13	Money realised by exercise of options upto March 31, 2018	29,19,760
14	Total number of options outstanding and exercisable at the end of the year	1,78,798
15	Number of options outstanding as on April 1, 2017	2,14,537
16	Number of options granted during 2017-2018	88,546
17	Number of options lapsed during 2017-2018	8,849
18	Number of options vested during 2017-2018	1,15,436
19	Number of options exercised during 2017-2018	1,15,436
20	Number of shares arising as a result of exercise of options during 2017-2018	1,15,436
21	Loan repaid by the Trust during 2017-2018 from exercise price received	Not applicable

Sr. No.	Particulars		Godrej Properties Limited Employee Stock Grant Scheme, 2011
22	Method used to account for the options- Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.		The Company has calculated the employee compensation cost using the fair value method.
23	Weighted-average exercise prices and weighted-average fair values of options (shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock)		Exercise price ₹ 5 per share Weighted average Fair Value of options ₹ 414.32
24	Employee wise details of options granted to;-		
	i)	Senior Managerial Personnel	Refer Note 1
	ii)	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Refer Note 1
	iii)	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	
25	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with *Accounting Standard (AS) 20 'Earnings Per Share'*		The fair value of the employee share options has been measured using the Black-Scholes options pricing model.
26	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:		
	i)	Risk-free interest rate,	6.31% - 8.57%
	ii)	Expected life,	1 to 3 years
	iii)	Expected volatility,	32% - 42%
	iv)	Expected dividends, and	Nil
	v)	Closing price of the underlying share in market at the time of option grant	Weighted average market price at the time of grant of option 419.47

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

Name & Designation of Senior Managerial Personnel to whom stock options have been granted	Granted in FY 2015-16 and outstanding as at March 31, 2018	Granted in FY 2016-17 and outstanding as at March 31, 2018	Granted in FY 2017-18 and outstanding as at March 31, 2018	Total outstanding options as at March 31, 2018
Mr. Mohit Malhotra, Managing Director & Chief Executive Officer	6954	14245	13839*	35038
Mr. Jayanand Potdar, Chief Operating Officer	3821	6493	6089*	16403
Mr. Rajendra Khetawat, Chief Financial Officer	3056	6087	8119*	17262
Ms. Mamta Bakshi ,Chief Customer Officer	3056	3044	3690	9790
Mr. Anubhav Gupta, Head-design Studio & Business Head- Vikhroli	3056	5681	7381*	16118
Mr. Amandeep Singh, Business Head - West Zone	2037	3044	6458*	11539
Mr. Rabikant Sharma, Business Head - Pune	1698	2638	2768	7104
Mr. Surender Varma, Company Secretary & Chief Legal Officer	1698	3247	4428*	9373
Mr. Neeraj Gupta, Business Head - Mumbai Zone	424	3653	5720*	9797
Mr. K. Uday Bhaskar, Business Head - Bangalore	282	2435	3321	6038
Mr. Satish Jadhav, Head Construction, Operations	0	3044	2214	5258
Mr. Bhushan Saney, Head - Cost Leadership, Contracts & Procurement	0	3044	5167*	8211
Mr. Vikas Singhal, Business Head - NCR 1	0	3044	5167*	8211
Mr. Lalit Makhijani, Chief Marketing Officer	0	2321	3321	5642
Ms. Ruhi Pande, Chief Human Resources Officer	0	1100	2768	3868
Mr. Prashant Katiyar, Head - Planning & Strategy	0	641	1845	2486
Mr. Gaurav Pandey, Business Head - North Zone	0	409	3321	3730
Mr. Pravin Ajmera, Head - Business Development	0	0	2930	2930

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

REPORT ON CORPORATE **GOVERNANCE**

Company's Philosophy on Code of Governance

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

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

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

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

THE GOVERNANCE STRUCTURE

1) BOARD OF DIRECTORS

a) Board Structure

The Company has an optimal combination of executive, non-executive and independent directors to maintain the independence of the Board from the management, which is in conformity with the requirement of Section 149(4) of the Companies Act, 2013 (the Act) and Regulation 17 of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 ("SEBI LODR Regulations"). As of March 31, 2018, the Board of Directors of the Company consisted of 10(ten) Directors drawn from diverse fields/ professions, which includes the Managing Director & Chief Executive Officer, 1(one) Executive Director and 8 (eight) Non-Executive Directors, of which 6 (six) are Independent Directors. Since the Chairman of the Board is a Executive Non-Independent Director, of the Company, more than half i.e. 60% of the Board of the Company comprises Independent Directors, as detailed below:

Category	Name of Director	DIN
Non-Executive Non-Independent Directors	Mr. Jamshyd N. Godrej	00076250
	Mr. Nadir B. Godrej	00066195
Non-Executive Independent Directors	Mr. Amit B. Choudhury	00557547
	Mr. Keki B. Dadiseth	00052165
	Mrs. Lalita D. Gupte	00043559
	Mr. Pranay D. Vakil	00433379
	Dr. Pritam Singh	00057377
	Mr. Amitava Mukherjee	00003285
Managing Director & CEO	Mr. Mohit Malhotra	07074531
Executive Chairman	Mr. Pirojsha Godrej	00432983

b) Board meetings held and Directors' attendance record

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

The details of Board meetings held during the Financial Year 2017-18 and Directors' attendance record are given in Table 1 and Table 2.

Table 1: The details of meetings of the Board held during the financial year 2017-18 are as under:

Sr. No.	Date on which Board Meeting was held	Total strength of the Board on the date of Meeting	No. of Directors present at the Board Meeting
1	May 4, 2017	11	11
2	August 2, 2017	11	9
3	November 3, 2017	10	10
4	February 2, 2018	10	10

Table 2: Details about the Company's Directors and meetings attended by the Directors during the Financial Year 2017-18

Sr. No.	Name of Director	Category	Number of Board Meetings held during the Financial Year 2017-18	Number of Board Meetings attended during the Financial Year 2017-18	Whether attended last AGM (held on August 2, 2017)	Directorships held in companies incorporated in India as at March 31, 2018(i)(ii) (Including GPL)	Number of Chairmanships/ Memberships in Board Committees as at March 31, 2018 (Including GPL)	
							Chairmanship (excluding Memberships of Committees)	Memberships
1.	Mr. Jamshyd N. Godrej	Non-Executive Director	4	3	No	8(4)	-	1
2.	Mr. Nadir B. Godrej	Non-Executive Director	4	4	Yes	11(7)	3	3
3.	Mr. Pirojsha A. Godrej	Executive Chairman	4	4	Yes	8(2)	-	1
4.	Mr. Mohit Malhotra	Managing Director & CEO	4	4	Yes	1(1)	-	-
5.	Mr. Amit B. Choudhury	Independent Director	4	4	Yes	7(3)	2	3
6.	Mr. Keki B. Dadiseth	Independent Director	4	4	Yes	7(5)	1	4
7.	Mrs. Lalita D. Gupte	Independent Director	4	4	Yes	6(5)	2	6
8.	Mr. Pranay D. Vakil	Independent Director	4	4	Yes	5(3)	-	3
9.	Dr. Pritam Singh	Independent Director	4	3	No	2(2)	1	2
10.	*Mr. S. Narayan	Independent Director	4	2	Yes	-	-	-
11.	Mr. Amitava Mukherjee	Independent Director	4	4	Yes	6(2)	2	2

Notes :-

*(i) *Ceased to be a Director from the Board of the Company w.e.f. August 3, 2017.*

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

(iii) Figures in ( ) denote listed companies.

As required under Regulation 26(1) of SEBI LODR Regulations and confirmed by directors, none of the Directors are: (i) member of more than 10 (ten) committees; and (ii) chairman of more than 5 (five) committees. A separate meeting of independent directors was held on April 24, 2017 to, *inter alia*, review the performance of non-independent directors, Executive Chairman of the Company and the Board as a whole.

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

Name of Director	Equity Shares held as on March 31, 2018	Dividend paid during the Financial Year 2017-18 (in ₹)	Number of options held under GPL ESGS
Mr. Nadir B. Godrej	39,864,301[1]	-	-
Mr. Jamshyd N. Godrej (Trustee of Raika Godrej Family Trust)	12	-	-
Mr. Amit B. Choudhury	3,850	-	-
Mr. Keki B. Dadiseth	-	-	-
Mrs. Lalita D. Gupte	14,000	-	-
Mr. Pranay D. Vakil	-	-	-
Dr. Pritam Singh	2,000	-	-
*Mr. S. Narayan	-	-	-
Mr. Amitava Mukherjee	-	-	-
Mr. Pirojsha Godrej	1,328,802[2]	-	-
Mr. Mohit Malhotra	21,926	-	#35,038

**Ceased to be a Director from the Board of the Company w.e.f. August 3, 2017.*

#It is excerisable over a period of three years.

[1] Includes 2,958,576 shares held as one of the trustees of HNG Family Trust, BNG Family Trust, SNG Family Trust.

[2] Includes 986,192 shares held as one of the trustees of PG Family Trust.

c) Relationship between Directors inter-se:

Except as disclosed below, no Director of the Company is related to any other Director on the Board:

Mr. Pirojsha Godrej is nephew of Mr. Jamshyd N. Godrej and Mr. Nadir B. Godrej.

d) Independent Directors

At the 29th Annual General Meeting of the Company held on August 2, 2014, the members had appointed all existing independent directors of the Company, being, Mr. Keki B. Dadiseth, Mrs. Lalita D. Gupte, Mr. Amit B. Choudhury, Dr. Pritam Singh, Mr. Amitava Mukherjee and Mr. Pranay Vakil as Independent Directors for a period of five years from August 2, 2014 to August 1, 2019. All the independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI LODR read with Section 149(6) of the Act.

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

e) Familiarisation Program for Independent Directors

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

2) COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

The composition of the Audit Committee of the Company is in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI LODR Regulations. The Company's Audit Committee comprises 6 (six) Independent Directors. The Committee met 4 (four) times during the Financial Year ended March 31, 2018, i.e. on May 4, 2017, August 2, 2017, November 3, 2017, and February 2, 2018. Table 4 below gives composition and the attendance record for the aforesaid meetings of the Audit Committee:

Table 4: Composition and attendance record of Audit Committee members

Sr. No.	Name of Director	No. of meetings held during the financial year ended March 31, 2018	No. of meetings attended during the financial year ended March 31, 2018
1.	Mr. Keki B. Dadiseth (Chairman)	4	4
2.	Mrs. Lalita D. Gupte	4	4
3.	Mr. Amit B. Choudhury	4	4
4.	Mr. Pranay D. Vakil	4	4
5.	Dr. Pritam Singh	4	3
6.	*Mr. S. Narayan	4	2
7.	Mr. Amitava Mukherjee	4	4

**Ceased to be a Director from the Board of the Company w.e.f. August 3, 2017.*

All the members of the Audit Committee are eminent professionals and draw upon their experience and expertise across a wide spectrum of functional areas such as finance and corporate strategy. The Chairman of the Audit Committee was present at the Annual General Meeting to answer Members' queries. Minutes of each of the meetings of the Audit Committee are placed before the Board in its meetings. The Audit Committee invites the executives of the Company viz., Managing Director & Chief Executive Officer, Executive Directors, Head of Finance, as it considers appropriate and the representatives of the Statutory Auditors and Internal Auditors at its meetings. Mr. Surender Varma, Company Secretary & Chief Legal Officer of the Company acts as the Secretary to the Audit Committee. He was also appointed as the Compliance Officer by the Board to ensure compliance and effective implementation of the Insider Trading Code.

The Audit Committee of the Company performs the following functions:

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, re-appointment and terms of appointment of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of the Companies Act, 2013,
   ii. Changes, if any, in accounting policies and practices and reasons for the same,
   iii. Major accounting entries involving estimates based on the exercise of judgment by management,
   iv. Significant adjustments made in the financial statements arising out of audit findings,
   v. Compliance with listing and other legal requirements relating to financial statements,
   vi. Disclosure of any related party transactions, and
   vii. Modified opinion(s) in the draft audit report.
5. Reviewing along with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, whenever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors of any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism.
19. Approval of appointment of chief financial officer after assessing the qualifications, experience & background, etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
6. Statement of deviations:

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

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

B. NOMINATION & REMUNERATION COMMITTEE

The constitution, scope and powers of the Nomination & Remuneration Committee of the Board of Directors are in accordance with the provisions of Section 178 of the Companies Act and Regulation 19 of SEBI LODR Regulations. The Nomination & Remuneration Committee looks at all matters pertaining to the appointment and remuneration of the Managing Director & Chief Executive Officer, the Executive Directors, Key Managerial Personnel, Senior Management Personnel and administration of the employee stock option scheme of the Company i.e. the Godrej Properties Limited Employee Stock Grant Scheme, 2011.

The Nomination & Remuneration Committee consists of six Independent Directors. During the Financial Year ended March 31, 2018, the Committee met 3 (three) times, i.e. on May 4, 2017, August 2, 2017 and November 3, 2017. The composition and attendance details of the Nomination & Remuneration Committee are given in Table 5 below:

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

Sr. No.	Name of Director	No. of meetings held during the financial year ended March 31, 2018	No. of meetings attended during the financial year ended March 31, 2018
1	Mrs. Lalita D. Gupte (Chairperson)	3	3
2	Mr. Keki B. Dadiseth	3	3
3	Mr. Amit B. Choudhury	3	3
4	Mr. Pranay D. Vakil	3	3
5	Dr. Pritam Singh	3	2
6	*Mr. S. Narayan	3	2
7	Mr. Amitava Mukherjee	3	3

**Ceased to be a Director from the Board of the Company w.e.f. August 3, 2017*

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

Following are the roles of Nomination and Remuneration Committee:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of independent directors and the Board of Directors;
3. Devising a policy on diversity of Board of Directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. Carry out evaluation of every director's performance;

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

C. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

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

The Committee during the Financial Year 2017-18 met on two occasions i.e. on April 5, 2017 and January 16, 2018, to review the status of the CSR projects undertaken by the Company during the financial year 2017-18. The necessary quorum was present for all the meetings.

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

The CSR Policy of the Company has been put up on the website of the Company at https://www.godrejproperties.com/investor/corporate-governance. The Annual Report on Corporate Social Responsibility activities undertaken by the Company during the financial year 2017-18, as prescribed under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been appended as Annexure V to Directors Report.

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

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall include the activities to be undertaken by the Company as envisaged in the Companies Act, 2013;
2. To recommend to the Board the amount of expenditure to be incurred on the activities as per the Corporate Social Responsibility Policy of the Company;
3. To monitor the projects and activities as per the Corporate Social Responsibility Policy of the Company;
4. To review the performance of the Company in the area of Corporate Social Responsibility including the evaluation of the impact of the Company's Corporate Social Responsibility activities;
5. To consider other functions, as defined by the Board, or as may be stipulated under any law, rule or regulation including the SEBI LODR Regulations and the Companies Act, 2013.

D. ALLOTMENT COMMITTEE

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

1. Mr. Pirojsha Godrej, Executive Chairman
2. Mr. Amit B. Choudhury, Independent Director

The Allotment Committee during the Financial Year 2017-18 met on regular intervals to allot equity shares arising out of options exercised by the eligible employees under the Godrej Properties Limited Employee Stock Grant Scheme, 2011 (GPL ESGS). The necessary quorum was present for all the meetings. The committee during the year allotted 5,000 unsecured Redeemable Rated Non – Convertible Series 1 (NCDs) of face value ₹ 10,00,000 each aggregating to ₹ 500 crore.

3) REMUNERATION OF DIRECTORS

The Board has formulated the Nomination and Remuneration Policy of Directors, Key Managerial Personnel (KMPs) and Senior Management in terms of the provisions of Section 178 of the Companies Act, 2013 and SEBI LODR Regulations.

The said Policy outlines the appointment criteria and qualifications, the term / tenure of the Directors on the Board of Godrej Properties Limited and the matters related to remuneration of the Directors, KMPs & Senior Management. The said Policy has been published as an Annexure No. III to Director's Report included in this Annual Report.

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

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

The details of remuneration package of the Directors and their relationships with each other, if any, are given in Table 6 below:

Table 6: Remuneration paid/payable to the Directors for the financial year ended March 31, 2018

(₹ in Lakh)

Name of Director	Relationship with other Directors	Sitting Fees	Commission*	Salary	Perquisites	Provident Fund	Others**	Total
Mr. Jamshyd N. Godrej	-	3.00	6.50	Nil	Nil	Nil	Nil	9.50
Mr. Nadir B. Godrej	-	4.00	6.50	Nil	Nil	Nil	Nil	10.50
Mr. Amit B. Choudhury	-	12.40	6.50	Nil	Nil	Nil	Nil	18.90
Mr. Keki. B. Dadiseth	-	12.00	6.50	Nil	Nil	Nil	Nil	18.50
Mrs. Lalita D. Gupte	-	12.00	6.50	Nil	Nil	Nil	Nil	18.50
Mr. Pranay D. Vakil	-	12.00	6.50	Nil	Nil	Nil	Nil	18.50
#Mr. S. Narayan	-	6.00	-	Nil	Nil	Nil	Nil	6.00
Mr. Amitava Mukherjee	-	12.00	6.50	Nil	Nil	Nil	Nil	18.50
Dr. Pritam Singh	-	9.00	6.50	Nil	Nil	Nil	Nil	15.50
Mr. Pirojsha Godrej	Nephew of Mr. Jambhyd N. Godrej & Mr. Nadir B. Godrej	Nil	Nil	272.88	177.56	13.08	335.16	798.68
Mr. Mohit Malhotra	-	Nil	Nil	282.79	127.19	11.28	335.16	756.42

Notes:

**Commission for the financial year 2017-18 is paid in the financial year 2018-19*

#Ceased to be a Director from the Board of the Company w.e.f. August 3, 2017.

***Others is towards provision made for the Performance Bonus for the financial year 2017-18*

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

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

Except for drawing remuneration, none of the Directors have any other materially significant related party transactions, pecuniary relationship or transaction with the Company. The Company enters into transactions in the ordinary course of business with the companies in which the Directors hold directorship. Attention of the Members is drawn to the disclosures of transactions with related parties set out in Notes to Accounts Note No. 43 of Standalone Financial Statements, forming part of the Annual Report.

4) STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

1. Mr. Pirojsha Godrej, Executive Chairman; and
2. Mr. Amit B. Choudhury, Independent Director.

Mr. Amit B. Choudhury is the Chairman of Stakeholders' Relationship Committee .The Committee during the Financial Year 2017-18 met on 4 (four) occasions i.e. on April 5, 2017, July 17, 2017, October 5, 2017 and January 17, 2018.

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

The Stakeholders' Relationship Committee looks into redressal of the grievances of Security holders viz. shareholders' NCD holders and fixed deposit holders including investors' complaints relating to transfer of shares, issue of duplicate/consolidated share certificates, review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of dividends declared and all other securities-holders related matters. It is also responsible for reviewing the process and mechanism of redressal of investor complaints and suggesting measures of improving the existing system of redressal of investor grievances. This Committee is also responsible for approval of transfer and transmission of securities, including power to delegate the same to the Registrar and Transfer Agents.

Name and Designation of Compliance Officer:

Mr. Surender Varma

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

Status of Investor Complaints for the Financial Year ended March 31, 2018:

Complaints outstanding as on April 1, 2017	0
Complaints received during the financial year ended March 31, 2018	7
Complaints resolved during the financial year ended March 31, 2018	7
Complaints outstanding as on March 31, 2018	0

During the year under review, the Company did not received any investor's complaints through SEBI Compliant Redress System (SCORES).

There are no pending share transfers as on March 31, 2018.

5) GENERAL BODY MEETINGS

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

Financial Year	Venue	Date	Time
2016-17	The Auditorium, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079	August 2, 2017	2.00 P.M.
2015-16	The Auditorium, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079	August 9, 2016	1.30 PM
2014-15	The Auditorium, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079	August 4, 2015	2.30 P.M.

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

Date of AGM	Number of Special Resolutions passed	Details of Special Resolutions Passed
August 2, 2017	5	i. Ratification of redesignation of Mr. Pirojsha Godrej, as the Executive Chairman and revision in remuneration (DIN:00432983) ii. Ratification of redesignation of Mr. Mohit Malhotra, as the Managing Director & Chief Executive Officer and revision in remuneration (DIN:07074531) iii. Approval for enhancement of borrowing limit iv. Approval for creation of charge on properties of Company v. Approval for issue of Non – Convertible Debentures
August 9, 2016	5	i. Waiver of excess remuneration paid to Mr. Pirojsha Godrej, Managing Director & Chief Executive Officer (DIN:00432983) ii. Waiver of excess remuneration paid to Mr. Mohit Malhotra, Executive Director (DIN:07074531) iii. Waiver of excess remuneration paid to Mr. K. T. Jithendran (DIN:01181998) iv. Revision in remuneration of Mr. Pirojsha Godrej, Managing Director & Chief Executive Officer (DIN:00432983), with effect from April 1, 2016. v. Revision in remuneration of Mr. Mohit Malhotra, Executive Director (DIN: 07074531), with effect from April 1, 2016.
August 4, 2015	4	i. Appointment of Mr. Mohit Malhotra as an Executive Director with effect from April 01, 2015 ii. Re-appointment of Mr. Pirojsha Godrej (DIN: 00432983) as Managing Director & CEO, with effect from April 1, 2015. iii. Revision in remuneration of Mr. K. T. Jithendran – Executive Director (DIN: 01181998), with effect from April 1, 2015. iv. Approve the amendment in the Godrej Properties Limited Employees Stock Option Plan (GPL ESOP).

6) MEANS OF COMMUNICATION

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

7) GENERAL SHAREHOLDERS' INFORMATION

a) Annual General Meeting

Date	Thursday, August 2, 2018
Time	2.00 p.m.
Venue	Godrej One, The Auditorium, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai - 400 079

b) Financial Calendar

Financial Year: April 1 to March 31

For the financial year ended March 31, 2018, the financial results were announced on:

- August 2, 2017 : First Quarter
- November 3, 2017 : Second Quarter
- February 2, 2018 : Third Quarter
- May 4, 2018 : Annual

c) Dividend Payment Date

The Board has not recommended any dividend for the financial year ended March 31, 2018.

d) Listing information

The Company's equity shares are listed on the BSE Limited and the National Stock Exchange of India Limited. Non-Convertible Debentures (NCD's) of the company are listed on BSE Limited.

Name of Stock Exchange	Address	Stock/Scrip code
BSE Limited (BSE)	25th Floor, P J Towers, Dalal Street, Mumbai 400 001	533150 (Equity) 956944(NCD's)
The National Stock Exchange of India Limited (NSE)	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai 400 051	GODREJPROP

The ISIN No. of the Company's equity shares on both National Securities Depository Limited and Central Depository Services (India) Limited is **INE484J01027**. The CIN of the Company is **L74120MH1985PLC035308**. Annual listing fee for the year 2017-18 has been paid by the Company to BSE and NSE.

e) Stock Data

Table 7 and Table 8 respectively give the monthly high and low prices and volumes of equity shares of the Company at the BSE and NSE for the financial year ended March 31, 2018.

Table 7: Monthly high and low prices and volumes of equity shares of the Company at BSE for the financial year ended March 31, 2018:

Month	High (₹)	Low (₹)	Volumes Traded (No. of equity shares)
April	476.35	401.95	1,043,770
May	544.20	486.15	2,795,056
June	559.00	490.25	1,859,793
July	524.90	503.65	557,976
August	578.50	495.25	662,836
September	653.05	592.20	1,142,156
October	679.10	616.10	526,357
November	729.95	666.70	808,152
December	722.65	694.60	1,075,174
January	880.95	703.85	2,084,572
February	838.40	764.90	580,828
March	777.30	724.05	1,303,631

Table 8: Monthly high & low prices and volumes of equity shares of the Company at NSE for the financial year ended March 31, 2018:

Month	High (₹)	Low (₹)	Volumes Traded (No. of equity shares)
April	473.85	403.05	7,175,542
May	541.95	484.80	19,078,063
June	559.00	489.55	7,154,938
July	524.60	503.20	3,820,442
August	579.50	494.40	4,477,268
September	653.30	593.50	6,589,088
October	679.30	614.55	3,446,705
November	728.20	669.20	5,088,617
December	721.15	692.55	2,954,490
January	882.05	703.65	5,858,920
February	839.35	764.30	3,699,539
March	779.05	722.90	1,695,223

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

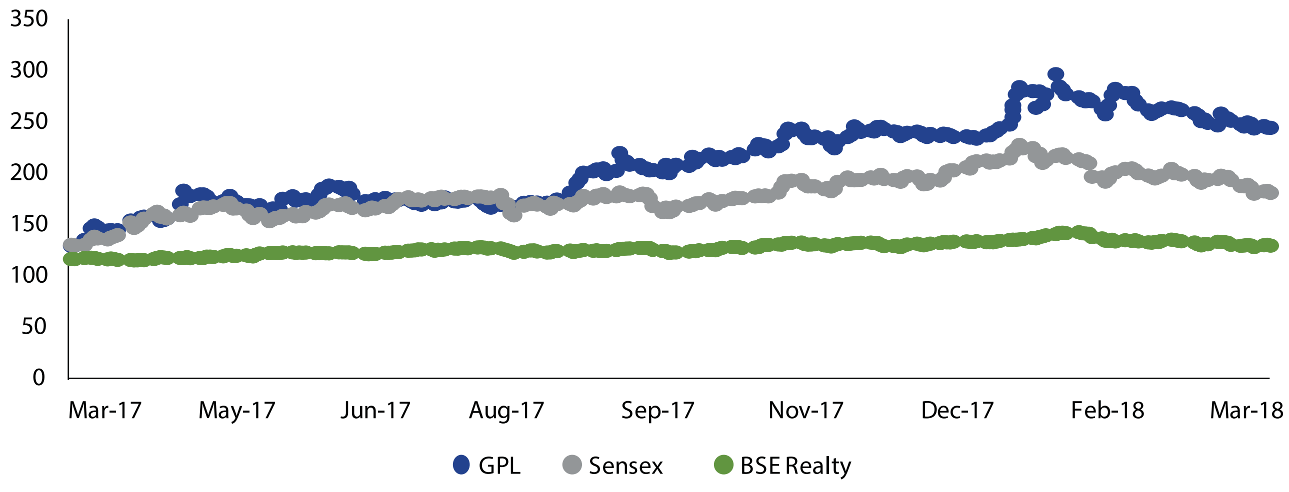
f) Share Transfer Agent

Karvy Computershare Private Limited
(Unit: Godrej Properties Limited)
Karvy Selenium Tower-B, Plot No.31 & 32,
Financial District, Gachibowli,
Nanakramguda, Serilingampally,
Hyderabad-500 032
Phone: 040-67162222
Fax: 040-23001153
Email ID: einward.ris@karvy.com
Toll Free No.: 18003454001
Contact Person: Mr. K. S. Reddy

g) Share transfer system

The Company has outsourced its share transfer function for shares held in physical form to M/s. Karvy Computershare Private Limited, which is registered with the Securities and Exchange Board of India having Registration No. INR000000221. Share transfer is normally affected within a period of 15 days from the date of receipt of request, if all the required documentation is submitted.

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



Indexed Price movement from April 01, 2017 to March 31, 2018

h) Distribution of shareholding as on March 31, 2018

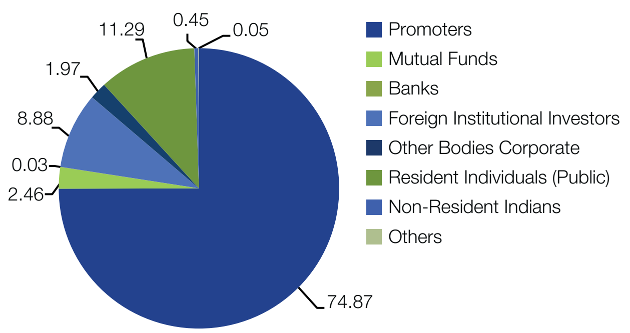
Sr. No.	Category	No. of Share Holders	% of Share Holders	No. of equity shares	Amount (₹)
1	1 – 5000	38,492	94.18	4,781,073	23,905,365
2	5001 – 10000	908	2.17	1,381,266	6,906,330
3	10001 – 20000	583	1.39	1,691,239	8,456,195
4	20001 – 30000	263	0.63	1,320,914	6,604,570
5	30001 – 40000	126	0.30	888,158	4,440,790
6	40001 – 50000	116	0.28	1,079,208	5,396,040
7	50001 – 100000	157	0.38	2,302,076	11,510,380
8	100001 & Above	283	0.68	203,036,194	1,015,180,970
	Total	**40,928**	**100**	**216,480,128**	**1,082,400,640**

i) Shareholding pattern as on March 31, 2018

i) Distribution of equity shareholding :

Sr. No.	Category	No. of Share Holders	No. of equity shares held	% of share-holding
1	Promoters	23	162,087,070	74.87
2	Mutual Funds	6	5,324,019	2.46
3	Banks	3	64,816	0.03
4	Foreign Institutional Investors	118	19,218,511	8.88
5	Other Bodies Corporate	605	4,261,805	1.97
6	Resident Individuals (Public)	38,976	24,448,158	11.29
7	Non-Resident Indians	1119	995,653	0.45
8	Others	78	80,096	0.05
	Total	**40,928**	**216,480,128**	**100.00**

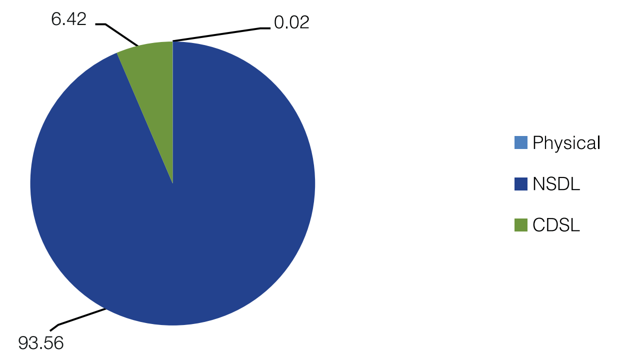
ii) Categories of equity shareholders :



j) Shares held in physical and dematerialized form

Category	Number of shareholders	Shareholders %	Number of equity shares held	Shareholding %
Physical	65	0.20	39,025	0.02
NSDL	26,444	93.56	202,533,068	93.56
CDSL	14,419	6.42	13,908,035	6.42
Total	**40,928**	**100.00**	**216,480,128**	**100.00**

Break up of physical and dematerialized shares as on March 31, 2018



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

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

l) Address for Correspondence

Investor correspondence should be addressed to:

For Equity Shares:-

Karvy Computershare Private Limited
(Unit: Godrej Properties Limited)
Karvy Selenium Tower-B, Plot No. 31 & 32,
Financial District, Gachibowli, Nanakramguda,
Serilingampally, Hyderabad-500 032
Phone: 040-67162222 Fax: 040-23001153
Email ID: einward.ris@karvy.com
Toll Free No.: 18003454001
Contact Person: Mr. K. S. Reddy

For Non-Convertible Debenture (NCD's)

Link Intime India Private Limited
C 101, 247 Park,LBS Marg,
Vikhroli (West), Mumbai – 400 083
Phone: +91 22 4918 6000 Fax: +91 22 4918 6060
Email: mumbai@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Mr. Ganesh Jadhav

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

8) OTHER DISCLOSURES

a) Materially significant related party transactions

All transactions entered into during the financial year 2017-18 with Related Parties as defined under the Act and SEBI LODR Regulations were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant related party transactions, i.e. transactions of the Company of material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. Attention of Members is drawn to the disclosures of transactions with related parties set out in Notes to Accounts – Note No. 43 forming part of the Standalone financial statements.

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

b) Details of non-compliance

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

c) Whistle Blower Policy – Vigil Mechanism

The Company's Whistle Blower Policy is in line with the provisions of the sub section 9 and 10 of Section 177 of the Companies Act, 2013 and as per Regulation 22 of SEBI LODR Regulations. This Policy establishes a vigil mechanism for Directors, employees and other stakeholders to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The said mechanism also provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We confirm that during the financial year 2017-18, no employee of the Company was denied access to the Audit Committee.

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

d) Policy for determining Material Subsidiary

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

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

The Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the company is strongly opposed to sexual harassment and that such behavior is prohibited both by law and by the Godrej group. To redress complaints of sexual harassment, an Internal Complaints Committee (ICC) of Godrej Properties Limited has been formed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. Ms. Tanya Dubash is the Chairperson of the Internal Complaints Committee and

Ms. Nisaba Godrej acts as a representative of Godrej Group along with other Committee members viz Mr. Sumit Mitra, Ms. Raheen Jummani, NGO member, Ms. Ruhi Pande, Ms Mamta Bakshi, Mr. Surender Varma and Ms. Snehal Ponde. During the financial year under review, 2 (two) complaint was received by the company and the same was investigated in accordance with the procedure laid down under the said Act and the same stands concluded. No cases of child labour, forced labour, involuntary labour and discriminatory employment were reported during the period.

f) Policy on Determination of Materiality of Events

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

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

h) Dividend Distribution Policy

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

i) Details of Demat Suspense Account

As per Schedule V of Part F of SEBI LODR Regulations the Company reports the following details in respect of equity shares lying in the suspense account which were issued pursuant to the public issue.

Sr. No.	Particulars (for the Financial Year 2017-18)	No. of Cases	No. of Equity Shares
1.	Aggregate number of shareholders and the outstanding equity shares in the suspense account lying at the beginning of the year;	1	104
2.	Number of shareholders who approached issuer for transfer of equity shares from suspense account during the year;	-	-
3.	Number of shareholders to whom equity shares were transferred from suspense account during the year;	-	-
4.	Aggregate number of shareholders and the outstanding equity shares in the suspense account lying at the end of the year*.	1	104

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

j) Transfer of Unclaimed/Unpaid Dividend

The Company shall be transferring the unclaimed/unpaid dividends as mentioned hereunder to the Investors Education and Protection Fund (IEPF) established by the Central Government, in terms of the provisions of Section 205A and 205C of the Companies Act, 1956 (Section 124 and 125 of the Companies Act, 2013):

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

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 / Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, Rs. 75,432 of unpaid/unclaimed dividends and 5,168 shares were transferred during the financial year 2017-18 to the Investor Education and Protection Fund.

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company https://www.godrejproperties.com/investor/contacts.

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 2, 2017 (date of last AGM) on the Company's website https://www.godrejproperties.com/investor/unclaimed-unpaid-amounts and on the website of the Ministry of Corporate Affairs at www.iepf.gov.in.

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

I. Disclosure on website in terms of listing regulations

Item	Compliance Status (Yes/No/NA) refer note below
Details of business	Yes
Terms and conditions of appointment of independent directors	Yes
Compositions of various committees of board of directors	Yes
Code of conduct of board of directors and senior management personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	Disclosed in Annual Report
Policy for dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	Yes
Details of familiarization programmes imparted to independent directors	Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
Email address for grievance redressal and other relevant details	Yes
Financial results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/or their associates	Not Applicable
New name and the old name of the listed entity	Not Applicable

II. Annual Affirmations

Particulars	Regulation Number	Compliance status (Yes/No/NA) refer note below
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment &Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes

II. Annual Affirmations		
Particulars	**Regulation Number**	**Compliance status (Yes/ No/NA) refer note below**
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of risk management committee	21(1),(2),(3),(4)	Not Applicable
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	Not Applicable
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2)	Yes
Policy with respect to Obligation of Directors and senior management	26(5)	Not Applicable
Obligation with respect to KMPs, Directors and Promoters	26(6)	Not Applicable

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

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

10) DISCRETIONARY DISCLOSURES

The status of compliance with non-mandatory recommendations of the SEBI LODR Regulaions is as follows.

a) **Shareholders' Rights:** As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the shareholders.

b) **Audit Qualifications:** The Company's financial statements for the year 2017-18 do not contain any audit qualification.

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

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

REPORT ON CORPORATE GOVERNANCE

Declaration by Managing Director & CEO

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

The Board of Godrej Properties Limited has laid down a Code of Conduct for all Board members and senior management of the Company. The said code of conduct has also been posted on the Company's website viz. www.godrejproperties.com. All the Board members and senior management personnel have affirmed their compliance with the said Code of Conduct for the financial year ended March 31, 2018.

Mohit Malhotra
Managing Director & Chief Executive Officer

Place: Mumbai
Date: May 3, 2018

CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of
Godrej Properties Limited

We have examined the compliance of conditions of Corporate Governance by Godrej Properties Limited (hereinafter referred as "Company") for the financial year ended March 31, 2018 as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations").

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

In our opinion, and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations.

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

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)

Dipti Mehta
Partner
FCS No: 3667
CP No.: 3202

Place: Mumbai
Date: May 3, 2018

BUSINESS RESPONSIBILITY REPORT

PHILANTHROPIC EFFORTS OF THE GODREJ GROUP

The Godrej Group has been at the forefront of philanthropic and social activities for several decades. Approximately Twenty-Three per cent of the promoter holding of the Godrej Group is held in trusts that invests back in initiatives that support the environment as well as improve the quality and availability of healthcare and education. Through investment and oversight by the trust, a large tract of mangrove forests in Mumbai have been protected, developed, and maintained for several years and serve as a second set of lungs for the city. The Godrej Group has continually supported education and supports the Udayachal pre-primary and primary schools, which focus on the all-round development of children. The Udayachal high school has been accredited with the International School Award in recognition of the school incorporating global education into its curriculum and innovation into classroom teaching.

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

Workplace Giving

In 2016, the Group revived its Workplace Giving programme, which enables our team members to donate a specific amount every month to our non-profit partners. We have partnered with three organisations, namely Save the Children India, World Wildlife Fund and Teach for India. These organisations have been selected after thorough research, considering the vast scope of their efforts towards improving education for underprivileged children, creating access to health facilities in rural areas and protecting the environment. The programme is a part of the Group's tradition of philanthropy and it enables our team members to make a direct difference to someone's life.

Teach For India

Since its inception in 2009, GPL has been supporting Teach for India, which is a nationwide movement of outstanding college graduates and young professionals who will commit 2 years to teach full-time in under-resourced schools and who will become lifelong leaders working from within various sectors towards the pursuit of equity in education. In 2009, Teach for India began its journey in the classrooms with 78 Fellows (or teachers) in 2 cities across 34 schools and reached out to 3,000 children. The movement has grown in 2017-18 to cover 353 schools in 7 cities with approximately 1,100 fellows, positively impacting nearly 39,500 children.

GODREJ GOOD & GREEN

In conjunction with our vision of 'Brighter Living' for all stakeholders, we have developed a long-term vision for playing an active part in creating a more inclusive and greener India. This vision has been named 'Godrej Good & Green', which is founded on shared value initiatives. The concept of shared value is defined as policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates. As part of this initiative, the Group aspires to create a more employable Indian workforce, a greener India and innovate for good and green products by 2020.

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

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

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

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

We are associated with the Integrated Water Management Programme, under the Ministry of Rural Development, through our large-scale integrated watershed projects in drought-prone regions to restore the ecological balance by harnessing, conserving and developing degraded natural resources and thus providing sustainable livelihoods in the region.

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

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

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

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

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

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

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

   L74120MH1985PLC035308

2. **Name of the Company:**

   Godrej Properties Limited

3. **Registered address:**

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

4. **Website:**

   www.godrejproperties.com

5. **E-mail id:**

   secretarial@godrejproperties.com

6. **Financial Year reported:**

   2017-18

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

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

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

   Development of residential and commercial projects.

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

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

   Singapore

   (b) Number of National Locations:

   The company has business activity in over 12 domestic locations.

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

    National.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

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

   ₹ 108.24 crore.

2. **Total Turnover (INR):** ₹ 1449.44 crores

3. **Total profit after taxes (INR):** ₹ 240.85 crores

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

   The Company has spent prescribed CSR expenditure amounting to ₹ 1.38 crore, being the 2% of the average net profit of the Company for the last three years as mandated in the Companies Act, 2013.

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

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

   (a) Nipun skill enhancement training.

   (b) Disaster relief-Sustainable Environment & Ecological Development Society (SEEDS).

   (c) Donation towards Wildlife Conservation.

   (d) Integrated Watershed Management project.

   (e) Organic soil carbon- improvement in soil quality.

   (f) Neighbourhood waste management project.

   (g) Waste to fuel project.

SECTION C: OTHER DETAILS

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

   Yes, the Company has 16 subsidiaries as on March 31, 2018.

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

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

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

   No.

SECTION D: BR INFORMATION

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

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

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

   No director has yet been nominated.

   (b) Details of the BR head

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

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

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

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

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

Not Applicable.

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

3. **Governance related to BR**

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

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

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

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

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

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

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

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

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

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

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

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

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

   (a) Residential

   (b) Commercial

   (c) Townships

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

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

We ensure that the majority of the materials used across all our projects are sourced locally within range of 400-500 kms from project site. Along with the local sourcing, 95% of our construction waste is reused or send to recycling agencies ensuring we are diverting the same from landfill.

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

Due to low flow plumbing fixtures, Rain Water Harvesting and Sewage Treatment Plants used in our projects we are able to achieve water Savings of around 25-30% as compared to the baselines (IGBC baseline) Similarly usage of energy efficient lighting and equipment along with usage of Renewable energy in our projects across the portfolio, we are able to achieve Energy Savings to the tune of 12-15% in comparison to the baseline (ASHRAE).

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

Below mentioned strategies have been used across the projects for ensuring sustainable sourcing:

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

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

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

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

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

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

Principle 3 : Businesses should promote the wellbeing of all employees

Code of Conduct:

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

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

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

We value diversity within the Godrej Group and are committed to offering equal opportunities in employment. We do not discriminate against any team member or applicant for employment. Godrej Industries Limited and Associate Companies also subscribes to the CII-ASSOCHAM Code of Conduct for Affirmative Action.

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

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

B. Prevention of sexual harassment:

We are committed to creating and maintaining an atmosphere in which our team members can work together, without fear of sexual harassment, exploitation or intimidation. We have ensured compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "Act"). We have constituted an Internal Complaints Committee in accordance with the Act and updated the group's policy to ensure that women are protected against sexual harassment at the workplace. Every team member is made aware that the Godrej Group is strongly opposed to sexual harassment and that such behaviour is prohibited both by law and the Group policy. We take all necessary action(s) required to prevent and correct behaviour that violates this policy.

C. Safety and Health:

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

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

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

Womens Area

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

Some of the facilities provided are:

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

Progressive Human Resource Policies:

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

A. Maternity and Paternity Leave and Benefits Policy:

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

B. Late Night Cab Facility and Ola for Business:

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

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

C. Careers 2.0 Programme:

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

D. Sustenance Allowance Policy:

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

1. **Please indicate the Total number of employees** : 1174

2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis** : 226

3. **Please indicate the Number of permanent women employees** : 310

4. **Please indicate the Number of permanent employees with disabilities** : 0

5. **Do you have an employee association that is recognized by management** : No

6. **What percentage of your permanent employees are members of this recognized employee association?** 0

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

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

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

- Permanent Employees – 65%
- Permanent Women Employees – 73%
- Casual/Temporary/Contractual Employees - Nil
- Employees with Disabilities - Nil

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

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

   Yes

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

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

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

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

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

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

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

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

Principle 5 : Businesses should respect and promote human rights

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

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

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

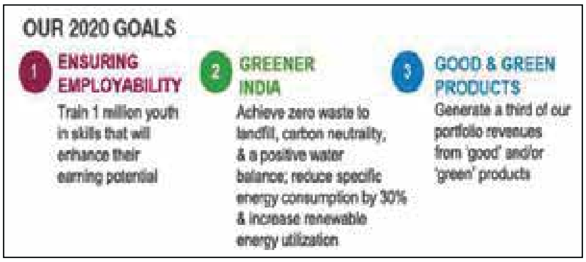
   During the year under review, no complaints were received from any stakeholder.

   Nil

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

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

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

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

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

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

   We have initiated projects to offset the environmental footprints due to our operations. We are in the process of developing an Integrated Watershed Development in the Beed district of Maharashtra that will offset out water footprint by 2020. As part of the Beed watershed, we have planted 2 Lac saplings of native, fruiting species that will not only mitigate a large part of our operational carbon footprint but also act as a secondary income for the farmers. This plantation along with the watershed project is registered under the international carbon framework of the Verified Carbon Standard (VCS).

Beed Watershed Development: Beginning of Project: March 2016

Beed Watershed Development: September 2017

We have set up waste-to-fuel facilities within Mumbai to reduce the horticulture waste to landfill and produce a sustainable and alternate fuel source for industries.

Horticulture Waste to Fuel: February 2018

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

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

- Environmental Impact Assessment is carried out for large projects which can have a major impact on the surrounding environment
- Strategies to minimize or negate the impact are worked out for every specific project
- Soil Erosion control measures to avoid any contamination of the site and/or surrounding areas
- Retaining at least 15-20% of the natural topography, ensures minimum impact to environment
- Developing over virgin ground creates issues for water percolation into the ground. This is taken care of by taking proper measures for rainwater harvesting and recharge.

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

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

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

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

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

- Not Applicable -

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

    - Not Applicable -

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

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

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

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

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

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

Principle 8: Businesses should support inclusive growth and equitable development

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

As part of our Greener India programme, we have implemented a number of environmental projects which not only help us to mitigate our environmental footprints but also to create healthier and more sustainable habitats. You can find more details about our programmes at www.godrejgoodandgreen.com

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

    Godrej recognizes and encourages the skill development initiatives championed by the government to increase employability and hence employment of the youth. In pursuance of Godrej's social responsibility commitments, GPL runs Nipun, a program developed to train and upskill blue collar workers in construction and allied trades. In FY 2017-18, we've enabled training and certification of more than ten thousand beneficiaries in skills such as Bar-bending, Masonry & Plastering, Painting, Shuttering Carpentry, Tiling and Housekeeping. These trainings are conducted in various states across the country including Delhi, Gujarat, Maharashtra, Karnataka, West Bengal, Jharkhand and Bihar.

    The CSR & social initiatives have been recognised by Stanford Social Innovation Review: https://ssir.org/articles/entry/new_frontiers_in_indian_corporate_social_responsibility?platform=hootsuite

    We are in the process of developing an Integrated Watershed Development in the Beed district of Maharashtra. This project has completed 2 years of development and has already brought much relief to the area where the farmers have been able to take two crops in the last harvest season. The watershed has acted as a second source of income to farmers lessening the number of farmers migrating to cities for work. As part of the Beed watershed, we have planted 2 Lac saplings of native, fruiting species that will act as a secondary income for the farmers. This plantation along with the watershed project is registered under the international carbon framework of the Verified Carbon Standard (VCS).

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

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

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

    Yes. We have conducted a third party impact assessment of Nipun. The carbon interventions at the Beed watershed are registered under the international carbon framework of the Verified Carbon Standard (VCS).

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

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

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

   Not Applicable

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

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

   Nil

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

   Not applicable

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

   No

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

   Yes

FINANCIALS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GODREJ PROPERTIES LIMITED

Report on the audit of the standalone Ind AS financial statements

We have audited the accompanying standalone Ind AS financial statements of Godrej Properties Limited ('the Company'), which comprise the standalone balance sheet as at 31 March 2018, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and summary of the significant accounting policies and other explanatory information (collectively referred to as the 'standalone Ind AS financial statements').

Management's responsibility for the standalone Ind AS financial statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

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

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

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

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March 2018, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Other Matters

The comparative financial statements of the Company as at and for the year ended 31 March 2017 included in these standalone Ind AS financial statements, are based on the previously issued standalone Ind AS financial statements prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act and audited by Kalyaniwalla & Mistry LLP whose report dated 4 May 2017 expressed an unmodified opinion on those standalone Ind AS financial statements, as adjusted to give effect to the amalgamation of Godrej Vikhroli Properties India Limited ('GVPIL') and Godrej Real Estate Private Limited ('GREPL') with the Company pursuant to the orders of NCLT dated 30 November 2017 and 11 April 2018 respectively and made effective from the appointed date of 1 April 2017. Our opinion is not modified in respect of this matter.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we report that:
   (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
   (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) the standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of cash flows and the standalone statement of changes in equity dealt with by this report are in agreement with the books of account;
   (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;
   (e) on the basis of written representations received from the directors as on 31 March 2018, and taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2018, from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
   (g) with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 45 to the standalone Ind AS financial statements;
      ii. the Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts. Refer Note 52 to the standalone Ind AS financial statements. The Company did not have any derivative contracts during the year;
      iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
      iv. the disclosures in the standalone Ind AS financial statements regarding holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However, amounts as appearing in the audited standalone Ind AS financial statements for the period ended 31 March 2017 have been disclosed.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Aniruddha Godbole
Partner
Membership No: 105149

Mumbai
4 May 2018

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2018

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2018, we report the following:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets and investment properties.

(b) The Company has a regular programme of physical verification of its fixed assets and investment properties, by which all fixed assets and investment properties are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the above programme, the Company has verified certain fixed assets and investment properties during the year and no discrepancies were noticed in respect of assets verified during the year.

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

(ii) The inventory comprising of construction work-in-progress and cost of development rights in identified land has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. No discrepancies were noticed on verification between the physical stocks and the book records.

(iii) The Company has granted unsecured loans to nine companies and twenty five limited liability partnerships covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). The Company has not granted any loans, secured or unsecured, to firms or other parties covered in the register required to be maintained under Section 189 of the Act.

(a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the rate of interest and other terms and conditions of unsecured loans granted by the Company to companies and limited liability partnerships covered in the register required to be maintained under Section 189 of the Act are not, prima facie, prejudicial to the interest of the Company.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, the unsecured loans granted to companies and limited liability partnerships and interest thereon are repayable on demand. The borrowers have been regular in payment of principal and interest as demanded.

(c) There are no overdue amounts of more than 90 days in respect of the unsecured loans granted to companies and limited liability partnerships by the Company.

(iv) In our opinion and according to the information and explanations given to us and based on the audit procedures conducted by us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to loans granted, guarantees provided and investments made by the Company. The Company has not provided any security during the year to the parties covered under Sections 185 and 186 of the Act. Accordingly, compliance under Section 185 and 186 of the Act in respect of providing securities is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Sales tax, Value added tax, Entry tax, Labour cess, Professional tax, Property tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. Amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Income-tax, Service tax and Goods and Service tax have generally been regularly deposited during the year by the Company with the appropriate authorities, though there have been slight delays in a few cases. As explained to us, the Company did not have any dues on account of Duty of excise and Duty of customs.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Service tax, Sales tax, Value added tax, Goods and Service tax, Professional tax, Cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Sales tax and Goods and Service tax, which have not been deposited with the appropriate authorities on account of any dispute. According to the information and explanations given to us, the following dues of Income-tax, Service tax, Entry tax and Value added tax have not been deposited as on 31 March 2018 by the Company on account of disputes:

Name of the statute	Nature of the dues	Amount not deposited on account of demand Rupee in Crores*	Financial year (F.Y.) to which the amount relates	Forum where dispute is
MVAT Act, 2002	Entry Tax	0.77	2012-13	The Joint Commissioner of MVAT (Appeal -4), Mumbai
MVAT Act, 2002	Value Added Tax	3.30	2008-09	The Joint Commissioner of Sales Tax (Appeals V), Mumbai
MVAT Act, 2002	Value Added Tax	0.09	2006-07	The Joint Commissioner of Sales Tax (Appeals V), Mumbai
MVAT Act, 2002	Value Added Tax	0.04	2011-12	The Joint Commissioner of Sales Tax (Appeals V), Mumbai
Finance Act, 1994	Service Tax	42.20	2005-11	Custom, Excise & Service Tax Appellate Tribunal, South Zonal Branch, Bangalore
Finance Act, 1994	Service Tax	5.82	2012-15	Custom, Excise & Service Tax Appellate Tribunal, Mumbai
Finance Act, 1994	Service Tax	10.31	2014-15 and 2015-16	
Finance Act, 1994	Service Tax	0.11	2014-15 and 2015-16	
Finance Act, 1994	Service Tax	0.46	2008-12	Custom, Excise & Service Tax Appellate Tribunal, Bangalore
Finance Act, 1994	Service Tax	0.20	2012-14	Custom, Excise & Service Tax Appellate Tribunal, Bangalore
Finance Act, 1994	Service Tax	4.39	2010-13	
Income Tax Act, 1961	Income tax	0.39	2006-07	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	17.70	2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	1.55	2011-12	Income tax Appellate Tribunal (ITAT)

Name of the statute	Nature of the dues	Amount not deposited on account of demand Rupee in Crores*	Financial year (F.Y.) to which the amount relates	Forum where dispute is
Income Tax Act, 1961	Income tax	1.35	2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	0.48	2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	0.33	2014-15	Commissioner of Income Tax (Appeals)

* net of amount deposited under protest

(viii) According to the information and explanations given to us, the Company has not defaulted during the year in repayment of loans or borrowings to banks or financial institution or dues to debenture holders. The Company does not have any loans or borrowings from government during the year.

(ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as specified in Nidhi Rules, 2014. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone Ind AS financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Aniruddha Godbole
Partner
Membership No: 105149

Mumbai
4 May 2018

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2018

(Referred to in our report of even date)

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

We have audited the internal financial controls over financial reporting of Godrej Properties Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Aniruddha Godbole
Partner
Membership No: 105149

Mumbai
4 May 2018

STANDALONE BALANCE SHEET AS AT MARCH 31, 2018

(Currency in INR Crore)

Particulars	Note	As At March 31, 2018	As At March 31, 2017
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	**88.07**	76.97
Capital Work-in-Progress	3	**-**	0.01
Investment Property	4	**2.49**	-
Intangible Assets	5	**25.11**	27.00
Intangible Assets Under Development		**0.13**	0.03
Financial Assets			
Investments in Subsidiaries, Joint Ventures and Associate	6	**343.84**	269.94
Other Investments	7	**533.71**	211.48
Loans	8	**83.81**	76.42
Other Non-Current Financial Assets	9	**-**	1.83
Deferred Tax Assets (Net)	10	**39.61**	94.96
Income Tax Assets (Net)		**94.64**	103.52
Other Non-Current Non Financial Assets	11	**15.29**	19.76
Total Non-Current Assets		**1,226.70**	881.92
Current Assets			
Inventories	12	**1,900.01**	1,942.75
Financial Assets			
Investments	13	**463.85**	285.21
Trade Receivables	14	**109.10**	147.39
Cash and Cash Equivalents	15	**110.70**	48.71
Bank Balances other than above	16	**159.70**	26.19
Loans	17	**2,125.91**	2,039.35
Other Current Financial Assets	18	**572.05**	619.65
Other Current Non Financial Assets	19	**131.71**	116.73
Total Current Assets		**5,573.03**	5,225.98
TOTAL ASSETS		**6,799.73**	6,107.90
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	20	**108.24**	108.18
Other Equity	21	**2,123.57**	1,881.81
Total Equity		**2,231.81**	1,989.99
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	22	**500.00**	-
Provisions	23	**11.33**	6.46
Total Non-Current Liabilities		**511.33**	6.46
Current Liabilities			
Financial Liabilities			
Borrowings	24	**3,202.86**	3,505.66
Trade Payables	25	**208.51**	149.26
Other Current Financial Liabilities	26	**191.99**	145.12
Other Current Non Financial Liabilities	27	**429.41**	296.04
Provisions	28	**3.32**	0.33
Current Tax Liabilities (Net)		**20.50**	15.04
Total Current Liabilities		**4,056.59**	4,111.45
TOTAL EQUITY AND LIABILITIES		**6,799.73**	6,107.90
Accounting Policies	1		

The accompanying notes 1 to 57 form an integral part of the Standalone Financial Statements.

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

ANIRUDDHA GODBOLE
Partner
Membership No: 105149
Mumbai
May 04, 2018

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

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428
Mumbai
May 04, 2018

RAJENDRA KHETAWAT
Chief Financial Officer

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(Currency in INR Crore)

Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
INCOME			
Revenue from Operations	29	**955.83**	998.63
Other Income	30	**493.61**	222.40
Total Income		**1,449.44**	1,221.03
EXPENSES			
Cost of Sales	31	**595.83**	616.32
Employee Benefits Expense	32	**98.74**	60.26
Finance Costs	33	**191.95**	156.66
Depreciation and Amortisation Expense	34	**14.53**	13.18
Other Expenses	35	**174.85**	108.53
Total Expenses		**1,075.90**	954.95
Profit before Tax		**373.54**	266.08
Tax Expense			
Current Tax	10(b)	**75.92**	83.79
Deferred Tax Charge/(Credit)	10(a)	**56.77**	(14.22)
Total Tax Expense		**132.69**	69.57
Profit for the Year		**240.85**	196.51
Other Comprehensive Income			
Items that will not be subsequently reclassified to profit or loss			
Remeasurements of the defined benefit plan		**(4.24)**	(0.47)
Tax on above	10(a)	**1.48**	0.16
Other Comprehensive Income for the year (Net of Tax)		**(2.76)**	(0.31)
Total Comprehensive Income for the Year		**238.09**	196.20
Earnings Per Share (Amount in INR)			
Basic	36	**11.13**	9.12
Diluted	36	**11.12**	9.08
Accounting Policies	1		

The accompanying notes 1 to 57 form an integral part of the Standalone Financial Statements.

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

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Company Secretary
ICSI Membership No: A10428
Mumbai
May 04, 2018

RAJENDRA KHETAWAT
Chief Financial Officer

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

(Currency in INR Crore)

a) Equity Share Capital

Particulars	As At March 31, 2018	As At March 31, 2017
Balance at the beginning of the year	108.18	108.13
Changes in equity share capital during the year	0.06	0.05
Balance at the end of the year	108.24	108.18

b) Other Equity

Particulars	Reserves and Surplus								Total
	Capital Reserve	Capital Reserve on Account of Amalgamation	Securities Premium	Debenture Redemption Reserve	Employee Stock Grant Scheme Reserve	General Reserve	Retained Earnings	Treasury Shares	
Balance as at April 01, 2016	-	109.75	1,696.67	-	3.86	9.80	(151.08)	(30.12)	1,638.88
Total Comprehensive Income:									
i) Profit for the year	-	-	-	-	-	-	196.51	-	196.51
ii) Remeasurements of the defined benefit plan (net of tax)	-	-	-	-	-	-	(0.31)	-	(0.31)
Adjustments:									
i) On amalgamation of subsidiaries (Refer Note 44)	-	19.58	-	-	-	-	2.63	-	22.21
ii) Sale of treasury shares	7.20	-	-	-	-	-	-	30.12	37.32
iii) Transfer to securities premium on exercise of stock grants	-	-	2.55	-	(2.55)	-	-	-	-
iv) Share issue expenses (net of deferred tax)	-	-	-	-	-	-	(2.44)	-	(2.44)
v) Put option liability	-	-	-	-	-	-	(4.65)	-	(4.65)
vi) Share based payments to Employees (Refer Note 41)	-	-	-	-	2.38	-	0.11	-	2.49
vii) Distribution of Profit to Partners on Conversion from LLP to Private Limited Company	-	-	-	-	-	-	(8.20)	-	(8.20)
Balance as at March 31, 2017	7.20	129.33	1,699.22	-	3.69	9.80	32.57	-	1,881.81
Balance as at April 01, 2017	7.20	129.33	1,699.22	-	3.69	9.80	32.57	-	1,881.81
Total Comprehensive Income:									
i) Profit for the year	-	-	-	-	-	-	240.85	-	240.85
ii) Remeasurements of the defined benefit plan (net of tax)	-	-	-	-	-	-	(2.76)	-	(2.76)
Adjustments:									
i) On amalgamation of subsidiaries	-	(0.32)	-	-	-	-	-	-	(0.32)
ii) Transfer to securities premium on exercise of stock grants	-	-	3.03	-	(3.03)	-	-	-	-
iii) Share based payments to Employees (Refer Note 41)	-	-	-	-	3.99	-	-	-	3.99
iv) Transfer to debenture redemption reserve	-	-	-	50.00	-	-	(50.00)	-	-
Balance as at March 31, 2018	**7.20**	**129.01**	**1,702.25**	**50.00**	**4.65**	**9.80**	**220.66**	**-**	**2,123.57**

The accompanying notes 1 to 57 form an integral part of the Standalone Financial Statements.

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

ANIRUDDHA GODBOLE
Partner
Membership No: 105149
Mumbai
May 04, 2018

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Company Secretary
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Mumbai
May 04, 2018

RAJENDRA KHETAWAT
Chief Financial Officer

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

(Currency in INR Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash Flow from Operating Activities		
Profit before tax	**373.54**	266.08
Adjustment for:		
Depreciation and amortisation expense	**14.53**	13.18
Finance costs	**191.95**	156.66
Profit on sale of property, plant and equipment (net)	**(0.08)**	(0.20)
Share of (profit)/loss in limited liability partnerships	**(2.11)**	9.46
Share based payments to employees	**3.99**	2.49
Expenses of amalgamation	**1.07**	1.35
Interest income	**(266.28)**	(207.37)
Dividend income	**(0.00)**	(0.00)
Profit on Sale of Investments (net)	**(212.76)**	(12.76)
Income from investment measured at FVTPL	**(11.83)**	(1.02)
Lease rent from investment property	**(0.37)**	-
Allowance for bad and doubtful debts	**8.92**	-
Write down of inventories	**48.06**	-
Operating profit before working capital changes	**148.63**	227.87
Changes in Working Capital:		
Increase in Non Financial Liabilities	**136.94**	4.28
Increase/(Decrease) in Financial Liabilities	**85.62**	(370.00)
Decrease in Inventories	**59.37**	27.83
(Increase) in Non Financial Assets	**(14.98)**	(4.47)
Decrease/(Increase) in Financial Assets	**166.53**	(67.70)
	433.48	(410.06)
Taxes paid (Net)	**(61.52)**	(107.98)
Net cash flows generated from/ (used in) operating activities	**520.59**	(290.17)
Cash Flow from Investing Activities		
Acquisition of property, plant and equipment, investment property and intangible assets*	**(6.51)**	(10.54)
Proceeds from sale of property, plant and equipment	**0.14**	0.29
Purchase of investment in mutual funds (net)	**(153.48)**	(74.62)
(Purchase) / Sale of investments in fixed deposits (net)	**(148.06)**	20.61
Investment in subsidiaries and joint ventures (Refer Note 43)	**(7.24)**	-
Proceeds from sale of investment in subsidiaries	**201.37**	0.14
Investment in debentures of subsidiaries and joint ventures (Refer Note 43)	**(47.18)**	(103.56)
Loan given to subsidiaries and joint ventures (net)	**(415.69)**	(376.85)
Loan given to others (net)	**(8.11)**	(1.02)
Expenses of amalgamation	**(1.07)**	(1.35)
Interest received	**205.88**	219.56
Dividend received	**0.00**	0.00
Lease rent from investment property	**0.37**	-
Net cash flows (used in) investing activities	**(379.58)**	(327.34)
Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital (net of issue expenses)	**0.06**	0.05
Share issue expense by Godrej Vikhroli Properties India Limited at time of converison from LLP to Company, now merged with the Company	**-**	(2.44)

INR 0.00 represents amount less than INR 50,000

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

(Currency in INR Crore)

Particulars	**For the year ended March 31, 2018**	For the year ended March 31, 2017
Distribution of profit to partners by Godrej Vikhroli Properties LLP, (converted to Godrej Vikhroli Properties India Limited and merged with the Company)	**-**	(8.20)
Proceeds from long-term borrowings	**500.00**	-
(Repayment of) / Proceeds from short-term borrowings (net)	**(678.24)**	648.87
Interest paid	**(274.51)**	282.83
Proceeds from sale of treasury shares	**2.63**	34.82
Payment of unclaimed dividend	**(0.01)**	(0.00)
Payment of unclaimed fixed deposits	**(0.69)**	(0.73)
Net cash flows (used in)/ generated from financing activities	**(450.76)**	389.54
Net (decrease) in Cash and Cash Equivalents	**(309.75)**	(227.97)
Cash and Cash Equivalents - Opening Balance	**(205.85)**	22.12
Cash and Cash Equivalents - Closing Balance	**(515.60)**	(205.85)

Notes :

(a) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) -7 "Statement of Cash Flows".

(b) Reconciliation of Cash and Cash Equivalents as per the Statement of Cash Flows.
Cash and Cash Equivalents as per the above comprise of the following:

Particulars	**For the year ended March 31, 2018**	For the year ended March 31, 2017
Cash and Cash Equivalents (Refer Note 15)	**110.70**	48.71
Less: Bank overdrafts repayable on demand	**626.30**	254.56
Cash and Cash Equivalents as per Statement of Cash Flows	**(515.60)**	(205.85)

(c) Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes:

Reconciliation of liabilities arising from financing activities

Particulars	**As at April 01, 2017**	**Changes as per Statement of Cash Flows**	**Non Cash Changes**			**As at March 31, 2018**
			Acquisition	**Changes from losing control of subsidiaries**	**Fair Value Changes**	
Long-term borrowings	-	500.00	-	-	-	**500.00**
Short-term borrowings	3,248.36	(678.24)	-	-	-	**2,570.12**

(d) The above Statement of Cash Flows include INR 1.47 Crore (Previous Year: INR 1.29 Crore) towards Corporate Social Responsibility (CSR) activities (Refer Note 48).

* During the year, INR 12.79 Crore and INR 2.60 Crore of inventories have been transferred to Property, plant and equipment and investment property respectively.

INR 0.00 represents amount less than INR 50,000

The accompanying notes 1 to 57 form an integral part of the Standalone Financial Statements.

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

ANIRUDDHA GODBOLE
Partner
Membership No: 105149
Mumbai
May 04, 2018

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

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428
Mumbai
May 04, 2018

RAJENDRA KHETAWAT
Chief Financial Officer

Note 1

I. Company overview

Godrej Properties Limited ("the Company") having CIN: L74120MH1985PLC035308, is engaged primarily in the business of real estate construction, development and other related activities. The Company is a public limited Company incorporated and domiciled in India having its registered office at Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai - 400079. The Company's equity shares are listed on The Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE).

II. Basis of preparation and measurement

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 ("the 2013 Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, and the relevant provisions and amendments, as applicable. The standalone financial statements have been prepared on accrual basis under the historical cost convention except certain financial instruments, defined benefit plans and share based payments measured at fair value.

The standalone financial statements of the Company for the year ended March 31, 2018 were approved by the Board of Directors and authorised for issue on May 04, 2018.

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

b) Functional and presentation currency

These standalone financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest crore, unless otherwise stated.

c) Use of estimates and judgements

The preparation of the standalone financial statements in conformity with Ind AS requires the use of estimates, judgements and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

- *Evaluation of percentage completion for the purpose of revenue recognition*

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

- *Useful life and residual value of property, plant and equipment and intangible assets*

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

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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

- *Recognition and measurement of defined benefit obligations*

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

- *Share based payments*

  Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses Black-Scholes model. The assumptions used for estimating fair value for share-based payment transactions are disclosed in Note 41 to the standalone financial statements.

- *Fair value measurement of financial instruments*

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

- *Recognition of deferred tax asset*

  The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

- *Provisions and contingencies*

  The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

d) Standards issued but not yet effective

Ind AS 115 - Revenue from Contracts with Customer (the new revenue recognition standard) has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and will be effective from April 01, 2018. Hence, from April 01, 2018, revenue recognition of the Company shall be driven by this standard.

Ind AS 115 provides guidance on how the entity shall recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This accounting change may bring about significant changes in the way companies recognise, present and disclose their revenue.

The Company is currently evaluating the effect of this standard.

e) Measurement of fair values

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

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

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

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

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

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

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

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

III. Significant Accounting Policies

a) Business combination

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

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

b) Property, plant and equipment, depreciation and amortisation

i) Recognition and Measurement:

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

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

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

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

Assets under construction includes the cost of property, plant and equipment that are not ready to use at the balance sheet date. Advances paid to acquire property, plant and equipment before the balance sheet date are disclosed under other non-current assets. Assets under construction are not depreciated as these assets are not yet available for use.

ii) Subsequent expenditure

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

iii) Depreciation and amortisation

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

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Depreciation on property, plant and equipment of the Company has been provided using the written down value method based on the useful lives specified in Schedule II to the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, these are based on internal technical evaluation.

The useful lives of certain motor vehicles are estimated in the range of 3-8 years. These lives are different from those indicated in Schedule II.

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

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

c) Investment property and depreciation

i) Recognition and measurement:

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation.

ii) Depreciation

Depreciation on Investment Property is provided using the written down value method based on the useful lives specified in Schedule II to the Companies Act, 2013.

d) Intangible assets and amortisation

i) Recognition and measurement:

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

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

ii) Subsequent expenditure

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

iii) Amortisation

Intangible assets are amortised over their estimated useful life using straight line method.

Trademark is amortised over a period of 20 years.

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

e) Impairment of non-financial assets

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

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

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

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

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

f) Foreign currency transactions

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

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

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

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

g) Investment in subsidiaries, joint ventures and associate

Investments in equity shares of subsidiaries, joint ventures and associate are recorded at cost and reviewed for impairment at each reporting date.

h) Financial instruments

I. Financial assets

<u>Classification</u>

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

<u>Initial recognition and measurement</u>

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

<u>Subsequent measurement</u>

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

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

<u>Debt instruments at amortised cost</u>

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

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

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

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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

<u>Debt instruments at fair value through Profit or Loss</u>

Debt instruments included in the fair value through profit or loss (FVTPL) category are measured at fair value with all changes recognised in the Standalone statement of profit and loss.

<u>Equity investments</u>

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

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Standalone statement of profit and loss.

<u>Derecognition</u>

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

(a) the rights to receive cash flows from the asset have expired, or

(b) the Company has transferred substantially all the risks and rewards of the asset, or

(c) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

<u>Impairment of financial assets</u>

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

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

b) Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

II. Financial liabilities

<u>Classification</u>

The Company classifies all financial liabilities as subsequently measured at amortised cost.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

<u>Loans and borrowings</u>

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Standalone statement of profit and loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transactions costs. The EIR amortisation is included as finance costs in the Standalone statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Standalone statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

III *Share capital*

Ordinary equity shares

Incremental costs directly attributable to the issue of ordinary equity shares, are recognised as a deduction from equity.

Treasury shares

The Company has created an Employee Stock Options Trust (ESOP) for providing share-based payment to its employees. The Company uses ESOP as a vehicle for distributing shares to employees under the employee remuneration schemes. The ESOP buys shares of the Company from the market, for giving shares to employees. The Company treats ESOP as its extension and shares held by ESOP are treated as treasury shares.

Treasury shares are recognised at cost and deducted from equity. No gain or loss is recognised in the standalone statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting period are deducted from treasury shares.

i) Inventories

Inventories comprising of completed flats and construction-work-in progress are valued at lower of cost or net realisable value.

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

j) Revenue recognition

The Company is following the "Percentage of Completion Method" of accounting. As per this method, sale of real estate development is recognised in the standalone statement of profit and loss in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the Company on transfer of significant risk and rewards to the buyer.

In accordance with the "Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable)", construction revenue on such projects, measured at the fair value (i.e. adjusted for discounts, incentives, time value of money adjustments etc.), have been recognised based on percentage of completion method provided the following thresholds have been met:

(a) All critical approvals necessary for the commencement of the project 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

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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

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

The Company has been entering into Development and Project Management agreements with land-owners. Accounting for income from such projects, measured at fair value, is done on accrual basis as per the terms of the agreement.

The Company receives maintenance amount from the customers and utilises the same towards the maintenance of the respective projects. Revenue is recognised to the extent of maintenance expenses incurred by the Company towards maintenance of respective projects. Balance amount of maintenance expenses to be incurred is reflected as liability under the head other current liabilities.

Interest income is accounted on an accrual basis at effective interest rate.

Dividend income and share of profit in LLP is recognised when the right to receive the same is established.

k) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in the standalone statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent there is convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Minimum Alternative Tax (MAT)

MAT credit is recognised as a deferred tax asset only when and to the extent there is a convincing evidence that the Company will pay normal tax during specified period. MAT credit is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

l) Employee benefits

Short term employee benefits

Short-term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans such as Provident Fund and Employee State Insurance Corporations are expensed as the related service is provided.

Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, after discounting the same.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses are recognised immediately in other comprehensive income (OCI). Re-measurement, if any, are not reclassified to the standalone statement of profit and loss in subsequent period. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, based on the market yield on government securities as at the reporting date, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the standalone statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the standalone statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. They are therefore measured at the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method. The discount rates used are based on the market yields on government securities as at the reporting date. Re-measurements are recognised in the standalone statement of profit and loss in the period in which they arise.

m) Share-based payment transactions

Employees Stock Options Plans ("ESOPs") and Employee Stock Grant Scheme ("ESGS"): The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "Employee stock grant scheme reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest.

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n) Leases

Finance Lease

Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

Operating Lease

Agreements which are not classified as finance leases are considered as operating lease.

Operating lease payments/income are recognised as an expense/income in the standalone statement of profit and loss on a straight line basis over the lease term unless there is another systematic basis which is more representative of the time pattern of the lease.

o) Borrowing costs

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

Borrowing costs, pertaining to development of long term projects, are transferred to Construction work in progress, as part of the cost of the projects upto the time all the activities necessary to prepare these projects for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period which they are incurred.

p) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the standalone statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

q) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

r) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the notes. Contingent liabilities are disclosed for

i) possible obligations which will be confirmed only by future events not wholly within the control of the Company or

ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the standalone financial statements. However, the same are disclosed in the standalone financial statements where an inflow of economic benefit is probable.

s) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted with the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

2 Property, Plant and Equipment

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION/ AMORTISATION				NET BLOCK	
	As At April 01, 2017	Additions during the year	Deductions during the year	As At March 31, 2018	As At April 01, 2017	For the Year	Deductions	As At March 31, 2018	As At March 31, 2018	As At March 31, 2017
Freehold Land	0.06	-	-	0.06	-	-	-	-	0.06	0.06
Building	69.00	13.06	-	82.06	6.39	3.51	-	9.90	72.16	62.61
Leasehold Improvements	4.15	0.19	-	4.34	1.46	0.92	-	2.38	1.96	2.69
Office Equipments	2.74	0.23	-	2.97	1.58	0.52	-	2.10	0.87	1.16
Site Equipments	0.01	-	-	0.01	-	-	-	-	0.01	0.01
Furniture and Fixtures	7.86	4.27	-	12.13	3.15	1.33	-	4.48	7.65	4.71
Computers	9.53	3.15	0.47	12.21	5.78	3.05	0.41	8.42	3.79	3.75
Vehicles	2.96	1.10	0.06	4.00	1.22	1.92	0.06	3.08	0.92	1.74
Electrical Installations and Equipments	0.44	0.59	-	1.03	0.20	0.18	-	0.38	0.65	0.24
Total Property, Plant and Equipment	**96.75**	**22.59**	**0.53**	**118.81**	**19.78**	**11.43**	**0.47**	**30.74**	**88.07**	**76.97**

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION/ AMORTISATION				NET BLOCK	
	As At April 01, 2016	Additions during the year	Deductions during the year	As At March 31, 2017	As At April 01, 2016	For the Year	Deductions	As At March 31, 2017	As At March 31, 2017	As At March 31, 2016
Freehold Land	0.06	-	-	0.06	-	-	-	-	0.06	0.06
Building	69.00	-	-	69.00	3.18	3.21	-	6.39	62.61	65.82
Leasehold Improvements	4.40	0.61	0.86	4.15	1.45	0.87	0.86	1.46	2.69	2.95
Office Equipments	2.42	0.33	0.01	2.74	0.77	0.81	-	1.58	1.16	1.65
Site Equipments	0.01	-	-	0.01	-	-	-	-	0.01	0.01
Furniture and Fixtures	7.45	0.42	0.01	7.86	1.55	1.60	-	3.15	4.71	5.90
Computers	6.35	3.30	0.12	9.53	2.99	2.88	0.09	5.78	3.75	3.36
Vehicles	1.76	1.67	0.47	2.96	0.80	0.84	0.42	1.22	1.74	0.96
Electrical Installations and Equipments	0.44	-	-	0.44	0.12	0.08	-	0.20	0.24	0.32
Total Property, Plant and Equipment	**91.89**	**6.33**	**1.47**	**96.75**	**10.86**	**10.29**	**1.37**	**19.78**	**76.97**	**81.03**

Of the above, a Building carrying value INR 56.49 Crore (Previous Year: INR 58.50 Crore) is subject to first charge for secured bank loans (Refer Note 24).

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

3 Capital Work-In-Progress

Particulars	March 31, 2018	March 31, 2017
Property, Plant and Equipment	-	0.01
	-	0.01

(a) Refer Note 45 for disclosure of Capital Commitments for acquisition of Property, plant and equipment

4 Investment Property

Reconciliation of Carrying Amount

Particulars	Investment Property
Gross Block	
As At April 01, 2016	-
Transferred from Inventories	-
Disposals/Adjustments	-
As At March 31, 2017	-
Transferred from Inventories	2.60
Disposals/Adjustments	-
As At March 31, 2018	**2.60**
Accumulated Depreciation	
As At April 01, 2016	-
For the Year	-
Deductions	-
As At March 31, 2017	-
For the Year	0.11
Deductions	-
As At March 31, 2018	**0.11**
Net Block	
As At March 31, 2017	-
As At March 31, 2018	**2.49**

Information regarding income and expenditure of Investment Property

Particulars		
Rental Income derived from Investment Property	0.37	-
Direct Operating Expenses		
Profit arising from investment property before depreciation	0.37	-
Less: Depreciation	0.11	-
Profit arising from Investment Property	0.26	-

(a) The Company's investment property consists of a commercial property in India.

(b) Based on the intention and revised business plans, a commercial building owned by the Company is considered as being held for capital appreciation and rental income rather than for business purposes. Hence, the Company has reclassified the same from inventories to investment property.

(c) The Company has no restriction on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

(d) Though the Company measures investment property using cost based measurement, the fair value of investment property is based on valuation performed by an accredited independent valuer. The main inputs used are location and locality, facilities and amenities, quality of construction, residual life of building, business potential, supply and demand, local nearby enquiry, market feedback of investigation and Ready Reckoner published by the Government.

(e) Fair valuation is based on rent capitalisation method which is INR 9.23 Crore (Previous Year: Nil). The fair value measurement is categorised in level 3 fair value hierarchy.

5 Intangible Assets

Particulars	GROSS BLOCK				ACCUMULATED AMORTISATION				NET BLOCK	
	As At April 01, 2017	Additions during the year	Deductions during the year	As At March 31, 2018	As At April 01, 2017	For the Year	Deductions	As At March 31, 2018	As At March 31, 2018	As At March 31, 2017
Licenses and Software	8.06	1.10	-	9.16	2.89	1.64	-	4.53	4.63	5.17
Trade Mark	24.53	-	-	24.53	2.70	1.35	-	4.05	20.48	21.83
Total Intangible Assets	**32.59**	**1.10**	**-**	**33.69**	**5.59**	**2.99**	**-**	**8.58**	**25.11**	**27.00**

Particulars	GROSS BLOCK				ACCUMULATED AMORTISATION				NET BLOCK	
	As At April 01, 2016	Additions during the year	Deductions during the year	As At March 31, 2017	As At April 01, 2016	For the Year	Deductions	As At March 31, 2017	As At March 31, 2017	As At March 31, 2016
Licenses and Software	6.81	1.25	-	8.06	1.35	1.54	-	2.89	5.17	5.46
Trade Mark	24.53	-	-	24.53	1.35	1.35	-	2.70	21.83	23.18
Total Intangible Assets	**31.34**	**1.25**	**-**	**32.59**	**2.70**	**2.89**	**-**	**5.59**	**27.00**	**28.64**

6 Investment in Subsidiaries, Joint Ventures and Associate

	March 31, 2018	March 31, 2017
a) Investment in Equity Instruments (Fully Paid-up unless stated otherwise)		
(i) Investment in Subsidiary Companies		
50,000 (Previous Year: 50,000) Equity Shares of INR 10/- each of		
Godrej Buildcon Private Limited	**0.05**	0.05
231,552 (Previous Year: 231,552) Equity Shares of INR 10/- each of **Godrej Projects Development Limited**	**248.69**	248.69
(formerly known as Godrej Projects Development Private Limited)		
50,000 (Previous Year: 50,000) Equity Shares of INR 10/- each of		
Godrej Garden City Properties Private Limited	**0.05**	0.05
Nil (Previous Year: 450,000) Equity Shares of INR 10/- each of		
Godrej Green Homes Limited	**-**	0.45
(Classified as Joint Venture w.e.f March 17, 2018)		
410,000 (Previous Year: 410,000) Equity Shares of INR 10/- each of **Godrej Hillside Properties Private Limited**	**0.41**	0.41
400,000 (Previous Year: 400,000) Equity Shares of INR 10/- each of **Godrej Home Developers Private Limited**	**0.40**	0.40

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

	March 31, 2018	March 31, 2017
Nil (Previous Year 1,700,000) Equity Shares of INR 10/- each of		
Godrej Investment Advisors Private Limited	**-**	1.70
10,000 (Previous Year: 10,000) Equity Shares of INR 10/- each of		
Godrej Highrises Properties Private Limited	**0.01**	0.01
10,000 (Previous Year: 10,000) Equity Shares of INR 10/- each of		
Godrej Prakriti Facilities Private Limited	**0.01**	0.01
9,999 (Previous Year: 9,999) Equity Shares of INR 10/- each of		
Prakritiplaza Facilities Management Private Limited	**0.01**	0.01
500,000 (Previous Year: 500,000) Equity Shares of INR 1/- each of		
Citystar Infraprojects Limited	**0.09**	0.09
1,000 (Previous Year: Nil) Equity Shares of INR 10/- each of		
Godrej Residency Private Limited	**0.00**	-
(ii) Investment in Joint Ventures		
884,850 (Previous Year: 884,850) Equity Shares of INR 10/- each of **Godrej Realty Private Limited**	**5.52**	5.52
114,191 (Previous Year: 111,054) Class B and Ordinary Equity Shares of INR 10/- each of **Wonder Space Properties Private Limited**	**1.78**	1.72
810,420 (Previous Year: 810,420) Equity Shares of INR 10/- each of **Wonder City Buildcon Private Limited**	**1.61**	1.61
1,071,770 (Previous Year: 1,071,770) Equity Shares of INR 10/- each of **Godrej Home Constructions Private Limited**	**2.18**	2.18
1,050,100 (Previous Year: 700,100) Equity Shares of INR 10/- each of **Wonder Projects Development Private Limited**	**1.40**	0.70
1,306,000 (Previous Year: 176,000) Equity Shares of INR 10/- each of **Godrej Real View Developers Private Limited**	**1.31**	0.18
3,552,500 (Previous Year: 3,552,500) Class B Equity Shares of INR 10/- each of **Pearlite Real Properties Private Limited**	**3.55**	3.55
1,264,560 (Previous Year: 1,192,000) Equity Shares of INR 10/- each of **Godrej Greenview Housing Private Limited**	**1.37**	1.19
338,847 (Previous Year: Nil) Equity Shares of INR 10/- each of		
Godrej Green Homes Limited	**69.13**	-
(Classified as Subsidiary till March 16, 2018)		
(iii) Investment in Associate		
3,000 (Previous Year: 3,000) Equity Shares of INR 10/- each of		
Godrej One Premises Management Private Limited	**0.00**	0.00
b) Investment in Preference Shares (Fully paid-up unless stated otherwise) (at Amortised Cost)		
(i) Investment in Subsidiary Companies		
50,999 (Previous Year: 50,999) 7% Redeemable Non-cumulative Preference Shares of INR 10/- each of **Godrej Projects Development Limited** (formerly known as Godrej Projects Development Private Limited)	**0.05**	0.05

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

	March 31, 2018	March 31, 2017
9,470 (Previous Year: Nil) 7% Redeemable Non-cumulative Preference Shares of INR 10/- each of **Godrej Highrises Properties Private Limited**	**0.01**	-
(ii) Investment in Joint Venture		
9,479 (Previous Year: Nil) 7% Redeemable Non-cumulative Preference Shares of INR 10/- each of **Godrej Green Homes Limited**	**0.01**	-
c) Investment In Limited Liability Partnerships		
(i) Investment in Subsidiaries		
Godrej Highrises Realty LLP	**0.00**	0.00
Godrej Project Developers & Properties LLP	**0.00**	0.00
Godrej Athenmark LLP	**0.00**	-
Godrej Vestamark LLP	**0.00**	-
Godrej Avamark LLP	**0.00**	-
Godrej Projects (Pune) LLP	**0.00**	-
Godrej Projects (Soma) LLP	**0.00**	-
Godrej Projects North LLP (formerly known as Godrej Projects (Bluejay) LLP)	**0.00**	-
(ii) Investment In Joint Ventures		
Mosiac Landmarks LLP	**0.11**	0.11
Caroa Properties LLP	**0.04**	0.04
Oxford Realty LLP	**0.00**	0.00
A R Landcraft LLP	**0.05**	0.05
Dream World Landmarks LLP	**0.04**	0.04
M S Ramaiah Ventures LLP	**1.01**	1.01
Godrej Developers & Properties LLP	**0.00**	-
Oasis Landmarks LLP	**0.00**	0.00
Godrej SSPDL Green Acres LLP	**0.05**	0.05
Amitis Developers LLP	**0.05**	0.05
Godrej Construction Projects LLP	**0.00**	0.00
Bavdhan Realty @ Pune 21 LLP	**0.00**	0.00
Godrej Housing Projects LLP	**0.01**	0.01
Godrej Projects North Star LLP (formerly known as Godrej Century LLP)	**0.01**	-
Prakhhyat Dwellings LLP	**0.00**	0.00
Godrej Highview LLP	**4.80**	-
Godrej Irismark LLP	**0.01**	-
	343.84	269.94

INR 0.00 represents amount less than INR 50,000

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(Currency in INR Crore)

7 Other Investments (Non-Current)

		March 31, 2018	March 31, 2017
a)	**Trade Investments**		
	(i) Investment in Debentures of Joint Ventures (Fully paid-up) (at Fair Value through Profit or Loss)		
	2,989,095 (Previous Year: 2,989,095), 1% Secured Redeemable Optionally Convertible Debentures of INR 10/- each of		
	Godrej Realty Private Limited	**2.99**	2.99
	2,756,000 (Previous Year: Nil) 12 % Unsecured Optionally Convertible Debentures of INR 1,000/- each of		
	Godrej Green Homes Limited	**275.60**	-
	(ii) Investment in Debentures of Joint Ventures (Fully paid-up) (at Amortised Cost)		
	307,833 (Previous Year: 307,833), 17.45% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each of		
	Wonder City Buildcon Private Limited	**30.50**	31.50
	377,464 (Previous Year: 365,541), 17.45% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each of		
	Wonder Space Properties Private Limited	**37.82**	37.96
	413,949 (Previous Year: 413,949), 17.45% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each of		
	Godrej Home Constructions Private Limited	**41.99**	41.34
	266,019 (Previous Year: 133,019) 17% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each of		
	Wonder Projects Development Private Limited	**26.60**	13.30
	674,975 (Previous Year: 674,975) 17% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each of		
	Pearlite Real Properties Private Limited	**67.25**	67.50
	248,140 (Previous Year: 33,440) 17% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each of		
	Godrej Real View Developers Private Limited	**24.78**	3.34
	260,946 (Previous Year: 136,880) 17.45% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each of		
	Godrej Greenview Housing Private Limited	**26.18**	13.55
b)	**Non-trade Investments**		
	Investment in Fully paid-up Equity Instruments (at Fair Value through Profit or Loss)		
	Quoted Investments		
	100 (Previous Year:100) Equity Shares of INR 10/- each of		
	Alacrity Housing Limited	**0.00**	0.00
	100 (Previous Year: 100) Equity Shares of INR 10/- each of		
	Ansal Buildwell Limited	**0.00**	0.00
	300 (Previous Year: 300) of INR 10/- each of		
	Ansal Housing and Construction Limited	**0.00**	0.00

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

	March 31, 2018	March 31, 2017
600 (Previous Year: 600) Equity Shares of INR 5/- each of		
Ansal Properties and Infrastructure Limited	**0.00**	0.00
100 (Previous Year : 100) Equity Shares of INR 10/- each of		
Lok Housing and Constructions Limited	**0.00**	0.00
100 (Previous Year : 100) Equity Shares of INR 10/- each of		
Global Infrastructure & Technologies Limited	**0.00**	0.00
100 (Previous Year: 100) Equity Shares of INR 10/- each of		
Premier Energy and Infrastructure Limited	**0.00**	0.00
100 (Previous Year: 100) Equity Shares of INR 10/- each of		
D.S. Kulkarni Developers Limited	**0.00**	0.00
13,000 (Previous Year: 13,000) Equity Shares of INR 2/- each of		
Unitech Limited	**0.00**	0.00
72 (Previous Year : 72) Equity Shares of INR 10/- each of		
The Great Eastern Shipping Company Limited	**0.00**	0.00
18 (Previous Year : 18) Equity Shares of INR 10/- each of		
GOL Offshore Limited	**0.00**	0.00
100 (Previous Year: 100) Equity Shares of INR 10/- each of		
Radhe Developers (India) Limited	**0.00**	0.00
23,700 (Previous Year : 23,700) Equity Shares of INR 10/- each of		
United Textiles Limited	**0.00**	0.00
Unquoted Investments		
1,000 (Previous Year: 1,000) Equity Shares of INR 10/- each of		
Saraswat Co-operative Bank Limited	**0.00**	0.00
25,000 (Previous Year : 25,000) Equity Shares of INR 10/- each of		
AB Corp Limited	**0.00**	0.00
	533.71	211.48
Aggregate book value of Quoted Investments and Market Value thereof	**0.00**	0.00
Aggregate book value of Unquoted Investments	**533.71**	211.48

8 Loans (Non-Current)

Secured, Considered Good		
Deposits - Projects (Refer Note (a) below)	**83.81**	76.42
Unsecured, Considered Good		
Deposits - Projects	**-**	0.00
	83.81	76.42

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

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

9 Other Non-Current Financial Assets

	March 31, 2018	March 31, 2017
Unsecured, Considered Good		
Deposit With Banks (Refer Note (a) below)	-	0.76
Deposits - Others	-	1.07
	-	1.83

(a) Deposit with Banks amounting to Nil (Previous Year: INR 0.76 Crore) is received from flat buyers and held in trust on their behalf in a corpus fund.

10 Deferred Tax Assets and Tax Expense

a) Movement in Deferred Tax Balances

Particulars	Balance as at April 01, 2017	Movement during the year				Balance as at March 31, 2018
		Recognised in Profit or Loss	Recognised in Other Equity	Recognised in OCI	Others	
Deferred Tax Asset/(Liabilities)						
Property, Plant and Equipment	(4.58)	3.56	-	-	-	(1.02)
Brought Forward Loss	51.67	(51.67)	-	-	-	-
Inventories	18.25	-	-	-	-	18.25
Unabsorbed Depreciation	6.12	(6.12)	-	-	-	-
Employee Benefits	2.51	2.22	-	1.48	-	6.21
Equity-settled share-based payments	1.28	0.35	-	-	-	1.63
MAT Credit	14.14	-	-	-	(0.06)	14.08
Other Items	5.57	(5.11)	-	-	-	0.46
Deferred Tax Assets/(Liabilities)	**94.96**	**(56.77)**	**-**	**1.48**	**(0.06)**	**39.61**

Particulars	Balance as at April 01, 2016	Movement during the year				Balance as at March 31, 2017
		Recognised in Profit or Loss	Recognised in Other Equity	Recognised in OCI	Others	
Deferred Tax Assets/ (Liabilities)						
Property, Plant and Equipment	(3.36)	(1.22)	-	-	-	(4.58)
Brought Forward Loss	38.97	12.70	-	-	-	51.67
Inventories	18.65	(0.40)	-	-	-	18.25
Unabsorbed Depreciation	6.12	-	-	-	-	6.12
Employee Benefits	1.93	0.42	-	0.16	-	2.51
Equity-settled share-based payments	0.26	1.02	-	-	-	1.28
MAT Credit	17.42	-	-	-	(3.28)	14.14
Other Items	2.94	1.70	0.93	-	-	5.57
Deferred Tax Assets/(Liabilities)	**82.93**	**14.22**	**0.93**	**0.16**	**(3.28)**	**94.96**

(Currency in INR Crore)

b) Amounts recognised in the Standalone statement of profit and loss

	March 31, 2018	March 31, 2017
Current Tax	**75.92**	83.79
Current Tax	**75.43**	83.78
Tax Adjustment of Prior Years	**0.49**	0.01
Deferred Tax Charge/ (Credit)	**56.77**	(14.22)
Deferred Tax	**56.77**	(14.22)
Tax Expense for the year	**132.69**	69.57

c) Reconciliation of Effective Tax Rate

	March 31, 2018	March 31, 2017
Profit Before Tax	**373.54**	266.08
Tax using the Company's domestic tax rate	**129.28**	92.08
Tax effect of:		
Non-deductible expenses	**0.36**	0.98
Tax-exempt income	**(0.73)**	(3.17)
Change in recognised deductible temporary differences	**1.50**	(2.27)
Rate difference	**0.79**	-
Adjustment for tax of prior years	**0.49**	(4.76)
Unabsorbed losses	**-**	(9.94)
Other adjustments	**1.00**	(3.35)
Tax expense recognised	**132.69**	69.57

11 Other Non-Current Non Financial Assets

	March 31, 2018	March 31, 2017
Unsecured, Considered Good		
Capital Advance	**15.29**	19.76
	15.29	19.76

12 Inventories (Valued at lower of Cost and Net Realisable Value)

	March 31, 2018	March 31, 2017
Finished Goods	**64.46**	56.74
Construction Work in Progress (Refer Note 52)	**1,835.55**	1,886.01
	1,900.01	1,942.75

13 Investments

	March 31, 2018	March 31, 2017
Quoted		
Investment in Mutual Funds carried at Fair Value through Profit or Loss	**463.85**	285.21
	463.85	285.21
Market Value of Quoted Investments		
Aggregate book value of Quoted Investments and Market Value thereof	**463.85**	285.21

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

14 Trade Receivables

	March 31, 2018	March 31, 2017
To related parties		
Unsecured, Considered Good	**5.10**	-
To parties other than related parties		
Unsecured, Considered Good	**104.00**	147.39
Unsecured, Considered Doubtful	**9.47**	0.55
Less: Allowance for Bad and Doubtful debts	**(9.47)**	(0.55)
	109.10	147.39

15 Cash and Cash Equivalents

Balances With Banks		
In Current Accounts	**23.28**	30.93
In Fixed Deposit Accounts with maturity less than 3 months	**86.45**	14.90
Cheques On Hand	**0.94**	2.86
Cash On Hand	**0.03**	0.02
	110.70	48.71

16 Bank Balances other than above

Balances With Banks		
In Current Accounts (Refer Note (a) below)	**0.69**	0.92
In Fixed Deposit Accounts with maturity more than 3 months but less than 12 months (Refer Note (b) below)	**159.01**	25.27
	159.70	26.19

(a) Includes

(i) Balances with Banks in current accounts INR 0.04 Crore (Previous Year: INR 0.05 Crore) is on account of earmarked balance for unclaimed dividend.

(ii) Balances with Banks in current accounts INR 0.65 Crore (Previous Year: INR 0.87 Crore) is amount received from flat buyers towards maintenance charges.

(b) Includes

(i) INR 5.82 Crore (Previous Year: INR 10.03 Crore) received from flat buyers and held in trust on their behalf in a corpus fund.

(ii) Deposits held as Deposit Repayment Reserve amounting to INR 0.20 Crore (Previous Year: INR 1.15 Crore).

(iii) Fixed deposits held as margin money and lien marked for issuing bank guarantees amounting to INR 0.22 Crore (Previous Year : INR 4.09 Crore).

(Currency in INR Crore)

17 Loans (Current)

	March 31, 2018	March 31, 2017
Secured, Considered Good		
Deposits - Projects (Refer Note (a) below)	**132.42**	150.78
Unsecured, Considered Good		
To related parties		
Loan to Related Parties	**1,965.40**	1,867.31
To parties other than related parties		
Loan to others	**13.17**	5.06
Others	**14.92**	16.20
	2,125.91	2,039.35

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

18 Other Current Financial Assets

Unsecured, Considered Good		
To related parties		
Receivable from LLPs	**19.17**	13.59
Unbilled Revenue	**0.47**	8.72
Interest Accrued	**239.04**	208.46
To parties other than related parties		
Deposits - Others	**20.65**	18.63
Unbilled Revenue	**257.78**	354.15
Balances with Banks in Fixed Deposit Accounts (Refer Note (a) below)	**15.09**	-
Interest Accrued	**9.44**	5.97
Others	**10.41**	10.13
	572.05	619.65

(a) INR 0.76 Crore (Previous Year: Nil) received from flat buyers and held in trust on their behalf in a corpus fund.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

19 Other Current Non Financial Assets

	March 31, 2018	March 31, 2017
Unsecured, Considered Good		
Balances with Government Authorities	**78.44**	38.52
Advance to Suppliers and Contractors (Refer Note (a) below)	**33.46**	49.00
Prepayments	**1.47**	1.46
Others	**18.34**	27.75
	131.71	116.73

(a) Advance to Suppliers and Contractors includes advances amounting to INR 11.19 Crore (Previous Year: INR 19.81 Crore) secured against bank guarantees.

20 Equity Share Capital

	March 31, 2018	March 31, 2017
a) Authorised :		
1,338,000,000 Equity Shares of INR 5/- each (Previous Year: 538,000,000 Equity Share of INR 5/- each)	**669.00**	269.00
	669.00	269.00
b) Issued, Subscribed and Paid-Up:		
216,480,128 Equity Shares of INR 5/- each (Previous Year: 216,364,692 Equity Shares of INR 5/- each) fully paid-up	**108.24**	108.18
	108.24	108.18

c) During the year, the Company has issued 115,436 equity shares (Previous Year : 104,326 equity shares) under the Employee Stock Grant Scheme.

d) Reconciliation of number of shares outstanding at the beginning and end of the year :

Particulars	March 31, 2018		March 31, 2017	
	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
Equity Shares :				
Outstanding at the beginning of the year	**216,364,692**	**108.18**	216,260,366	108.13
Issued during the year	**115,436**	**0.06**	104,326	0.05
Outstanding at the end of the year	**216,480,128**	**108.24**	216,364,692	108.18

e) Shareholding Information

Particulars	March 31, 2018		March 31, 2017	
	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
Equity Shares are held by:				
Godrej Industries Limited (Holding Company)	**122,681,066**	**61.34**	122,681,066	61.34
Godrej & Boyce Manufacturing Company Limited (Ultimate Holding Company upto March 29, 2017)	**10,650,688**	**5.33**	10,650,688	5.33
Ensemble Holdings & Finance Limited (Subsidiary of Holding Company)	**1,382,310**	**0.69**	1,382,310	0.69

f) Rights, preferences and restrictions attached to Equity shares

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

g) Shareholders holding more than 5% shares in the Company:

	March 31, 2018		March 31, 2017	
	No. of Shares	**%**	No. of Shares	%
Equity shares				
Godrej Industries Limited	**122,681,066**	**56.67%**	122,681,066	56.70%

h) Equity Shares allotted as fully paid-up without payment being received in cash

	March 31, 2016	
	No. of Shares	INR (In Crore)
Equity Shares:		
Godrej Industries Limited	16,745,762	8.37

The Company has not allotted any equity shares as fully paid-up without payment being received in cash in preceding five years other than those disclosed above.

i) Equity Shares Reserved for Issue under Options :

Particulars	**March 31, 2018**		March 31, 2017	
	No. of Shares	**INR (in Crore)**	No. of Shares	INR (in Crore)
(i) 29,294 Employee Stock Grants eligible for 29,294 equity shares of INR 5/- each vesting on May 31, 2017.	-	-	29,294	0.01
(ii) 769 Employee Stock Grants eligible for 769 equity shares of INR 5/- each vesting on October 31, 2017	-	-	769	0.00
(iii) 18,422 Employee Stock Grants eligible for 18,422 equity shares of INR 5/- each, out of which 18,422 is vesting on May 31, 2018	**18,422**	**0.01**	50,432	0.03
(iv) 6,954 Employee Stock Grants eligible for 6,954 equity shares of INR 5/- each, out of which 6,954 is vesting on May 31, 2018	**6,954**	**0.00**	13,908	0.01
(v) 1,037 Employee Stock Grants eligible for 1,037 equity shares of INR 5/- each, out of which 1,037 is vesting on August 31, 2018	**1,037**	**0.00**	2,073	0.00
(vi) 706 Employee Stock Grants eligible for 706 equity shares of INR 5/- each, out of which 706 is vesting on January 31, 2019	**706**	**0.00**	1,413	0.00
(vii) 64,045 Employee Stock Grants eligible for 64,045 equity shares of INR 5/- each, out of which 32,025 is vesting on June 01, 2018 and 32,020 is vesting on June 01, 2019.	**64,045**	**0.03**	113,423	0.06

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

Particulars	March 31, 2018		March 31, 2017	
	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
(viii) 1,741 Employee Stock Grants eligible for 1,741 equity shares of INR 5/- each, out of which 871 is vesting on January 01, 2019 and 870 is vesting on January 01, 2020	**1,741**	**0.00**	2,612	0.00
(ix) 408 Employee Stock Grants eligible for 408 equity shares of INR 5/- each, out of which 204 is vesting on March 01, 2019 and 204 is vesting on March 01, 2020	**408**	**0.00**	613	0.00
(x) 85,616 Employee Stock Grants eligible for 85,616 equity shares of INR 5/- each, out of which 28,539 is vesting on May 31, 2018, 28,539 is vesting on May 31, 2019 and 28,538 is vesting on May 31, 2020	**85,616**	**0.04**	-	-
(xi) 2,930 Employee Stock Grants eligible for 2,930 equity shares of INR 5/- each, out of which 977 is vesting on June 09, 2018, 977 is vesting on June 09, 2019 and 976 is vesting on June 09, 2020	**2,930**	**0.00**	-	-

21 Other Equity

	March 31, 2018	March 31, 2017
i) Capital Reserve (Refer Note (a) below)	**7.20**	7.20
ii) Capital Reserve on Account of Amalgamation (Refer Note (b) below)	**129.01**	129.33
iii) Securities Premium (Refer Note (c) below)	**1,702.25**	1,699.22
iv) Debenture Redemption Reserve (Refer Note (d) below)	**50.00**	-
v) Employee Stock Grant Scheme Reserve (Refer Note (e) below)	**4.65**	3.69
vi) General Reserve (Refer Note (f) below)	**9.80**	9.80
vii) Retained Earnings (Refer Note (g) below)	**220.66**	32.57
viii) Treasury Shares (Refer Note (h) below)	**-**	-
	2,123.57	1,881.81

(a) Capital Reserve

Profit on sale of treasury shares held by the ESOP trust is recognised in Capital reserve.

(b) Capital Reserve on Account of Amalgamation

During amalgamation, the excess of net assets taken over the cost of consideration paid is treated as capital reserve on account of amalgamation.

(c) Securities Premium

Securities premium reserve is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Act.

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

(d) Debenture Redemption Reserve

The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the Company to create Debenture Redemption Reserve out of profits of the Company available for payment of dividend.

(e) Employee Stock Grant Scheme Reserve

The fair value of the equity-settled share based payment transactions with employees including key management personnel is recognised in the Statement of Profit and Loss with corresponding credit to Employee Stock Grant Scheme Reserve.

(f) General Reserve

The general reserve is created from time to time to transfer profits from retained earnings for appropriation purposes.

(g) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, debenture redemption reserve, dividends or other distributions paid to shareholders.

(h) Treasury Shares

The Company treats ESOP trust as its extension and shares held by ESOP trust are treated as treasury shares. Treasury shares are recognised at cost and deducted from equity.

22 Borrowings (Non-Current)

	Maturity Date	Terms of repayment	March 31, 2018	March 31, 2017
Unsecured Debentures				
7.82% 5,000 (Previous Year: Nil) redeemable non-convertible debentures ("NCD") of face Value INR 1,000,000 each	September 25, 2020	Single Principal Repayment at the end of the Term	500.00	-
			500.00	-

23 Provisions (Non-Current)

	March 31, 2018	March 31, 2017
Provision for Employee Benefits		
Gratuity	11.33	6.46
	11.33	6.46

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

24 Borrowings (Current)

	Interest Rate	March 31, 2018	March 31, 2017
Secured Loans			
From Banks			
Working Capital Demand Loan (Refer Note (a) below)	7.95%-8.35%	**804.73**	801.93
Cash Credit Loan (Refer Note (b) below)		**135.58**	460.43
Unsecured Loans			
From Banks			
Overdraft Facilities	7.58%-9.51%	**626.30**	255.20
Other Loans		**697.84**	598.60
From Others			
Commercial Papers	7.44%-7.65%	**938.41**	1,389.50
		3,202.86	3505.66

(a) Secured Working Capital Demand Loan of INR 800 crore availed from Bank secured by hypothecation of Current Assets of the Company, hypothecation of work-in-progress of Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited) (wholly owned subsidiary), mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited) (wholly owned subsidiary) is provided as collateral security.

(b) Cash Credit availed from Bank is secured by hypothecation of the Current Assets of the Company, hypothecation of work-in-progress of Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited) (wholly owned subsidiary), mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited) (wholly owned subsidiary) is provided as collateral security and payable on demand.

25 Trade Payables (Current)

	March 31, 2018	March 31, 2017
Dues to Micro and Small Enterprises	**6.32**	8.78
Others	**202.19**	140.48
	208.51	149.26

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue as on March 31, 2018 and March 31, 2017 to Micro, Small and Medium Enterprises on account of principal or interest.

(Currency in INR Crore)

26 Other Current Financial Liabilities

	March 31, 2018	March 31, 2017
Interest payable	**20.14**	-
Unclaimed Fixed Deposits and Interest	**0.79**	1.48
Unclaimed Dividend	**0.04**	0.05
Deposits - Others	**2.50**	0.72
Advance Share of Profit from Joint Ventures	**16.80**	23.54
Share of Loss from LLPs	**22.54**	6.68
Employee Benefits Payable	**66.06**	26.95
Other Liabilities	**63.12**	85.70
	191.99	145.12

27 Other Current Non Financial Liabilities

Statutory Dues	**32.32**	16.07
Advances Received Against Sale of Flats/ Units	**393.58**	278.17
Other liabilities	**3.51**	1.80
	429.41	296.04

28 Provisions (Current)

Provision for Employee Benefits		
Gratuity	**0.26**	0.12
Compensated Absences	**1.56**	0.21
Others (Refer Note (a) below)	**1.50**	-
	3.32	0.33

(a) Others include provision made during the year for Legal Cases. The same is expected to be settled in 1-3 Years.

29 Revenue from Operations

Sale of Real Estate Development	**806.13**	879.39
Other Operating Revenues		
Sale of Services	**124.35**	109.88
Other Income from Customers	**20.81**	17.06
Share of Profit / (Loss) in Limited Liability Partnerships	**2.11**	(9.46)
Lease Rent	**2.43**	1.76
	955.83	998.63

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

30 Other Income

	March 31, 2018	March 31, 2017
Interest Income	**266.28**	207.37
Dividend Income	**0.00**	0.00
Profit on Sale of Property, Plant and Equipment (Net)	**0.08**	0.20
Income from Investment measured at FVTPL	**11.83**	1.02
Profit on Sale of Investments (net)	**212.76**	12.76
Miscellaneous Income	**2.66**	1.05
	493.61	222.40

31 Cost of Sales

Opening Stock:		
Finished Goods	**56.74**	56.74
Construction Work-in-Progress	**1,886.01**	1,823.51
Add: Expenditure during the year		
Land/ Development Right	**83.43**	92.38
Construction, Material and Labour	**311.50**	342.20
Architect Fees	**16.59**	6.98
Other Costs	**50.56**	115.64
Finance Costs	**106.40**	121.62
	2,511.23	2,559.07
Less : Transferred to Property, Plant and Equipment	**12.79**	-
Less : Transferred to Investment Property	**2.60**	-
Less : Closing Stock:		
Finished Goods	**64.46**	56.74
Construction Work-in-Progress	**1,835.55**	1,886.01
	595.83	616.32

32 Employee Benefits Expense

Salaries, Bonus, Gratuity and Allowances	**88.93**	52.92
Contribution to Provident and Other Funds	**1.30**	1.11
Share Based Payments to Employees	**3.99**	2.49
Staff Welfare Expenses	**4.52**	3.74
	98.74	60.26

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

33 Finance Costs

	March 31, 2018	March 31, 2017
Interest Expense	**211.67**	190.47
Interest on Income Tax	**0.00**	0.00
Total Interest Expense	**211.67**	190.47
Other Borrowing costs	**86.68**	87.81
Total Finance Costs	**298.35**	278.28
Less : Transferred to construction work-in-progress	**(106.40)**	(121.62)
Net Finance Costs	**191.95**	156.66

34 Depreciation and Amortisation Expense

Depreciation on Property, Plant and Equipment	**11.43**	10.29
Depreciation on Investment Property	**0.11**	-
Amortisation of Intangible Assets	**2.99**	2.89
	14.53	13.18

35 Other Expenses

Consultancy Charges	**28.71**	17.91
Rent	**5.51**	6.63
Insurance	**1.10**	0.94
Rates and Taxes	**3.97**	0.49
Advertisement and Marketing Expense	**51.51**	35.99
Other Expenses	**84.05**	46.57
	174.85	108.53

36 Earnings Per Share

a) Basic Earnings Per Share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

(i) Profit attributable to ordinary shareholders (basic)		
Profit for the year, attributable to ordinary shareholders of the Company	**240.85**	196.51
	240.85	196.51

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

		March 31, 2018	March 31, 2017
(ii)	**Weighted average number of ordinary shares (basic)**		
	Number of Equity Shares at the beginning of the year	**216,364,692**	216,260,366
	Less: Effect of treasury shares held	**-**	937,997
	Add: Effect of share options exercised	**79,812**	76,394
		216,444,504	215,398,763
	Basic Earnings Per Share (INR)	**11.13**	9.12

b) **Diluted Earnings Per Share**

The calculation of diluted earnings per share is based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares. .

(i)	**Profit attributable to ordinary shareholders (diluted)**		
	Profit for the year, attributable to ordinary shareholders of the Company	**240.85**	196.51
		240.85	196.51
(ii)	**Weighted average number of ordinary shares (diluted)**		
	Weighted Average number of Equity shares outstanding (basic)	**216,444,504**	215,398,763
	Add: Effect of treasury shares held	**-**	937,997
	Add: Potential equity shares under ESGS plan	**132,923**	139,988
		216,577,427	216,476,748
Diluted Earnings Per Share (INR)		**11.12**	9.08

37 Employee Benefits

a) **Defined Contribution Plans:**

Contribution to Defined Contribution Plans recognised as an expense for the year are as under:

Employer's Contribution to Provident Fund (Gross before Allocation)	**7.28**	6.13
Employer's Contribution to ESIC	**0.00**	0.00

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

b) Defined Benefit Plans:

Contribution to Gratuity Fund (Non-Funded)

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

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

(i) Change in present value of defined benefit obligation

	March 31, 2018	March 31, 2017
Present value of obligation as at beginning of the year	**6.58**	5.47
Interest Cost	**0.51**	0.43
Current Service Cost	**1.44**	1.22
Benefits Paid	**(1.20)**	(1.04)
Effect of Liability Transfer in	**0.02**	0.03
Effect of Liability Transfer out	**-**	(0.00)
Actuarial (gains) / losses on obligations - due to change in demographic assumptions	**0.22**	-
Actuarial (gains) / losses on obligations - due to change in financial assumptions	**3.49**	0.19
Actuarial (gains) / losses on obligations - due to change in experience	**0.53**	0.28
Present value of obligation as at the end of the year	**11.59**	6.58

(ii) Amount recognised in the Balance Sheet

Present value of obligation as at end of the year	**11.59**	6.58
Fair value of plan assets as at end of the year	**-**	-
Net obligation as at end of the year	**11.59**	6.58

(iii) Net gratuity cost for the year

Recognised in the Statement of Profit and Loss		
Current Service Cost	**1.44**	1.22
Interest Cost	**0.51**	0.43
Total	**1.95**	1.65

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

	March 31, 2018	March 31, 2017
Recognised in Other Comprehensive Income (OCI)		
Remeasurement due to:		
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	**0.22**	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	**3.49**	0.19
Actuarial (gains)/losses on obligations - due to change in experience	**0.53**	0.28
Total	**4.24**	0.47
Net Gratuity cost in Total Comprehensive Income (OCI)	**6.19**	2.12

(iv) The Principal assumptions used in determining the present value of defined benefit obligation for the Company's plan are given below:

Particulars	**March 31, 2018**	March 31, 2017
Discount Rate	**7.78%**	7.74%
Salary escalation rate	**8%**	5%
Attrition Rate	**For service 4 years and below 8.50% p.a. & For service 5 years and above 2.80% p.a.**	1%
Mortality	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)

(v) Sensitivity analysis

A quantitative sensitivity analysis on Defined Benefit Obligation for significant assumptions as at March 31, 2018 is shown below:

Particulars	**March 31, 2018**		March 31, 2017	
	Increase	**Decrease**	Increase	Decrease
Discount Rate (1% movement)	**(1.36)**	**1.64**	(0.82)	1.00
Salary escalation rate (1% movement)	**1.62**	**(1.37)**	1.02	(0.85)
Attrition Rate (1% movement)	**(0.10)**	**0.10**	0.23	(0.28)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior year.

(vi) The expected future cash flows in respect of gratuity as at March 31, 2018 were as follows:

Maturity Analysis of Projected Benefit Obligation: From the Employer

Projected Benefits Payable in Future Years from the Reporting Date	March 31, 2018	March 31, 2017
1st Following Year	**0.26**	0.12
2nd Following Year	**0.45**	0.11
3rd Following Year	**0.45**	0.28
4th Following Year	**0.63**	0.20
5th Following Year	**0.42**	0.35
Sum of Years 6 to 10	**3.79**	2.14

Compensated absences

Compensated absences for employee benefits of INR 1.47 Crore (Previous Year: INR 0.17 Crore) expected to be paid in exchange for the services recognised as an expense during the year.

38 Financial instruments – Fair values and risk management

a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

March 31, 2018	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Non-Current							
Investment in Preference Shares	-	0.07	0.07	-	-	-	-
Other Investments							
Investment in Debentures	278.59	255.12	533.71	-	278.59	-	278.59
Investment in Equity Instruments	0.00	-	0.00	0.00	-	-	0.00
Loans	-	83.81	83.81	-	-	-	-
Current							
Investments	463.85	-	463.85	463.85	-	-	463.85

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

March 31, 2018	**Carrying amount**			**Fair value**			
	Fair value through profit and loss	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Trade receivables	-	109.10	109.10	-	-	-	-
Cash and cash equivalents	-	110.70	110.70	-	-	-	-
Bank balances other than above	-	159.70	159.70	-	-	-	-
Loans	-	2,125.91	2,125.91	-	-	-	-
Other Current Financial Assets	-	572.05	572.05	-	-	-	-
	742.44	3,416.46	4,158.90	463.85	278.59	-	742.44
Financial Liabilities							
Non-Current							
Borrowings	-	500.00	500.00	-	-	-	-
Current							
Borrowings	-	3,202.86	3,202.86	-	-	-	-
Trade Payables	-	208.51	208.51	-	-	-	-
Other Current Financial Liabilities	-	191.99	191.99	-	-	-	-
	-	4,103.36	4,103.36	-	-	-	-

March 31, 2017	**Carrying amount**			**Fair value**			
	Fair value through profit and loss	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets							
Non-Current							
Investment in Preference Shares	-	0.05	0.05	-	-	-	-
Other Investments							
Investment in Debentures	2.99	208.49	211.48	-	2.99	-	2.99
Investment in Equity Instruments	0.00	-	0.00	0.00	-	-	0.00
Loans	-	76.42	76.42	-	-	-	-
Other Non-Current Financial Assets	-	1.83	1.83	-	-	-	-
Current							
Investments	285.21	-	285.21	285.21	-	-	285.21

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

March 31, 2017	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Trade receivables	-	147.39	147.39	-	-	-	-
Cash and cash equivalents	-	48.71	48.71	-	-	-	-
Bank balances other than above	-	26.19	26.19	-	-	-	-
Loans	-	2,039.35	2,039.35	-	-	-	-
Other Current Financial Assets	-	619.65	619.65	-	-	-	-
	288.20	3,168.08	3,456.28	285.21	2.99	-	288.20
Financial Liabilities							
Current							
Borrowings	-	3,505.66	3,505.66	-	-	-	-
Trade Payables	-	149.26	149.26	-	-	-	-
Other Current Financial Liabilities	-	145.12	145.12	-	-	-	-
	-	3,800.04	3,800.04	-	-	-	-

b) Measurement of Fair Value

(i) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(ii) The Company uses the Discounted Cash Flow valuation technique (in relation to financial assets measured at amortised cost and fair value through profit or loss) which involves determination of present value of expected receipt/ payment discounted using appropriate discounting rates. The fair value so determined are classified as Level 2.

c) Risk Management Framework

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

d) Financial risk management

The Company has exposure to the following risks arising from financial instruments:

(i) Credit Risk

(ii) Liquidity Risk

(iii) Market Risk.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

Trade Receivables

Customer credit risk is managed by requiring customers to pay advances through progress billings before transfer of ownership, therefore substantially eliminating the Company's credit risk in this respect.

The Company's credit risk with regard to trade receivable has a high degree of risk diversification, due to the large number of projects of varying sizes and types with numerous different customer categories in a large number of geographical markets.

As per simplified approach, the Company makes provision of expected credit losses on trade receivables to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

Particulars	March 31, 2018	March 31, 2017
Opening balance	0.55	0.55
Add: Impairment loss recognised	8.92	-
Closing balance	9.47	0.55

Investment in Debt Securities, Loans to Related Parties and Project Deposits

The Company has investments in compulsorily convertible debentures / optionally convertible debentures, loans to related parties and project deposits. The settlement of such instruments is linked to the completion of the respective underlying projects. Such Financial Assets are not impaired as on the reporting date.

Cash and Bank balances

Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy.

(Currency in INR Crore)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The Company has access to funds from debt markets through loan from banks, commercial papers, fixed deposits from public and other debt instruments. The Company invests its surplus funds in bank fixed deposits and debt based mutual funds.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date:

March 31, 2018	**Carrying Amount**	**Contractual cash flows**				
		Total	**Within 12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Financial Liabilities						
Non-Current						
Borrowings	**500.00**	**597.16**	**18.96**	**39.10**	**539.10**	**-**
Current						
Borrowings	**3,202.86**	**3,301.75**	**3,301.75**	**-**	**-**	**-**
Trade Payables	**208.51**	**209.71**	**186.39**	**20.06**	**3.26**	**-**
Other Current Financial Liabilities	**191.99**	**191.99**	**186.49**	**4.93**	**-**	**0.57**

March 31, 2017	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Current						
Borrowings	3,505.66	3,550.13	3,550.13	-	-	-
Trade Payables	149.26	149.26	131.06	13.52	4.68	-
Other Current Financial Liabilities	145.12	145.12	144.96	0.16	-	-

(iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

a) **Currency Risk**

Currency risk is not material, as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

b) **Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management is as follows:

Particulars	March 31, 2018	March 31, 2017
Financial liabilities		
Variable rate instruments	1,160.24	1,214.99
Fixed rate instruments	2,536.17	2,286.74
	3,696.41	3,501.73
Financial assets		
Variable rate instruments	-	-
Fixed rate instruments	2,989.06	2,351.98
	2,989.06	2,351.98

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Company by the amounts indicated in the table below. Given that the Company capitalises interest to the cost of inventory to the extent permissible, the amounts indicated below may have an impact on reported profits over the life cycle of projects to which such interest is capitalised. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	Profit or Loss INR (in Crore)	
	100 BP increase	100 BP decrease
March 31, 2018		
Financial Liabilities		
Variable rate instruments		
Borrowings	(11.60)	11.60
Cash flow sensitivity (net)	(11.60)	11.60

(Currency in INR Crore)

Particulars	**Profit or Loss INR (in Crore)**	
	100 BP increase	**100 BP decrease**
March 31, 2017		
Financial Liabilities		
Variable rate instruments		
Borrowings	(12.15)	12.15
Cash flow sensitivity (net)	(12.15)	12.15

The Company does not have any additional impact on equity other than the impact on retained earnings.

39 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board of Directors seek to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages by a sound capital position.

The Company monitors capital using a ratio of 'Net Debt to Equity'. For this purpose, net debt is defined as total borrowings less cash and bank balances and other current investments.

The Company's net debt to equity ratio is as follows:

Particulars	**March 31, 2018**	March 31, 2017
Net debt	**2,973.67**	3,144.79
Total equity	**2,231.81**	1,989.99
Net debt to Equity ratio	**1.33**	1.58

40 Employee Stock Option Plan

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

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

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 at March 31, 2018	As at March 31, 2017	
Options Outstanding at the beginning of the year	-	245,400	INR 310 (plus interest till March 31, 2012)
Options granted	-	-	
Options exercised	-	-	
Less : Forfeited / Lapsed / Idle / Available for Reissue	-	245,400	
Options Outstanding at the year end	-	-	INR 310 (plus interest till March 31, 2012)

The exercise period of the GPL ESOP has expired on December 27, 2016 and consequently all the unexercised options were rendered lapsed. The GPL ESOP now stands terminated and the shares held by the Trust have been sold during the year ended March 31, 2017.

41 Employee Stock Grant Scheme

The Company instituted an Employee Stock Grant Scheme (GPL ESGS) approved by the Board of Directors, the Shareholders and the Remuneration Committee.

a) Details of Stock Grants are as under:

Particulars	No. of Options		Weighted average Exercise Price (INR)	Weighted average Share Price (INR)
	As at March 31, 2018	As at March 31, 2017		
Options Outstanding at the beginning of the year	**214,537**	254,597	5.00	511.65
Add: Options granted	**88,546**	122,127		
Less: Options exercised	**115,436**	104,326		
Less : Option lapsed	**5,788**	57,861		
Options Outstanding at the end of the year	**181,859**	214,537		

b) The weighted average exercise price of the options outstanding as at March 31, 2018 is INR 5 per share (Previous year: INR 5 per share) and the weighted average remaining contractual life of the options outstanding as at March 31, 2018 is 0.38 years (Previous year: 0.89 years)

c) The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model. The weighted average fair value of the options granted is INR 414.32 (Previous year: INR 279.78). The following table lists the average inputs to the model used for the plan for the year ended March 31, 2018:

Particulars	March 31, 2018	March 31, 2017	Description of the Inputs used
Dividend yield %	-	-	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	32% - 42%	29 % - 43%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	6.31 % - 8.57%	6.31 % - 8.57%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options	INR 419.47	INR 286.40	

d) The expense arising from ESGS scheme during the year is INR 3.99 Crore (Previous Year: INR 2.49 Crore)

42 Leases

a) The Company has recognised INR 5.51 Crore (Previous Year: INR 6.63 Crore) towards minimum lease payments and INR 2.43 Crore (Previous Year:INR 1.76 Crore) minimum lease receipt in the Statement of Profit and Loss.

b) The Company's significant leasing arrangements are in respect of operating leases for Commercial premises. Lease income from operating leases is recognised on a straight-line basis over the period of lease. The future minimum lease receivables of non-cancellable operating leases are as under:

Particulars	March 31, 2018	March 31, 2017
As a Lessor		
Future minimum lease receipts under operating leases		
Not later than 1 year	3.79	1.84
Later than 1 year and not later than 5 years	16.24	7.78
Later than 5 years	53.47	48.95

c) The Company's significant leasing arrangements are in respect of operating leases for Commercial / Residential premises. Lease expenditure for operating leases is recognised on a straight-line basis over the period of lease. These leasing arrangements are non-cancellable / cancellable and are renewable on a periodic basis by mutual consent on mutually accepted terms. The future minimum lease payments of non-cancellable operating leases are as under:

Particulars		
As a Lessee		
Future minimum lease payments under operating leases		
Not later than 1 year	4.96	4.10
Later than 1 year and not later than 5 years	8.09	10.11
Later than 5 years	-	0.38

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

43 Related Party Transactions

1. Related Party Disclosures:

Related party disclosures as required by Ind AS - 24, “Related Party Disclosures”, are given below:

Relationships:

i) Holding and Ultimate Holding Companies:

Godrej Industries Limited (GIL) holds 56.67% (Previous Year – 56.70%) shares in the Company.

GIL is a subsidiary of Vora Soaps Limited from March 30, 2017, the Ultimate Holding Company.

Godrej & Boyce Manufacturing Company Limited (G&B), was the Ultimate Holding Company upto March 29, 2017.

ii) a) Subsidiaries - Companies:

1 Godrej Buildcon Private Limited

2 Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited)

3 Godrej Garden City Properties Private Limited

4 Godrej Green Homes Limited (Subsidiary upto March 16, 2018)

5 Godrej Home Developers Private Limited

6 Godrej Hillside Properties Private Limited

7 Godrej Investment Advisors Private Limited (Upto June 21, 2017)

8 Godrej Fund Management Pte. Limited (Incorporated in Singapore) (Subsidiary of Godrej Investment Advisors Private Limited) (Upto June 21, 2017)

9 Godrej Prakriti Facilities Private Limited (w.e.f. July 28, 2016)

10 Godrej Highrises Properties Private Limited

11 Godrej Genesis Facilities Management Private Limited

12 Prakritiplaza Facilities Management Private Limited

13 Godrej Skyline Developers Private Limited (Upto September 28, 2017)

14 Citystar Infraprojects Limited (w.e.f. January 12, 2017)

15 Godrej Residency Private Limited (w.e.f. March 16, 2017)

16 Wonder Projects Development Private Limited (Upto September 18, 2016)

17 Godrej Greenview Housing Private Limited (Upto June 29, 2016)

18 Godrej Real View Developers Private Limited (w.e.f. September 01, 2016 till March 28, 2017)

19 Pearlite Real Properties Private Limited (w.e.f. September 02, 2016 till March 29, 2017)

20 Godrej Properties Worldwide Inc., USA

ii) b) Subsidiaries - Limited Liability Partnerships :

1 Godrej Highrises Realty LLP

2 Godrej Project Developers & Properties LLP

3 Godrej Projects (Pune) LLP (w.e.f. February 05, 2017)

4 Godrej Land Developers LLP

5 Godrej Developers & Properties LLP (Upto October 29, 2017)

6 Godrej Highview LLP (w.e.f. September 29, 2016 upto June 14, 2017)

7 Godrej Projects North Star LLP (formerly known as Godrej Century LLP incorporated on March 14, 2017) (Subsidiary upto September 26, 2017))

8 Godrej Skyview LLP (w.e.f. October 19, 2016)

9 Godrej Green Properties LLP (w.e.f. October 27, 2016)

10 Godrej Projects (Soma) LLP (w.e.f. March 06, 2017)

11 Godrej Projects North LLP (incorporated w.e.f. March 02, 2017 formerly known as Godrej Projects (Bluejay) LLP)

12 Godrej Athenmark LLP (w.e.f. April 20, 2017)

13 Godrej Vestamark LLP (w.e.f. April 20, 2017)

14 Godrej Irismark LLP (w.e.f. April 20, 2017) (Subsidiary upto January 23, 2018)

15 Godrej Avamark LLP (w.e.f. April 20, 2017)

iii) a) Associate :

1 Godrej One Premises Management Private Limited

iii) b) Joint Ventures :

1 Godrej Realty Private Limited

2 Mosaic Landmarks LLP

3 Dream World Landmarks LLP

4 Godrej Landmark Redevelopers Private Limited

5 Godrej Redevelopers (Mumbai) Private Limited

6 Oxford Realty LLP

7 Godrej SSPDL Green Acres LLP

8 Caroa Properties LLP

9 M S Ramaiah Ventures LLP

10 Oasis Landmarks LLP

11 Amitis Developers LLP

12 Godrej Construction Projects LLP

13 Godrej Housing Projects LLP

14 Godrej Greenview Housing Private Limited (w.e.f June 30, 2016)

15 Wonder Space Properties Private Limited

16 Wonder City Buildcon Private Limited

17 Godrej Home Constructions Private Limited

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

18 Wonder Projects Development Private Limited (w.e.f. Septemer 19, 2016)

19 Godrej Property Developers LLP

20 AR Landcraft LLP (w.e.f. June 07, 2016)

21 Godrej Real View Developers Private Limited (w.e.f. March 29, 2017)

22 Pearlite Real Properties Private Limited (w.e.f. March 30, 2017)

23 Bavdhan Realty @ Pune 21 LLP (w.e.f October 26, 2016)

24 Prakhhyat Dwellings LLP (w.e.f. September 02, 2016)

25 Godrej Highview LLP (w.e.f. June 15, 2017)

26 Godrej Projects North Star LLP (formerly known as Godrej Century LLP (w.e.f. September 27, 2017)

27 Godrej Skyline Developers Private Limited (w.e.f. September 29, 2017)

28 Godrej Developers & Properties LLP (w.e.f October 30, 2017)

29 Godrej Green Homes Limited (w.e.f. March 17, 2018)

30 Sai Srushti OneHub Projects LLP (w.e.f January 31, 2018)

31 Godrej Irismark LLP (w.e.f. January 24, 2018)

iv) Other Related Parties in Godrej Group :

1 Godrej & Boyce Manufacturing Company Limited (w.e.f. March 30, 2017)

2 Godrej Investments Private Limited

3 Anamudi Real Estates LLP

4 Ensemble Holdings & Finance Limited

5 Godrej Agrovet Limited

6 Natures Basket Limited

7 Cream Line Dairy Products Limited

8 Godrej Consumer Products Limited

v) Key Management Personnel and their relatives :

1 Mr. A. B. Godrej

2 Mr. N.B. Godrej

3 Mr. Pirojsha Godrej

4 Mr. Mohit Malhotra

5 Ms. Parmeshwar Adi Godrej (Upto October 10, 2016)

6 Mr. Jamshyd N. Godrej

7 Mr. Amit Choudhury

8 Mr. K. B. Dadiseth

9 Mrs. Lalita D Gupte

(Currency in INR Crore)

10 Mr. Pranay Vakil

11 Dr. Pritam Singh

12 Mr. S. Narayan (Upto August 02, 2017)

13 Mr. Amitava Mukherjee

14 Mrs. Tanya Dubash

15 Mst. Hormazd Nadir 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) and (iv) above

Nature of Transaction	Godrej & Boyce Manufacturing Company Limited (i)	Godrej Industries Limited (i)	Subsidiary Companies & LLP (ii)	Associate (iii) (a)	Joint Ventures (iii) (b)	Other related parties in Godrej Group (iv)	Total
Transactions during the Year							
Purchase of property, plant and equipment							
Current Year	-	-	-	-	-	0.13	0.13
Previous Year	*0.29*	-	-	-	-	-	*0.29*
Dividend Paid / (Received)							
Current Year	-	-	(0.00)	-	-	-	(0.00)
Previous Year	-	-	*(0.00)*	-	-	-	*(0.00)*
Expenses charged by other Companies / Entities							
Current Year	-	9.40	2.25	3.04	-	12.36	27.05
Previous Year	*11.92*	*9.83*	*15.65*	*3.44*	*1.42*	*5.75*	*48.00*
Interest Income on Debentures							
Current Year	-	-	-	-	41.32	-	41.32
Previous Year	-	-	-	-	*24.34*	-	*24.34*
Amount paid on transfer of Employee (Net)							
Current Year	-	0.05	-	-	-	0.07	0.12
Previous Year	-	-	-	-	-	-	-
Income Received from other Companies / Entities							
Current Year	-	-	-	-	2.15	0.03	2.18
*Previous Year**	-	-	-	-	*1.15*	*0.00*	*1.15*

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

Nature of Transaction	**Godrej & Boyce Manufacturing Company Limited (i)**	**Godrej Industries Limited (i)**	**Subsidiary Companies & LLP (ii)**	**Associate (iii) (a)**	**Joint Ventures (iii) (b)**	**Other related parties in Godrej Group (iv)**	**Total**
Expenses charged to other Companies / Entities							
Current Year	-	-	71.84	-	84.44	-	156.28
Previous Year	*0.10*	*0.00*	*61.80*	-	*65.84*	*0.01*	*127.75*
Development Management Fees Received							
Current Year	-	-	-	-	71.07	3.09	74.16
Previous Year	*1.38*	-	-	-	*35.62*	*45.00*	*82.00*
Interest Income							
Current Year	-	-	126.89	-	83.60	-	210.49
Previous Year	-	-	*127.07*	-	*52.46*	-	*179.53*
Share of Profit/(Loss) in LLP							
Current Year	-	-	(0.01)	-	2.12	-	2.11
Previous Year	-	-	*(0.01)*	-	*(9.45)*	-	*(9.46)*
Amount received on transfer of employee (Net)							
Current Year	-	0.01	-	-	-	0.00	0.01
Previous Year	-	*0.56*	-	-	-	-	*0.56*
Commitments / Bank Guarantee / LC issued / Corporate / Performance Guarantee							
Current Year	-	-	3.50	-	-	-	3.50
Previous Year	-	-	-	-	*156.05*	-	*156.05*
Investment made in Equity / Preference Shares #							
Current Year	-	-	0.02	-	70.97	-	70.99
Previous Year	-	-	*0.70*	-	*4.37*	-	*5.07*
Investment made in Capital Account of LLP							
Current Year	-	-	0.00	-	4.82	-	4.82
Previous Year	-	-	-	-	*0.06*	-	*0.06*

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

Nature of Transaction	Godrej & Boyce Manufacturing Company Limited (i)	Godrej Industries Limited (i)	Subsidiary Companies & LLP (ii)	Associate (iii) (a)	Joint Ventures (iii) (b)	Other related parties in Godrej Group (iv)	Total
Investment made in Debentures #							
Current Year	-	-	275.60	-	48.37	-	323.97
Previous Year	-	-	*21.00*	-	*94.82*	-	*115.82*
Investment Sold /Redeemed / Repayment of Partners Capital/ Withdrawal of Share of Profit							
Current Year	-	-	-	-	-	65.20	65.20
Previous Year	-	-	-	-	-	-	-
Sale of Units							
Current Year	-	3.99	-	-	-	7.97	11.96
Previous Year	-	*10.18*	-	-	-	*20.64*	*30.82*
Loans and Advances given / (Taken) #							
Current Year	-	-	1,494.68	-	631.13	-	2,125.81
Previous Year	-	-	*769.19*	-	*504.41*	-	*1,273.60*
Advances repaid							
Current Year	-	-	1,681.55	-	532.46	-	2,214.01
Previous Year	-	-	*681.01*	-	*362.78*	-	*1,043.79*
Deposit given							
Current Year	-	0.25	-	-	-	-	0.25
Previous Year	-	*0.13*	-	*0.03*	-	*1.51*	*1.67*
Deposit repaid							
Current Year	-	0.29	-	-	-	-	0.29
Previous Year	-	*0.32*	-	-	-	-	*0.32*
Amount received against sale of units							
Current Year	-	7.45	-	-	-	17.30	24.75
Previous Year	-	*2.01*	-	-	-	*5.49*	*7.50*

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

Nature of Transaction	Godrej & Boyce Manufacturing Company Limited (i)	Godrej Industries Limited (i)	Subsidiary Companies & LLP (ii)	Associate (iii) (a)	Joint Ventures (iii) (b)	Other related parties in Godrej Group (iv)	Total
Balance Outstanding as on March 31, 2018							
Amount Receivables							
Current Year	-	0.09	1,217.28	0.00	918.44	0.03	2,135.84
Previous Year	-	*0.12*	*1,599.79*	-	*609.41*	*0.08*	*2,209.39*
Amount Payables							
Current Year	-	1.47	-	-	-	6.60	8.07
Previous Year	-	*0.97*	*180.91*	-	-	*112.58*	*294.46*
Advance received against share of profit							
Current Year	-	-	-	-	16.80	-	16.80
Previous Year	-	-	-	-	*23.54*	-	*23.54*
Unbilled Revenue							
Current Year	-	-	-	-	-	-	-
Previous Year	-	*2.33*	-	-	-	*3.66*	*5.99*
Deposit Receivables							
Current Year	-	0.19	-	0.03	-	1.51	1.73
Previous Year	-	*0.41*	-	*0.03*	-	*1.51*	*1.95*
Debentures Outstanding							
Current Year	-	-	-	-	533.71	-	533.71
Previous Year	-	-	-	-	*211.48*	-	*211.48*
Debentures Interest Outstanding							
Current Year	-	-	-	-	72.78	-	72.78
Previous Year	-	-	-	-	*47.27*	-	*47.27*
Commitments / BG / LC / Corporate/ Performance Guarantee Outstanding							
Current Year	-	-	4.45	-	93.18	-	97.63
Previous Year	-	-	*4.08*	-	*160.65*	-	*164.73*

Refer Note 24 for current assets of Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited), a wholly owned subsidiary, hypothecated against loan taken by the Company.

Includes Loan amount converted into Debentures INR 275.60 Crore (Previous Year: INR 13.44 Crore) and Equity INR 68.90 Crore (Previous Year: INR 0.70 Crore)

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

2. The following transactions were carried out with the Related Parties in the ordinary course of Business.

(ii) Details relating to parties referred to in items 1(v) above

Particulars	**March 31, 2018**	March 31, 2017
Short term employee benefits	**16.08**	10.48
Post retirement benefits	**0.24**	0.18
Share based payment transactions	**0.69**	0.57
Total Compensation paid to Key Management Personnel	**17.01**	11.23
Revenue recognised for sale of flats / units to KMP and their relatives	**9.53**	13.02
Amount received from sale of flats / units to KMP and their relatives	**21.56**	6.68
Trade receivable / (advance) on account of sale of flats / units to KMP and their relatives	**(0.13)**	-
Sale of assets	**0.01**	-
Unbilled Revenue	**0.47**	2.73
Expenditure on issue of equity shares under ESGS to KMP	**-**	0.01

(iii) Significant related party disclosures

Nature of Transaction	**Godrej Projects Development Limited**	**Godrej Buildcon Private Limited**	**Godrej Green Homes Limited (Subsidiary)**	**Total**
Investment made in Debentures				
Current Year	-	-	275.60	275.60
Previous Year	-	-	-	-
Loans and Advances given				
Current Year	304.06	545.99	574.53	1,424.58
Previous Year	*168.72*	*241.72*	*283.56*	*694.00*
Advances repaid				
Current Year	528.00	722.89	428.98	1,679.87
Previous Year	*102.98*	*575.69*	*0.24*	*678.90*

44 Amalgamation

i) Amalgamation of Godrej Vikhroli Properties India Limited (GVPIL) with Godrej Properties Limited (GPL) :

Pursuant to the Scheme of Amalgamation (the Scheme) under Section 391 to 394 of the Companies Act, 1956 read with section 230 to 240 of the Companies Act, 2013 sanctioned by the National Company Law Tribunal at Mumbai Bench on November 30, 2017 and filed with the Registrar of Companies (RoC) on December 29, 2017, GVPIL, a 100% Subsidiary of GPL, is amalgamated with GPL w.e.f. April 01, 2017, the Appointed Date.

As per the said Scheme:

(i) All the assets and liabilities as appearing in the books of GVPIL as on the Appointed Date have been recorded in the books of GPL at their respective book values and inter-company balances have been cancelled.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

(ii) An amount of INR 19.84 Crore arising out of the difference between the book value of the net assets of the Transferor Company taken over and cancellation of intercompany investments between the Transferor Company and the Transferee Company has been considered as capital reserve in the Separate financial statements of GPL.

(iii) GPL has incurred additional expenses such as charges, taxes including duties, levies and other expenses of INR 0.42 Crore which have been charged to the Statement of Profit and Loss.

(iv) In accordance with the requirements of Para 9(iii) of Appendix C of Ind AS 103 Business Combinations, the financial statements of GPL for the year ended March 31, 2017 have been restated as if the business combination had occurred from the beginning of the preceding period, irrespective of the actual date of the combination.

ii) Amalgamation of Godrej Real Estate Private Limited (GREPL) with Godrej Properties Limited (GPL) :

Pursuant to the Scheme of Amalgamation (the Scheme) under Section 391 to 394 of the Companies Act, 1956 read with section 230 to 240 of the Companies Act, 2013 sanctioned by the National Company Law Tribunal at Mumbai Bench on April 11, 2017 and filed with the Registrar of Companies (RoC) on May 03, 2018, GREPL, a 100% Subsidiary of GPL, is amalgamated with GPL w.e.f. April 01, 2017, the Appointed Date.

As per the said Scheme:

(i) All the assets and liabilities as appearing in the books of GREPL as on the Appointed Date have been recorded in the books of GPL at their respective book values and inter-company balances have been cancelled.

(ii) GPL has incurred additional expenses such as charges, taxes including duties, levies and other expenses of INR 0.50 Crore which have been charged to the Statement of Profit and Loss.

(iii) In accordance with the requirements of Para 9(iii) of Appendix C of Ind AS 103 Business Combinations, the financial statements of GPL for the year ended March 31, 2017 have been restated as if the business combination had occurred from the beginning of the preceding period, irrespective of the actual date of the combination.

Impact on the Standalone Balance Sheet and Standalone Statement of Profit and Loss :

The impact of restatement on the Standalone Balance Sheet and Standalone Statement of Profit and Loss due to the above amalgamations are summarised as below:

Impact on the Balance Sheet :

Particulars	**GVPIL**	**GREPL**	**March 31, 2017**
Current Assets Other Than Cash and Cash Equivalents	492.55	182.65	675.20
Cash and Cash equivalents	3.72	0.01	3.73
Non-Current Assets	2.54	5.76	8.30
	498.81	188.42	687.23
Current Liabilities	90.91	201.96	292.87
Other Equity	42.23	(14.00)	28.23
	133.14	187.96	321.10
Net Assets	407.90	(13.54)	394.36
Less: Cancellation of Investment as per GPL books	(345.83)	(0.45)	(346.28)
Less: Cancellation of GVPIL Investment as per GREPL books	-	(0.27)	(0.27)
Less: Other Equity	(42.23)	14.00	(28.23)
Capital Reserve	**19.84**	**(0.26)**	**19.58**

(Currency in INR Crore)

Impact on the Standalone Statement of Profit and Loss

Particulars	GVPIL	GREPL	March 31, 2017
Total Income	533.48	(16.54)	516.94
Total Expenses	459.79	(15.10)	444.69
Total Comprehensive Income for the year	73.69	(1.44)	72.25

45 Contingent Liabilities and Commitments

a) Contingent Liabilities

	Matters	March 31, 2018	March 31, 2017
I)	**Claims against Company not Acknowledged as debts:**		
i)	Claims not acknowledged as debts represent cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Company as advised by our advocates. In the opinion of the management the claims are not sustainable	**65.06**	87.47
ii)	Claims under the Labour Laws for disputed cases	**-**	0.05
iii)	Claims under Stamp Acts	**-**	20.02
iv)	Other Claims not acknowledged as debts	**-**	0.76
v)	Claims under Income Tax Act, Appeal preferred to The Deputy Commissioner / Commissioner of Income Tax (Appeals)	**22.15**	21.59
vi)	Claims under MVAT, Appeal preferred to The Deputy Commissioner/Joint Commissioner of Sales Taxes ((Appeals) IV/V), Mumbai	**3.55**	21.33
vii)	Appeal preferred to Customs, Excise and Service Tax Appellate tribunal at Bengaluru	**47.35**	40.65
viii)	Appeal preferred to The Joint Commissioner of Sales Tax (Appeal - 4) at Maharashtra under Entry of Goods Into Local Areas Act, 2002	**16.49**	0.79
II)	**Guarantees:**		
i)	Guarantees given by Bank, counter guaranteed by the Company	**11.69**	20.37
ii)	Guarantees given by the Company	**88.58**	156.00

b) Commitments

(i)	**Particulars**		
	Capital Commitment (to include for CWIP under Construction)	**14.66**	15.93
	Capital Commitment towards Godrej Properties Worldwide Inc., USA	**3.25**	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

(ii) The Company enters into construction contracts for Civil, Elevator, External Development, MEP work etc. with its vendors. The total amount payable under such contracts will be based on actual measurements and negotiated rates, which are determinable as and when the work under the said contracts are completed.

(iii) The Company has entered into development agreements with owners of land for development of projects. Under the agreements the Company is required to pay certain payments/ deposits to the owners of the land and share in built up area/ revenue from such developments in exchange of undivided share in land as stipulated under the agreements.

46 Payment to Auditors (net of taxes)

Particulars	March 31, 2018	March 31, 2017*
Audit Fees	**0.32**	0.77
Audit Under Other Statutes	**0.24**	0.23
Taxation Matters	**-**	0.34
Certification	**-**	0.04
Reimbursement of Expenses	**0.01**	0.01
Total	**0.57**	1.39

* pertains to fees paid to erstwhile auditors

47 Foreign Exchange Difference

The amount of exchange difference included in the Statement of Profit and Loss, is INR (0.03) Crore (Net Loss) (Previous Year: INR (0.01) Crore (Net Loss)).

48 Corporate Social Responsibility

The Company has spent INR 1.47 Crore during the year (Previous Year: INR 1.29 Crore) as per the provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities grouped under 'Other Expenses'.

(a) Gross amount required to be spent by the Company during the year INR 1.38 Crore. (Previous Year: INR 1.29 Crore)

(b) Amount spent during the year on:

Particulars	Amount Spent in Cash	Amount yet to be paid in Cash	Total Amount
Year ended March 31, 2018			
(i) Construction / Acquisition of any Asset	**-**	**-**	**-**
(ii) On purposes other than (i) above	**1.47**	**-**	**1.47**
Year ended March 31, 2017			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	1.29	-	1.29

The total amount spent by Happy Highrises Limited which was amalgamated with the Company during the year ended March 31, 2017 amounted to INR 0.33 Crore out of which INR 0.22 Crore was outstanding as at March 31, 2017.

(Currency in INR Crore)

49 Segment Reporting

A. Basis of Segmentation

Factors used to identify the entity's reportable segments, including the basis of organisation

For management purposes, the Company has only one reportable segments namely, Development of real estate property. The Managing Director of the Company acts as the Chief Operating Decision Maker ("CODM"). The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

B. Geographical Information

The geographic information analyses the Company's revenue and Non-Current Assets by the Company's country of domicile and other countries. As the Company is engaged in Development of Real Estate property in India, it has only one reportable geographical segment.

C. Information about major customers

None of the customers for the year ended March 31, 2018 and March 31, 2017 constituted 10% or more of the total revenue of the Company.

50 Specified Bank Notes Disclosure

In accordance with the Notification No.- G.S.R 308(E) issued by the Ministry of Corporate Affairs dated March 30, 2017, the details of Specified Bank Notes(SBN) held and transacted during the period November 08, 2016 to December 30, 2016 is provided in the table below:

Amount In INR

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on November 08, 2016	206,000	137,988	343,988
Add: Permitted Receipts	-	1,080,919	1,080,919
Less: Permitted Payments	-	941,191	941,191
Less: Amount deposited in Banks	206,000	-	206,000
Closing cash in hand as on December 30, 2016	**-**	**277,716**	**277,716**

51 Construction Contracts

Particulars	March 31, 2018	March 31, 2017
For contracts in progress as on the reporting date		
Aggregate amount of contract costs incurred and profits recognised (less recogised losses) till reporting date	**5,124.32**	4,905.49
Balance of Advance from customer as on reporting date	**352.06**	238.25
Amount of work-in-progress and the value of inventories as on the reporting date	**1,809.28**	1,852.36
Excess of revenue recognised over actual bills raised (Unbilled revenue)	**221.48**	328.56

52 The write-down of inventories to net realisable value during the year amounted to INR 48.06 Crore (Previous Year: Nil).

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

53 Cash and Cash Equivalents and Bank Balances includes balances in Escrow Account which shall be used only for specified purposes as defined under Real Estate (Regulation and Development) Act, 2016.

54 The figures for the previous year have been regrouped / reclassified to correspond with current year's classification/ disclosure that include changes consequent to the issuance of "Guidance Note on Division II - Ind AS Schedule III to the Companies Act, 2013".

55 Previous year's figures were audited by a firm of Chartered Accountants other than B S R & Co. LLP.

56 **Information on Subsidiaries, Joint Ventures and Associates**

a) **Information on Subsidiaries**

Sr. No.	**Name of the entity**	**Country of Incorporation**	**Percentage of Holding**		**Percentage of Voting Rights**	
			As on March 31, 2018 %	As on March 31, 2017 %	**As on March 31, 2018 %**	As on March 31, 2017 %
(i)	**Companies:**					
1	Godrej Buildcon Private Limited	India	**100%**	100%		
2	Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited)	India	**100%**	100%		
3	Godrej Garden City Properties Private Limited	India	**100%**	100%		
4	Godrej Hillside Properties Private Limited	India	**100%**	100%		
5	Godrej Home Developers Private Limited	India	**97.56%**	97.56%		
6	Godrej Investment Advisors Private Limited (Subsidiary till June 21, 2017)	India	**N.A**	100%		
7	Godrej Prakriti Facilities Private Limited	India	**99.99%**	99.99%		
8	Prakritiplaza Facilities Management Private Limited	India	**99.99%**	99.99%		
9	Godrej Highrises Properties Private Limited	India	**99.99%**	99.99%		
10	Godrej Fund Management Pte. Ltd. (100% Subsidiary of Godrej Investment Advisors Private Limited) (Subsidiary till June 21, 2017)	Singapore	**N.A**	100%		

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding		Percentage of Voting Rights	
			As on March 31, 2018 %	As on March 31, 2017 %	**As on March 31, 2018 %**	As on March 31, 2017 %
11	Citystar Infraprojects Limited	India	**98.60%**	98.60%		
12	Godrej Residency Private Limited	India	**100%**	100%		
13	Godrej Green Homes Limited (Classified as Joint Venture w.e.f March 17, 2018)	India	**N.A**	100%		
14	Godrej Properties Worldwide Inc., USA	USA	**100%**	N.A		
(ii)	**LLPs**					
1	Godrej Highrises Realty LLP	India	**34%**	34%	**34%**	34%
2	Godrej Project Developers & Properties LLP	India	**51%**	51%	**51%**	51%
3	Godrej Highview LLP	India	**N.A**	100%	**N.A**	100%
4	Godrej Projects (Pune) LLP	India	**99%**	100%	**50%**	100%
5	Godrej Projects (Soma) LLP	India	**1%**	N.A.	**99%**	N.A.
6	Godrej Projects North LLP (formerly known as Godrej Projects (Bluejay) LLP)	India	**1%**	N.A.	**50%**	N.A.
7	Godrej Athenmark LLP	India	**1%**	N.A.	**50%**	N.A.
8	Godrej Vestamark LLP	India	**1%**	N.A.	**50%**	N.A.
9	Godrej Avamark LLP	India	**1%**	N.A.	**50%**	N.A.

b) Information on Joint Ventures:

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding		Percentage of Voting Rights	
			As on March 31, 2018 %	As on March 31, 2017 %	**As on March 31, 2018 %**	As on March 31, 2017 %
(i)	**Companies:**					
1	Godrej Realty Private Limited	India	**51%**	51%		
2	Wonder Space Properties Private Limited	India	**25.10%**	25.10%		
3	Wonder City Buildcon Private Limited	India	**25.10%**	25.10%		
4	Godrej Home Constructions Private Limited	India	**25.10%**	25.10%		
5	Godrej Greenview Housing Private Limited	India	**20%**	20%		
6	Wonder Projects Development Private Limited	India	**20%**	20%		
7	Godrej Real View Developers Private Limited	India	**20%**	20%		

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding As on March 31, 2018 %	Percentage of Holding As on March 31, 2017 %	Percentage of Voting Rights As on March 31, 2018 %	Percentage of Voting Rights As on March 31, 2017 %
8	Godrej Green Homes Limited (Classified as Subsidiary till March 16, 2018)	India	**50%**	N.A		
9	Pearlite Real Properties Private Limited	India	**49%**	49%		
(ii)	**LLPs**					
1	Godrej Property Developers LLP	India	**32%**	32%	**50%**	50%
2	Mosiac Landmarks LLP	India	**1%**	1%	**66.66%**	66.66%
3	Dream World Landmarks LLP	India	**40%**	40%	**66.66%**	66.66%
4	Oxford Realty LLP	India	**35%**	35%	**10%**	10%
5	Godrej SSPDL Green Acres LLP	India	**37%**	37%	**66.66%**	66.66%
6	Oasis Landmarks LLP	India	**38%**	38%	**66.66%**	66.66%
7	M S Ramaiah Ventures LLP	India	**49.50%**	49.50%	**51%**	51%
8	Caroa Properties LLP	India	**35%**	35%	**66.66%**	66.66%
9	Godrej Construction Projects LLP	India	**34%**	34%	**51%**	51%
10	Godrej Housing Projects LLP	India	**50%**	50%	**51%**	51%
11	Amitis Developers LLP	India	**46%**	46%	**50%**	50%
12	A R Landcraft LLP	India	**29%**	29%	**50%**	50%
13	Prakhhyat Dwellings LLP	India	**42.50%**	42.50%	**50%**	50%
14	Bavdhan Realty @ Pune 21 LLP	India	**45%**	45%	**50%**	50%
15	Godrej Highview LLP	India	**40%**	N.A	**50%**	N.A
16	Godrej Developers & Properties LLP (w.e.f October 30, 2017)	India	**37.5%**	N.A	**50%**	N.A
17	Godrej Irismark LLP	India	**1%**	N.A	**50%**	N.A
18	Godrej Projects North Star LLP (formerly known as Godrej Century LLP)	India	**55%**	N.A	**50%**	N.A

In case of LLPs percentage of holding in the above table denotes the Share of Profits in the LLP.

c) Information on Associate:

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding As on March 31, 2018 %	Percentage of Holding As on March 31, 2017 %	Percentage of Voting Rights As on March 31, 2018 %	Percentage of Voting Rights As on March 31, 2017 %
(i)	**Companies:**					
1	Godrej One Premises Management Private Limited	India	**30%**	30%		

(Currency in INR Crore)

57 Disclosure pursuant to Section 186 of the Companies Act, 2013 and under Regulation 34(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Sr. No.	Nature of Transaction (loans given / investment made / guarantee given / security provided)	Purpose for which the loan / guarantee / security is proposed to be utilised by the recipient	Balance as at		Movement during the Year	Maximum Outstanding During the year	
			March 31, 2018	March 31, 2017		**March 31, 2018**	March 31, 2017
1	**Loans and Advances**						
	Godrej Realty Private Limited	Working Capital	**0.84**	0.62	0.22	**0.84**	0.62
	Godrej Vikhroli Properties India Limited*	Working Capital	**-**	326.53	(326.53)	**-**	326.53
	Godrej Buildcon Private Limited	Working Capital	**261.50**	402.22	(140.73)	**589.24**	733.70
	Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited)	Working Capital	**880.45**	715.38	165.07	**880.45**	896.29
	Wonder City Buildcon Private Limited	Working Capital	**-**	-	-	**0.23**	0.05
	Godrej Green Homes Limited	Working Capital	**-**	-	-	**459.51**	0.24
	Mosiac Landmarks LLP	Working Capital	**2.46**	46.74	(44.28)	**34.36**	46.74
	Godrej Property Developers LLP	Working Capital	**0.12**	0.10	0.02	**0.12**	0.09
	Dream World Landmarks LLP	Working Capital	**68.13**	42.75	25.38	**69.69**	51.21
	Oxford Realty LLP	Working Capital	**72.35**	76.14	(3.79)	**91.10**	79.03
	Godrej SSPDL Green Acres LLP	Working Capital	**29.79**	18.85	10.94	**29.79**	20.20
	M S Ramaiah Ventures LLP	Working Capital	**2.60**	1.14	1.46	**2.60**	1.14
	Oasis Landmarks LLP	Working Capital	**106.52**	110.35	(3.82)	**130.39**	110.35
	Caroa Properties LLP	Working Capital	**208.39**	158.09	50.30	**220.01**	158.09
	Godrej Construction Projects LLP	Working Capital	**34.87**	9.48	25.39	**34.87**	12.72
	Godrej Housing Projects LLP	Working Capital	**72.29**	26.44	45.85	**73.55**	26.44
	Amitis Developers LLP	Working Capital	**48.61**	25.99	22.62	**48.61**	25.99
	Godrej Land Developers LLP	Working Capital	**0.02**	0.01	0.01	**0.02**	0.01
	Godrej Developers & Properties LLP	Working Capital	**29.53**	0.01	29.52	**29.53**	0.01
	Godrej Highrises Realty LLP	Working Capital	**3.30**	2.85	0.46	**3.30**	2.85
	Godrej Project Developers & Properties LLP	Working Capital	**0.02**	0.01	0.01	**0.02**	0.01
	Wonder Projects Development Private Limited	Working Capital	**-**	-	-	**0.65**	50.04
	A R Landcraft LLP	Working Capital	**55.21**	79.70	(24.49)	**91.98**	79.90
	Prakhhyat Dwellings LLP	Working Capital	**15.48**	9.10	6.39	**15.48**	9.10

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Currency in INR Crore)

Sr. No.	Nature of Transaction (loans given / investment made / guarantee given / security provided)	Purpose for which the loan / guarantee / security is proposed to be utilised by the recipient	Balance as at		Movement during the Year	Maximum Outstanding During the year	
			March 31, 2018	March 31, 2017		**March 31, 2018**	March 31, 2017
	Bavdhan Realty @ Pune 21 LLP	Working Capital	**4.16**	2.73	1.43	**4.16**	2.73
	Pearlite Real Properties Private Limited	Working Capital	**-**	0.55	(0.55)	**0.65**	7.89
	Godrej Highrises Properties Private Limited	Working Capital	**71.65**	0.00	71.65	**71.65**	-
	Citystar Infraprojects Limited	Working Capital	**0.36**	0.34	0.01	**0.36**	0.34
	Godrej Highview LLP	Working Capital	**104.75**	-	104.75	**113.92**	-
	Godrej Projects (Soma) LLP	Working Capital	**0.00**	-	0.00	**0.00**	-
	Godrej Projects North LLP (formerly known as Godrej Projects (Bluejay) LLP)	Working Capital	**0.00**	-	0.00	**0.00**	-
	Godrej Projects North Star LLP (formerly known as Godrej Century LLP)	Working Capital	**10.38**	-	10.38	**10.38**	-
	Godrej Irismark LLP	Working Capital	**46.29**	-	46.29	**46.29**	-
	Sai Srushti Onehub Projects LLP	Working Capital	**0.59**	-	0.59	**25.42**	-
2	**Guarantees**						
	Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited)	Working Capital	**4.45**	4.08	0.36		
	Oasis Landmarks LLP	Working Capital	**4.50**	4.50	-		
	Mosiac Landmarks LLP	Working Capital	**-**	0.05	(0.05)		
	Dream World Landmarks LLP	Working Capital	**0.10**	0.10	-		
3	**Investment in fully paid-up equity instruments and current investments**		Refer Note 6				

* The disclosure is in accordance with section 186 before giving effect of amalgamation.

INR 0.00 represents amount less than INR 50,000

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

ANIRUDDHA GODBOLE
Partner
Membership No: 105149
Mumbai
May 04, 2018

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

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428
Mumbai
May 04, 2018

RAJENDRA KHETAWAT
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GODREJ PROPERTIES LIMITED

Report on the consolidated Ind AS financial statements

We have audited the accompanying consolidated Ind AS financial statements of Godrej Properties Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and its joint ventures, which comprise the consolidated Balance Sheet as at 31 March 2018, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year ended on that date, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's responsibility for the consolidated Ind AS financial statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated statement of affairs, consolidated profit (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows of the Group, its associate and its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies / Designated Partners of the Limited Liability Partnerships included in the Group, its associate and its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associate and its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies / Designated Partners of the Limited Liability Partnerships included in the Group, its associate and its joint ventures are responsible for assessing the ability of the Group, its associate and its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group, its associate and its joint ventures or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, its associate and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditors' report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group, its associate and its joint ventures to cease to continue as a going concern.

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and on the other financial information of the subsidiary, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and its joint ventures as at 31 March 2018, their consolidated profit (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

Other Matters

(a) We did not audit the Ind AS financial information of one subsidiary whose financial information reflect total assets of Rs Nil and net assets of Rs Nil as at 31 March 2018, total revenues of Rs. 2.28 crore, total profit after tax of Rs 1.52 crore and total comprehensive income (comprising of profit and other comprehensive income) of Rs 1.52 crore for the period from 1 April 2017 to 21 June 2017, as considered in the consolidated Ind AS financial statements. This financial information is unaudited and has been furnished to us by the Management of the Holding Company and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management of the Holding Company, this financial information is not material to the Group.

    Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the financial statements certified by the Management.

(b) The audited consolidated Ind AS financial statements of the Group, its associate and its joint ventures for the corresponding year ended 31 March 2017 prepared in accordance with Ind AS included in these consolidated Ind AS financial statements, have been audited by the predecessor auditor whose audit report dated 4 May 2017 expressed an unmodified opinion on those audited consolidated Ind AS financial statements.

Report on other legal and regulatory requirements

1. As required by Section 143 (3) of the Act, based on our audit and other financial information of subsidiary, as noted in the 'Other matters' paragraph, we report, to the extent applicable, that:

   (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

   (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books;

   (c) the consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

   (d) in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act;

(e) on the basis of the written representations received from the directors of the Group companies, associate company and joint venture companies incorporated in India as on 31 March 2018, and taken on record by the Board of Directors of the Group companies, associate company and joint venture companies incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) with respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls of the Holding Company, its subsidiary companies, its associate company and its joint venture companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"; and

(g) with respect to the other matters to be included in the auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and also the other financial information of the subsidiary, as noted in the 'Other Matters' paragraph:

i. the consolidated Ind AS financial statements disclose the impact of pending litigations on consolidated financial position of the Group, its associate and its joint ventures – Refer Note 44 to the consolidated Ind AS financial statements;

ii. the Group, its associate and its joint ventures has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts – Refer Note 51 to the consolidated Ind AS financial statements. The Group, its associate and its joint ventures did not have any derivative contracts during the year;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group, its associate and its joint venture companies incorporated in India; and

iv. the disclosures in the consolidated Ind AS financial statements regarding holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However, amounts as appearing in the audited consolidated Ind AS financial statements for the period ended 31 March 2017 have been disclosed.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Aniruddha Godbole
Partner
Membership No: 105149

Mumbai
4 May 2018

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2018

(Referred to in our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of Godrej Properties Limited ("the Holding Company") as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of the Holding Company, its subsidiary companies (the Holding Company and its subsidiary companies together referred to as "the Group"), its associate company and its joint venture companies, in respect of companies incorporated in India and to whom the internal control over financial reporting is applicable, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate company and its joint venture companies, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Group, its associate and its joint ventures has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Holding Company, its subsidiary companies, its associate company and its joint venture companies incorporated in India and to whom the internal control over financial reporting is applicable, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Aniruddha Godbole
Partner
Membership No: 105149

Mumbai
4 May 2018

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

(Currency in INR Crore)

Particulars	**Note**	**As At March 31, 2018**	As At March 31, 2017
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	**84.82**	74.79
Capital Work-in-Progress	3	**71.37**	0.01
Investment Property	4	**2.48**	-
Goodwill		**0.04**	0.04
Other Intangible Assets	5	**25.29**	27.23
Intangible Assets Under Development		**0.12**	0.02
Investment in Joint Ventures and Associate	6	**290.54**	81.40
Financial Assets			
Other Investments	7	**686.33**	312.35
Loans	8	**83.81**	76.42
Other Non-Current Financial Assets	9	**0.01**	1.93
Deferred Tax Assets (Net)	10	**160.82**	159.26
Income Tax Assets (Net)		**116.40**	118.89
Other Non-Current Non Financial Assets	11	**15.28**	19.76
Total Non-Current Assets		**1,537.31**	872.10
Current Assets			
Inventories	12	**2,343.69**	3,966.12
Financial Assets			
Investments	13	**543.84**	366.26
Trade Receivables	14	**192.48**	230.84
Cash and Cash Equivalents	15	**126.31**	66.06
Bank Balances other than above	16	**188.42**	44.36
Loans	17	**1,081.85**	719.84
Other Current Financial Assets	18	**904.93**	741.58
Other Current Non Financial Assets	19	**203.36**	173.70
Total Current Assets		**5,584.88**	6,308.76
TOTAL ASSETS		**7,122.19**	7,180.86
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	20	**108.24**	108.18
Other Equity	21	**2,132.05**	1,895.55
Total Equity		**2,240.29**	2,003.73
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	22	**500.00**	474.76
Provisions	23	**11.33**	6.54
Deferred Tax Liabilities (Net)	10	**0.59**	0.20
Total Non-Current Liabilities		**511.92**	481.50
Current Liabilities			
Financial Liabilities			
Borrowings	24	**3,202.86**	3,505.65
Trade Payables	25	**312.63**	517.06
Other Current Financial Liabilities	26	**226.80**	158.56
Other Current Non Financial Liabilities	27	**577.74**	498.28
Provisions	28	**3.46**	0.34
Current Tax Liabilities (Net)		**46.49**	15.74
Total Current Liabilities		**4,369.98**	4,695.63
TOTAL EQUITY AND LIABILITIES		**7,122.19**	7,180.86
Accounting Policies	1		

The accompanying notes 1 to 55 form an integral part of the Consolidated Financial Statements.

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

ANIRUDDHA GODBOLE
Partner
Membership No: 105149
Mumbai
May 04, 2018

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

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428
Mumbai
May 04, 2018

RAJENDRA KHETAWAT
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(Currency in INR Crore)

Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
INCOME			
Revenue from Operations	29	**1,889.20**	1,582.93
Other Income	30	**501.47**	118.45
Total Income		**2,390.67**	1,701.38
EXPENSES			
Cost of Sales	31	**1,468.66**	1,080.90
Employee Benefits Expense	32	**138.42**	92.84
Finance Costs	33	**150.13**	103.82
Depreciation and Amortisation Expense	34	**16.13**	14.50
Other Expenses	35	**286.52**	156.50
Total Expenses		**2,059.86**	1,448.56
Profit before share of profit in joint ventures and associate and tax		**330.81**	252.82
Share of profit of joint ventures and associate (net of tax)		**6.02**	31.68
Profit before Tax		**336.83**	284.50
Tax Expense			
Current Tax	10(b)	**101.47**	109.77
Deferred Tax Charge/(Credit)	10(a)	**0.40**	(32.07)
Total Tax Expense		**101.87**	77.70
Profit for the Year		**234.96**	206.80
Other Comprehensive Income			
Items that will not be subsequently reclassified to profit or loss			
Remeasurements of the defined benefit plan		**(4.31)**	(0.48)
Tax on above	10(a)	**1.50**	0.16
Items that will be subsequently reclassified to profit or loss			
Exchange difference in translating the financial statements of a foreign operation.		**-**	(0.36)
Other Comprehensive Income for the Year (Net of Tax)		**(2.81)**	(0.68)
Total Comprehensive Income for the Year		**232.15**	206.12
Earnings Per Share (Amount in INR)			
Basic	36	**10.86**	9.60
Diluted	36	**10.85**	9.55
Accounting Policies	1		

The accompanying notes 1 to 55 form an integral part of the Consolidated Financial Statements.

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

ANIRUDDHA GODBOLE
Partner
Membership No: 105149
Mumbai
May 04, 2018

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

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428
Mumbai
May 04, 2018

RAJENDRA KHETAWAT
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

(Currency in INR Crore)

a) Equity Share Capital

Particulars	As At March 31, 2018	As At March 31, 2017
Balance at the beginning of the year	**108.18**	108.13
Changes in equity share capital during the year	**0.06**	0.05
Balance at the end of the year	**108.24**	108.18

b) Other Equity

Particulars	Reserves and Surplus								Total
	Capital Reserve	Capital Reserve on Account of Amalgamation	Securities Premium	Debenture Redemption Reserve	Employee Stock Grant Scheme Reserve	Retained Earnings	Treasury Shares	Exchange differences on translating the financial statements of a foreign operation	
Balance as at April 01, 2016	-	132.62	1,696.67	-	3.86	(146.32)	(30.12)	(0.01)	1,656.70
Total Comprehensive Income:									
i) Profit for the year	-	-	-	-	-	206.80	-	-	206.80
ii) Remeasurements of the defined benefit plan (net of tax)	-	-	-	-	-	(0.32)	-	-	(0.32)
iii) Exchange difference in translating the financial statements of a foreign operation	-	-	-	-	-	-	-	(0.36)	(0.36)
Adjustments:									
i) Share issue expenses (net of deferred tax)	-	-	-	-	-	(2.44)	-	-	(2.44)
ii) Sale of treasury shares	7.20	-	-	-	-	-	30.12	-	37.32
iii) Transfer to securities premium on exercise of stock grants	-	-	2.55	-	(2.55)	-	-	-	-
iv) Put option liability	-	-	-	-	-	(4.64)	-	-	(4.64)
v) Share based payments to employees (Refer Note 41)	-	-	-	-	2.38	0.11	-	-	2.49
Balance as at March 31, 2017	7.20	132.62	1,699.22	-	3.69	53.19	-	(0.37)	1,895.55
Balance as at April 01, 2017	7.20	132.62	1,699.22	-	3.69	53.19	-	(0.37)	1,895.55
Total Comprehensive Income:									
i) Profit for the year	-	-	-	-	-	234.96	-	-	234.96
ii) Remeasurements of the defined benefit plan (net of tax)	-	-	-	-	-	(2.81)	-	-	(2.81)
Adjustments:									
i) Additions during the year	-	(0.01)	-	-	-	-	-	0.37	0.36
ii) Transfer to debenture redemption reserve	-	-	-	50.00	-	(50.00)	-	-	-
iii) Transfer to securities premium on exercise of stock grants	-	-	3.03	-	(3.03)	-	-	-	-
iv) Share based payments to employees (Refer Note 41)	-	-	-	-	3.99	-	-	-	3.99
Balance as at March 31, 2018	**7.20**	**132.61**	**1,702.25**	**50.00**	**4.65**	**235.34**	**-**	**-**	**2,132.05**

The accompanying notes 1 to 55 form an integral part of the Consolidated Financial Statements.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

ANIRUDDHA GODBOLE
Partner
Membership No: 105149
Mumbai
May 04, 2018

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

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428
Mumbai
May 04, 2018

RAJENDRA KHETAWAT
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

(Currency in INR Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash Flow from Operating Activities		
Profit before tax	**336.83**	284.50
Adjustment for:		
Depreciation and amortisation expense	**16.13**	14.50
Finance costs	**150.13**	103.82
Profit on sale of property, plant and equipment (net)	**(0.08)**	(0.20)
Share of profit in joint ventures and associate	**(6.02)**	(31.68)
Share based payments to employees	**3.99**	2.49
Expenses on amalgamation	**1.07**	1.35
Interest income	**(141.57)**	(95.42)
Profit on sale of investments (net)	**(209.44)**	(18.31)
Income from Investment measured at FVTPL	**(147.71)**	(3.46)
Allowance for bad and doubtful debts	**39.95**	-
Write down of inventories	**100.87**	14.27
Lease rent from investment property	**(0.37)**	-
Operating Profit before working capital changes	**143.78**	271.86
Changes in Working Capital:		
Increase/(Decrease) in Non-financial Liabilities	**83.87**	(151.04)
(Decrease) in Financial Liabilities	**(135.98)**	(355.98)
Decrease in Inventories	**1,248.31**	157.34
(Increase)/Decrease in Non-financial Assets	**(31.68)**	20.78
(Increase) in Financial Assets	**(82.36)**	(126.59)
	1,082.16	(455.49)
Taxes Paid (net)	**(68.39)**	(160.32)
Net Cash Flows generated from/(used in) operating activities	**1,157.55**	(343.95)
Cash Flow from Investing Activities		
Acquisition of property, plant and equipment, investment property and intangible assets*	**(150.43)**	(12.90)
Proceeds from sale of property, plant and equipment	**0.14**	0.29
Investment in debentures of joint ventures	**(102.77)**	(99.04)
Proceeds from redemption of debentures of joint ventures	**-**	28.48
(Purchase) / Sale of mutual funds (net)	**(155.54)**	21.99
(Purchase) / Sale of investments in fixed deposits (net)	**(161.75)**	15.64
Investment in joint ventures and associate	**(20.16)**	-
Proceeds from sale of investment in subsidiaries (Refer Note (c) below)	**201.24**	1.56
Loan given to joint ventures (net)	**(668.08)**	(242.73)
Loan given to others (net)	**(8.11)**	20.58
Expenses of amalgamation	**(1.07)**	(1.35)
Interest Received	**90.00**	71.59
Lease rent from investment property	**0.37**	-
Net cash flows (used in) investing activities	**(976.16)**	(195.89)
Cash Flow from Financing Activities		
Proceeds from Issue of equity share capital (net of issue expenses)	**0.06**	0.05
Proceeds from long-term borrowings	**500.00**	-
Repayment of long-term borrowings	**(474.75)**	(30.73)
(Repayment of) / Proceeds from short-term borrowings (net)	**(221.68)**	625.43
Interest paid	**(298.43)**	(314.19)
Proceeds from sale of treasury shares	**2.63**	34.82
Payment of unclaimed dividend	**(0.01)**	(0.00)
Payment of unclaimed fixed deposits	**(0.69)**	(0.73)
Net Cash Flows (used in)/ generated from financing activities	**(492.87)**	314.65

INR 0.00 represents amount less than INR 50,000

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

(Currency in INR Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Net (Decrease) in Cash and Cash Equivalents	**(311.48)**	(225.19)
Cash and Cash Equivalents - Opening Balance	**(188.51)**	36.68
Cash and Cash Equivalents - Closing Balance	**(499.99)**	(188.51)

Notes :

(a) The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) -7 "Statement Cash Flows".

(b) Reconciliation of Cash and Cash Equivalents as per the Consolidated Statement of Cash Flows.
Cash and Cash Equivalents as per the above comprise of the following:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash and Cash Equivalents (Refer Note 15)	**126.31**	66.06
Less: Bank Overdrafts repayable on Demand	**626.30**	254.55
Cash and Cash Equivalents as per Consolidated Statement of Cash Flows	**(499.99)**	(188.51)

(c) Effect of disposal of subsidiary on the financial position of the Group:

Particulars	For the year ended March 31, 2018
Capital work-in-progress	**476.72**
Investments in joint ventures and associate	**0.00**
Deferred tax assets (Net)	**0.10**
Current Non-Financial Assets	**2.39**
Cash and cash equivalents	**0.13**
Non Current Financial Liabilities	**456.56**
Current Financial Liabilities	**21.69**
Current Non-Financial Liabilities	**0.79**
Assets net of Liabilities	**0.29**
Consideration received, satisfied in cash	**136.17**
Cash and Cash Equivalents disposed of	**(0.13)**
Net Cash Inflows	**136.04**

(d) Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes:

Reconciliation of liabilities arising from financing activities

Particulars	As at April 01, 2017	Changes Consolidated Statement of Cash Flows	Non Cash Changes			As at March 31, 2018
			Acquisition	Changes from losing control of subsidiaries	Fair Value Changes	
Long-term borrowings	474.76	25.24	-	-	-	**500.00**
Short-term borrowings	3,248.36	(221.68)	-	(456.56)	-	**2,570.12**

(e) The above Consolidated Statement of Cash Flows include INR 2.08 Crore (Previous Year: INR 2.86 Crore) towards Corporate Social Responsibility (CSR) activities (Refer Note 46).

* During the year, INR 12.79 Crore, INR 64.79 Crore and INR 2.59 Crore of inventories have been transferred to Property, Plant and Equipment, Capital work-in-progress and investment property respectively.

INR 0.00 represents amount less than INR 50,000

The accompanying notes 1 to 55 form an integral part of the Consolidated Financial Statements.

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

ANIRUDDHA GODBOLE
Partner
Membership No: 105149
Mumbai
May 04, 2018

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

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428
Mumbai
May 04, 2018

RAJENDRA KHETAWAT
Chief Financial Officer

Note 1

I Group overview

Godrej Properties Limited ("the Company") having CIN: L74120MH1985PLC035308, together with its subsidiaries, joint ventures and associate, collectively referred to as ("the Group") is engaged primarily in the business of real estate construction, development and other related activities. The Company is a public limited Company incorporated and domiciled in India having its registered office at Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai - 400079. The Company's equity shares are listed on The Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE).

II Basis of preparation and measurement

The financial statements of the subsidiaries, joint ventures and associate used for the purpose of consolidation are drawn upto the same reporting date as that of the Company, i.e. March 31, 2018.

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 ("the 2013 Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, and the relevant provisions and amendments, as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention except certain financial instruments, defined benefit plans and share based payments measured at fair value.

The consolidated financial statements of the Group for the year ended March 31, 2018 were approved by the Board of Directors and authorised for issue on May 04, 2018.

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

b) Functional and presentation currency

These consolidated financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest crore, unless otherwise stated.

c) Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires the use of estimates, judgements and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

- *Evaluation of percentage completion for the purpose of revenue recognition*

  Determination of revenue 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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the consolidated financial statements for the period in which such changes are determined.

- *Evaluation of control*

  The Group makes assumptions, when assessing whether it exercises control, joint control or significant influence over entities in which it holds less than 100 percent of the voting rights. These assumptions are made based on the contractual rights with the other shareholders, relevant facts and circumstances which indicate that the Group has power over the potential subsidiary or that joint control exists. Changes to contractual arrangements or facts and circumstances are monitored and are evaluated to determine whether they have a potential impact on the assessment as to whether the Group is exercising control over its investment.

- *Useful life and residual value of property, plant and equipment and intangible assets*

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

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

- *Recognition and measurement of defined benefit obligations*

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

- *Share based payments*

  Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses Black-Scholes model. The assumptions used for estimating fair value for share-based payment transactions are disclosed in Note 41 to the consolidated financial statements.

- *Fair value measurement of financial instruments*

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

- *Recognition of deferred tax asset*

  The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

- *Provisions and contingencies*

  The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

d) Standards issued but not yet effective

Ind AS 115 - Revenue from Contracts with Customer (the new revenue recognition standard) has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and will be effective from April 01, 2018. Hence, from April 01, 2018, revenue recognition of the Group shall be driven by this standard.

Ind AS 115 provides guidance on how the entity shall recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This accounting change may bring about significant changes in the way companies recognise, present and disclose their revenue.

The Group is currently evaluating the effect of this standard.

e) Measurement of fair values

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

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

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

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

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

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

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

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

III Significant Accounting Policies

a) Basis of Consolidation

i) Business combination

- The Group accounts for each business combination (other than common control transactions) by applying the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.
- The Group measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (measured at fair value) of the identifiable assets acquired and liabilities (including contingent liabilities in case such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably) assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognised as capital reserve.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to settlement of pre-existing relationships.
- Transaction costs that the Group incurs in connection with a business combination are expensed as incurred except to the extent related to the issue of debt or equity securities.
- On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.
- Put options issued to non-controlling interests are recognised as a liability and the subsequent changes in the put option are recognised directly in reserves.
- Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders. The difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.
- Common control transactions are accounted for based on pooling of interests method where the assets and liabilities of the acquiree are recorded at their existing carrying values. The identity of reserves of the acquiree is preserved and the difference between consideration and the face value of the share capital of the acquiree is transferred to capital reserve, which is shown separately from other capital reserves.
- The financial information in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements irrespective of the actual date of the combination.

ii) Subsidiaries

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Group is exposed to, or has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis while eliminating the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the consolidated statement of profit and loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost and the differential is recognised in the consolidated statement of profit and loss. Subsequently, it is accounted for as an equity-accounted investee depending on the level of influence retained.

iii) Joint Ventures and associate (equity accounted investees)

The Group's interests in equity accounted investees comprise interests in joint ventures and associate.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures and associate are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

When the Group's share of losses in an equity accounted investment equals or exceeds its interest in an entity; the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of other entity.

iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in full while preparing these consolidated financial statements. Unrealised gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Deferred tax asset or liability is created on any temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

v) Acquisition of non-controlling interest

Acquisition of some or all of the non-controlling interest ("NCI") is accounted for as a transaction with equity holders in their capacity as equity holders. Consequently, the difference arising between the fair value of the purchase consideration paid and the carrying value of the NCI is recorded as an adjustment to retained earnings that is attributable to the Company. The associated cash flows are classified as financing activities. No goodwill is recognised as a result of such transactions.

b) Property, plant and equipment, depreciation and amortisation

i) Recognition and Measurement

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

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

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

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

Assets under construction includes the cost of property, plant and equipment that are not ready to use at the balance sheet date. Advances paid to acquire property, plant and equipment before the balance sheet date are disclosed under other non-current assets. Assets under construction are not depreciated as these assets are not yet available for use.

ii) Subsequent expenditure

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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

iii) Depreciation and amortisation

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

Depreciation on property, plant and equipment of the Group has been provided using the written down value method based on the useful lives specified in Schedule II to the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, these are based on internal technical evaluation.

The useful lives of certain motor vehicles are estimated in the range of 3-8 years. These lives are different from those indicated in Schedule II.

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

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

c) Investment property and depreciation

i) Recognition and Measurement:

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation.

ii) Depreciation

Depreciation on Investment Property is provided using the written down value method based on the useful lives specified in Schedule II to the Companies Act, 2013.

d) Intangible assets and amortisation

i) Recognition and measurement

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

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

ii) Subsequent expenditure

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

iii) Amortisation

Intangible assets are amortised over their estimated useful life using straight line method.

Trademark is amortised over a period of 20 years.

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

e) Impairment of non-financial assets

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

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

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

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

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

f) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of entities within the Group at exchange rates at the dates of the transactions.

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

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

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

In case of foreign operations whose functional currency is different from the parent company's functional currency, the assets and liabilities of such foreign operations, including goodwill and fair value adjustments arising upon acquisition, are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the average exchange rates prevailing during the year. Resulting foreign currency differences are recognised in other comprehensive income or (loss) and presented within equity as part of foreign currency translation reserve (FCTR). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to the consolidated statement of profit and loss.

g) Financial instruments

I. Financial assets

<u>Classification</u>

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

<u>Initial recognition and measurement</u>

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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

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

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

Debt instruments at fair value through Profit or Loss

Debt instruments included in the fair value through profit or loss (FVTPL) category are measured at fair value with all changes recognised in the consolidated statement of profit and loss.

Equity investments

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

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the consolidated statement of profit and loss.

Derecognition

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

(a) the rights to receive cash flows from the asset have expired, or

(b) the Group has transferred substantially all the risks and rewards of the asset, or

(c) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

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

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

b) Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

II. Financial liabilities

Classification

The Group classifies all financial liabilities as subsequently measured at amortised cost.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the consolidated statement of profit and loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transactions costs. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

III. Share Capital

Ordinary equity shares

Incremental costs directly attributable to the issue of ordinary equity shares are recognised as a deduction from equity.

Treasury shares

The Company has created an Employee Stock Options Trust (ESOP) for providing share-based payment to its employees. The Company uses ESOP as a vehicle for distributing shares to employees under the employee remuneration schemes. The ESOP buys shares of the Company from the market, for giving shares to employees. The Company treats ESOP as its extension and shares held by ESOP are treated as treasury shares.

Treasury shares are recognised at cost and deducted from equity. No gain or loss is recognised in the consolidated statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting period are deducted from treasury shares.

h) Inventories

Inventories comprising of completed flats and construction work-in-progress are valued at lower of cost or net realisable value.

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

i) Revenue recognition

The Group is following the "Percentage of Completion Method" of accounting. As per this method, sale of real estate development is recognised in the consolidated statement of profit and loss in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the Group on transfer of significant risk and rewards to the buyer.

In accordance with the "Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable)", construction revenue on such projects, measured at the fair value (i.e. adjusted for discounts, incentives, time value of money adjustments etc.), have been recognised based on percentage of completion method provided the following thresholds have been met:

(a) All critical approvals necessary for the commencement of the project 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 contract consideration is realised at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

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

The Group has been entering into Development and Project Management agreements with land-owners. Accounting for income from such projects, measured at fair value, is done on accrual basis as per the terms of the agreement.

The Group receives maintenance amount from the customers and utilises the same towards the maintenance of the respective projects. Revenue is recognised to the extent of maintenance expenses incurred by the Group towards maintenance of respective projects. Balance amount of maintenance expenses to be incurred is reflected as liability under the head other current liabilities.

Interest income is accounted on an accrual basis at effective interest rate.

Dividend income and share of profit in LLP is recognised when the right to receive the same is established.

j) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in the consolidated statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (including those arising from consolidation adjustments such as unrealised profit on inventory etc.).

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent there is convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

c) The Group has a legally enforceable right to set off current tax assets against current tax liabilities; and

d) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Minimum Alternative Tax (MAT)

MAT credit is recognised as a deferred tax asset only when and to the extent there is a convincing evidence that the Group will pay normal tax during specified period. MAT credit is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

k) Employee benefits

i) Short term employee benefits

Short-term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans such as Provident Fund and Employee State Insurance Corporations are expensed as the related service is provided.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, after discounting the same.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses are recognised immediately in other comprehensive income (OCI). Re-measurement, if any, are not reclassified to the consolidated statement of profit and loss in subsequent period. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, based on the market yield on government securities as at the reporting date, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the consolidated statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the consolidated statement of profit and loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

ii) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. They are therefore measured at the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method. The discount rates used are based on the market yields on government securities as at the reporting date. Re- measurements are recognised in the consolidated statement of profit and loss in the period in which they arise.

l) Share-based payment transactions

Employees Stock Options Plans ("ESOPs") and Employee Stock Grant Scheme ("ESGS"): The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "Employee stock grant scheme reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest.

m) Leases

i) Finance Lease

Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

ii) Operating Lease

Agreements which are not classified as finance leases are considered as operating lease.

Operating lease payments/income are recognised as an expense/income in the consolidated statement of profit and loss on a straight line basis over the lease term unless there is another systematic basis which is more representative of the time pattern of the lease.

n) Borrowing costs

Borrowing costs are interest and other costs that the Group incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

Borrowing costs, pertaining to development of long term projects, are transferred to Construction work in progress, as part of the cost of the projects upto the time all the activities necessary to prepare these projects for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period which they are incurred.

o) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

p) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

q) Provisions and contingent liabilities

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the notes. Contingent liabilities are disclosed for:

i) possible obligations which will be confirmed only by future events not wholly within the control of the Group; or

ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the consolidated financial statements. However, the same are disclosed in the consolidated financial statements where an inflow of economic benefit is probable.

r) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted with the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

2 Property, Plant and Equipment

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION/ AMORTISATION				NET BLOCK	
	As at April 01, 2017	Additions during the year	Deductions during the year	As at March 31, 2018	As at April 01, 2017	For the Year	Deductions	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Freehold Land	0.06	-	-	0.06	-	-	-	-	0.06	0.06
Building	59.99	13.05	-	73.04	5.36	3.03	-	8.39	64.65	54.63
Leasehold Improvements	7.72	0.19	-	7.91	2.46	1.72	-	4.18	3.73	5.26
Office Equipments	3.51	0.32	-	3.83	1.90	0.74	-	2.64	1.19	1.61
Site Equipments	0.63	0.16	-	0.79	0.05	0.32	-	0.37	0.42	0.58
Furniture and Fixtures	10.50	4.49	-	14.99	4.17	1.79	-	5.96	9.03	6.33
Computers	9.78	3.15	0.47	12.46	5.92	3.11	0.42	8.61	3.85	3.86
Vehicles	3.61	1.10	0.06	4.65	1.39	2.08	0.06	3.41	1.24	2.22
Electrical Installations and Equipments	0.44	0.59	-	1.03	0.20	0.18	-	0.38	0.65	0.24
Total Property, Plant and Equipment	**96.24**	**23.05**	**0.53**	**118.76**	**21.45**	**12.97**	**0.48**	**33.94**	**84.82**	**74.79**

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION/ AMORTISATION				NET BLOCK	
	As at April 01, 2016	Additions during the year	Deductions during the year	As at March 31, 2017	As at April 01, 2016	For the Year	Deductions	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Freehold Land	0.06	-	-	0.06	-	-	-	-	0.06	0.06
Building	59.12	0.87	-	59.99	2.66	2.70	-	5.36	54.63	56.46
Leasehold Improvements	7.97	0.61	0.86	7.72	1.65	1.68	0.87	2.46	5.26	6.32
Office Equipments	2.93	0.60	0.02	3.51	0.92	0.99	0.01	1.90	1.61	2.01
Site Equipments	-	0.63	-	0.63	-	0.05	-	0.05	0.58	-
Furniture and Fixtures	9.95	0.56	0.01	10.50	1.99	2.18	0.00	4.17	6.33	7.96
Computers	6.51	3.39	0.12	9.78	3.07	2.94	0.09	5.92	3.86	3.44
Vehicles	2.09	1.99	0.47	3.61	0.89	0.92	0.42	1.39	2.22	1.20
Electrical Installations and Equipments	0.44	-	-	0.44	0.12	0.08	-	0.20	0.24	0.32
Total Property, Plant and Equipment	**89.07**	**8.65**	**1.48**	**96.24**	**11.30**	**11.54**	**1.39**	**21.45**	**74.79**	**77.77**

Of the above, a Building carrying value INR 56.49 Crore (Previous Year: INR 58.50 Crore) is subject to first charge for secured bank loans (Refer Note 24).

3 Capital Work-In-Progress

	March 31, 2018	March 31, 2017
Property, Plant and Equipment	**-**	0.01
Investment property under construction	**71.37**	-
	71.37	0.01

(a) Refer Note 44 for disclosure of Capital Commitments for acquisition of Property, Plant and Equipment.

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

4 Investment Property

Reconciliation of Carrying Amount

Particulars	Investment Property
Gross Block	
As at April 01, 2016	-
Transferred from Inventories	-
Disposals/Adjustments	-
As at March 31, 2017	-
Transferred from Inventories	2.59
Disposals/Adjustments	-
As at March 31, 2018	**2.59**
Accumulated Depreciation	
As at April 01, 2016	-
For the Year	-
Deductions	-
As at March 31, 2017	-
For the Year	0.11
Deductions	-
As at March 31, 2018	**0.11**
Net Block	
As at March 31, 2017	-
As at March 31, 2018	**2.48**

Information regarding income and expenditure of Investment Property

Particulars	March 31, 2018	March 31, 2017
Rental Income derived from Investment Property	0.37	-
Direct Operating Expenses	-	-
Profit arising from Investment Property before depreciation	0.37	-
Less: Depreciation	0.11	-
Profit arising from Investment Property	0.26	-

(a) The Group's investment property consists of a commercial property in India.

(b) Based on the intention and revised business plans, a commercial building owned by the Group is considered as being held for capital appreciation and rental income rather than for business purposes. Hence, the Group has reclassified the same from inventories to investment property.

(c) The Group has no restriction on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

(d) Though the Group measures investment property using cost based measurement, the fair value of investment property is based on valuation performed by an accredited independent valuer. The main inputs used are location and locality, facilities and amenities, quality of construction, residual life of building, business potential, supply and demand, local nearby enquiry, market feedback of investigation and ready reckoner published by the Government.

(e) Fair valuation is based on rent capitalisation method which is INR 9.23 Crore (Previous Year: Nil) . The fair value measurement is categorised in level 3 fair value hierarchy.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
(Currency in INR Crore)

5 Intangible Assets

Particulars	GROSS BLOCK				ACCUMULATED AMORTISATION				NET BLOCK	
	As at April 01, 2017	Additions during the year	Deductions during the year	As at March 31, 2018	As at April 01, 2017	For the Year	Deductions	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Licenses and Software	8.41	1.11	-	9.52	3.00	1.70	-	4.70	4.82	5.41
Trade Mark	24.52	-	-	24.52	2.70	1.35	-	4.05	20.47	21.82
Total Intangible Assets	**32.93**	**1.11**	**-**	**34.04**	**5.70**	**3.05**	**-**	**8.75**	**25.29**	**27.23**

Particulars	GROSS BLOCK				ACCUMULATED AMORTISATION				NET BLOCK	
	As At April 01, 2016	Additions during the year	Deductions during the year	As At March 31, 2017	As at April 01, 2016	For the Year	Deductions	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Licenses and Software	7.14	1.27	-	8.41	1.39	1.61	-	3.00	5.41	5.75
Trade Mark	24.52	-	-	24.52	1.35	1.35	-	2.70	21.82	23.17
Total Intangible Assets	**31.66**	**1.27**	**-**	**32.93**	**2.74**	**2.96**	**-**	**5.70**	**27.23**	**28.92**

6 Investment in Joint Ventures and Associate

	March 31, 2018	March 31, 2017
a) Investment in Equity Instruments (Fully Paid-up unless stated otherwise)		
(i) Investment in Joint Ventures		
884,850 (Previous Year: 884,850) Equity Shares of INR 10/- each of		
Godrej Realty Private Limited	**5.11**	5.42
114,191 (Previous Year: 111,054) Class B and Ordinary Equity Shares of INR 10/- each of		
Wonder Space Properties Private Limited	**0.87**	0.81
810,420 (Previous Year: 810,420) Equity Shares of INR 10/- each of		
Wonder City Buildcon Private Limited	**-**	-
1,071,770 (Previous Year: 1,071,770) Equity Shares of INR 10/- each of		
Godrej Home Constructions Private Limited	**-**	-
1,050,100 (Previous Year: 700,100) Equity Shares of INR 10/- each of		
Wonder Projects Development Private Limited	**-**	-
1,306,000 (Previous Year: 176,000) Equity Shares of INR 10/- each of		
Godrej Real View Developers Private Limited	**-**	0.18
3,552,500 (Previous Year: 3,552,500) Class B Equity Shares of INR 10/- each of		
Pearlite Real Properties Private Limited	**-**	-
1,264,560 (Previous Year: 1,192,000) Equity Shares of INR 10/- each of		
Godrej Greenview Housing Private Limited	**-**	-
338,847 (Previous Year: Nil) Equity Shares of INR 10/- each of		
Godrej Green Homes Limited	**199.04**	-
(Classified as Subsidiary till March 16, 2018)		
260,000 (Previous Year: 100) Equity Shares of INR 10/- each of		
Godrej Skyline Developers Private Limited	**-**	-

(Currency in INR Crore)

		March 31, 2018	March 31, 2017
	25,500 (Previous Year: 25,500) Equity Shares of INR 10/- each of		
	Godrej Landmark Redevelopers Private Limited	**51.54**	51.62
	28,567 (Previous Year: 28,567) Equity Shares of INR 10/- each of		
	Godrej Redevelopers (Mumbai) Private Limited	**12.18**	9.27
	(ii) Investment in Associate		
	3,000 (Previous Year: 3,000) Equity Shares of INR 10/- each of		
	Godrej One Premises Management Private Limited	**0.00**	0.00
b)	**Investment in Preference Shares (Fully paid-up unless stated otherwise) (at Amortised Cost)**		
	(i) Investment in Joint Ventures		
	10,000 (Previous Year: Nil) 7% Redeemable Non-cumulative Preference Shares of INR 10/- each of **Godrej Green Homes Limited**	**0.01**	-
	13,000,000 (Previous Year: Nil) 12% Redeemable Non-cumulative Preference Shares of INR 10/- each of **Skyline Developers Private Limited**	**5.34**	-
c)	**Investment In Limited Liability Partnerships**		
	Mosiac Landmarks LLP	**11.15**	11.04
	Caroa Properties LLP	**-**	-
	Oxford Realty LLP	**2.89**	-
	A R Landcraft LLP	**-**	-
	Dream World Landmarks LLP	**0.10**	2.07
	M S Ramaiah Ventures LLP	**0.95**	0.97
	Godrej Developers & Properties LLP	**-**	-
	Oasis Landmarks LLP	**0.00**	-
	Godrej SSPDL Green Acres LLP	**-**	-
	Amitis Developers LLP	**-**	-
	Godrej Construction Projects LLP	**-**	-
	Bavdhan Realty @ Pune 21 LLP	**-**	0.01
	Godrej Housing Projects LLP	**-**	-
	Godrej Projects North Star LLP (formerly known as Godrej Century LLP)	**-**	-
	Prakhhyat Dwellings LLP	**-**	-
	Godrej Highview LLP	**1.36**	-
	Godrej Irismark LLP	**0.01**	-
	Sai Srushti Onehub Projects LLP	**-**	-
		290.54	81.40

Summarised information for those joint ventures which are material to the Group are as under:

The amount of investement in joint ventures and associate is after giving effect of Consolidated adjestments.

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

Summarised balance sheet of material joint ventures based on its Ind AS financials :

Particulars		**Godrej Skyline Developers Private Limited**	**Caroa Properties LLP**		**A R Landcraft LLP**	
Nature of relationship		**Joint Venture**	**Joint Venture**		**Joint Venture**	
Principal place of business		**Pune**	**Mumbai**		**NCR**	
% Ownership		**26.00%**	**35.00%**		**40.00%**	
Accounting method		**Equity accounted**	**Equity accounted**		**Equity accounted**	
		March 31, 2018	**March 31, 2018**	March 31, 2017	**March 31, 2018**	March 31, 2017
Current Assets Other Than Cash and Cash Equivalents		**290.26**	**405.74**	332.26	**587.41**	451.41
Cash and Cash equivalents		**0.01**	**2.07**	0.08	**38.48**	16.49
Non-current Assets		**0.16**	**5.53**	4.63	**18.66**	5.81
	(A)	**290.43**	**413.34**	336.97	**644.55**	473.71
Current Liabilities Other than Current Financial Liabilities but including Trade Payables		**9.99**	**211.03**	182.12	**176.71**	45.02
Current Financial Liabilities (other than Trade Payables)		**229.90**	**211.63**	162.26	**431.37**	388.89
Non-current Liabilities		**50.00**	**-**	-	**-**	-
	(B)	**289.89**	**422.66**	344.38	**608.08**	433.91
Net assets (100%)	**(A - B)**	**0.54**	**(9.32)**	(7.41)	**36.47**	39.80
% Holding		**26.00%**	**35.00%**	35.00%	**40.00%**	40.00%
Share of Net Worth		**0.14**	**(3.26)**	(2.59)	**14.59**	15.92
Less:						
Adjustment on Consolidation		**0.14**	**(3.26)**	(2.59)	**14.59**	15.92
Carrying amount of Investment in Joint Ventures		**-**	**-**	-	**-**	-

Summarised statement of profit and loss of material joint ventures based on its Ind AS financials:

(Currency in INR Crore)

Particulars	Godrej Skyline Developers Private Limited	Caroa Properties LLP		A R Landcraft LLP	
	March 31, 2018	**March 31, 2018**	March 31, 2017	**March 31, 2018**	March 31, 2017
Total Income	**0.25**	**6.95**	6.95	**92.08**	0.06
Depreciation and Amortisation Expense	**-**	**0.06**	0.10	**0.27**	0.29
Interest expense	**0.25**	**6.95**	6.95	**0.19**	0.06
Tax expense	**(0.16)**	**(0.80)**	(0.12)	**(0.90)**	(4.50)
Profit	**(0.46)**	**(1.91)**	(0.26)	**(3.34)**	(10.15)
Other Comprehensive Income	**-**	**-**	-	**-**	-
Total Comprehensive Income	**(0.46)**	**(1.91)**	(0.26)	**(3.34)**	(10.15)
Group's share of profit	**26.00%**	**35.00%**	35.00%	**40.00%**	40.00%
Group's share of OCI	**-**	**-**	-	**-**	-
Group's share of total comprehensive income	**(0.12)**	**(0.67)**	(0.09)	**(1.34)**	(4.06)

Refer Note 44 for the contingent liabilities and commitments relating to its interest in Joint Ventures.

Aggregate information for those joint ventures and associate that are not material to the Group are as under:

(i) Investment In Joint Ventures

Particulars	**March 31, 2018**	March 31, 2017
Carrying amount of Investment in Joint Ventures	**290.54**	81.40
Summarised statement of profit and loss		
Profit For the Year	**10.36**	71.25
Other Comprehensive Income for the year	**-**	-
Total Comprehensive Income (100%)	**10.36**	71.25
Group's share of total comprehensive income	**8.15**	35.83

(ii) Investment In Associate

Particulars		
Carrying amount of Investment in Associate	**0.00**	0.00
Summarised statement of profit and loss		
Profit For the Year	**0.00**	0.00
Other Comprehensive Income for the year	**0.00**	0.00
Total Comprehensive Income (100%)	**0.00**	0.00
Group's share of total comprehensive income	**0.00**	0.00

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

7 Other Investments (Non-Current)

	March 31, 2018	March 31, 2017
a) Trade Investments		
(i) Investment in Debentures of Joint Ventures (Fully paid-up) (at Fair Value through Profit or Loss)		
2,989,095 (Previous Year: 2,989,095), 1% Secured Redeemable Optionally Convertible Debentures of INR 10/- each of		
Godrej Realty Private Limited	**2.99**	2.99
2,756,000 (Previous Year: Nil) 12% Unsecured Optionally Convertible Debentures of INR 1,000/- each of		
Godrej Green Homes Limited	**275.60**	-
5,096,000 (Previous Year: Nil) 12% Unsecured Optionally Convertible Debentures of INR 100/- each of		
Godrej Skyline Developers Private Limited	**50.80**	-
1,513,128 (Previous Year: 1,513,128) 10% Secured Cumulative Optionally Convertible Debentures of INR 100/- each of		
Godrej Landmark Redevelopers Private Limited	**15.13**	15.16
(ii) Investment in Debentures of Joint Ventures (Fully paid-up) (at Amortised Cost)		
307,833 (Previous Year: 307,833), 17.45% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each of		
Wonder City Buildcon Private Limited	**30.50**	31.50
377,464 (Previous Year: 365,541), 17.45% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each of		
Wonder Space Properties Private Limited	**37.82**	37.96
413,949 (Previous Year: 413,949), 17.45% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each of		
Godrej Home Constructions Private Limited	**41.99**	41.34
266,019 (Previous Year: 133,019) 17% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each of		
Wonder Projects Development Private Limited	**26.60**	13.30
674,975 (Previous Year: 674,975) 17 % Unsecured Compulsorily Convertible Debentures of INR 1,000/- each of		
Pearlite Real Properties Private Limited	**67.25**	67.50
248,140 (Previous Year: 33,440) 17% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each of		
Godrej Real View Developers Private Limited	**24.78**	3.34
260,946 (Previous Year: 136,880) 17.45% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each of		
Godrej Greenview Housing Private Limited	**26.18**	13.55
843,736 (Previous Year: 843,736) 17.45% Unsecured Compulsory Convertible Debentures of INR 1,000/- each of		
Godrej Redevelopers (Mumbai) Private Limited	**86.68**	85.71

(Currency in INR Crore)

	March 31, 2018	March 31, 2017
b) Non-trade Investments		
Investment in Fully paid-up Equity Instruments (at Fair Value through Profit or Loss)		
Quoted Investments		
100 (Previous Year:100) Equity Shares of INR 10/- each of		
Alacrity Housing Limited	**0.00**	0.00
100 (Previous Year: 100) Equity Shares of INR 10/- each of		
Ansal Buildwell Limited	**0.00**	0.00
300 (Previous Year: 300) of INR 10/- each of		
Ansal Housing and Construction Limited	**0.00**	0.00
600 (Previous Year: 600) Equity Shares of INR 5/- each of		
Ansal Properties and Infrastructure Limited	**0.00**	0.00
100 (Previous Year : 100) Equity Shares of INR 10/- each of		
Lok Housing and Constructions Limited	**0.00**	0.00
100 (Previous Year : 100) Equity Shares of INR 10/- each		
Global Infrastructure & Technologies Limited	**0.00**	0.00
100 (Previous Year: 100) Equity Shares of INR 10/- each of		
Premier Energy and Infrastructure Limited	**0.00**	0.00
100 (Previous Year: 100) Equity Shares of INR 10/- each of		
D.S. Kulkarni Developers Limited	**0.00**	0.00
13,000 (Previous Year: 13,000) Equity Shares of INR 2/- each of		
Unitech Limited	**0.00**	0.00
72 (Previous Year : 72) Equity Shares of INR 10/- each of		
The Great Eastern Shipping Company Limited	**0.00**	0.00
18 (Previous Year : 18) Equity Shares of INR 10/- each of		
GOL Offshore Limited	**0.00**	0.00
100 (Previous Year: 100) Equity Shares of INR 10/- each of		
Radhe Developers (India) Limited	**0.00**	0.00
23,700 (Previous Year : 23,700) Equity Shares of INR 10/- each of		
United Textiles Limited	**0.00**	0.00
Unquoted Investments		
1,000 (Previous Year: 1,000) Equity Shares of INR 10/- each of		
Saraswat Co-operative Bank Limited	**0.00**	0.00
25,000 (Previous Year : 25,000) Equity Shares of INR 10/- each of		
AB Corp Limited	**0.00**	0.00
	686.33	312.35
Aggregate book value of Quoted Investments and Market Value thereof	**0.00**	0.00
Aggregate book value of Unquoted Investments	**686.33**	312.35

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

8 Loans (Non-Current)

	March 31, 2018	March 31, 2017
Secured, Considered Good		
Deposits - Projects (Refer Note (a) below)	**83.81**	76.42
Unsecured, Considered Good		
Deposits - Projects	**-**	0.00
	83.81	76.42

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

9 Other Non-Current Financial Assets

Unsecured, Considered Good		
Deposit With Banks (Refer Note (a) below)	**0.01**	0.76
Deposits - Others	**-**	1.17
	0.01	1.93

(a) Deposit with Banks amounting to INR 0.01 Crore (Previous Year: INR 0.76 Crore) is received from flat buyers and held in trust on their behalf in a corpus fund.

10 Deferred Tax Assets, Deferred Tax Liabilities and Tax Expense

a) Movement in Deferred Tax Balances

Particulars	Balance as at April 01, 2017	Movement during the year				As at March 31, 2018	
		Recognised in Profit or Loss	Recognised in Other Equity	Recognised in OCI	Others	Deferred Tax Asset	Deferred Tax Liabilities
Deferred Tax Asset/ (Liabilities)							
Property, Plant and Equipment	(4.10)	3.82	-	-	-	**(0.28)**	**-**
Brought Forward Loss	63.49	20.67	-	-	-	**84.75**	**0.59**
Inventories	61.76	(22.62)	-	-	-	**39.14**	**-**
Unabsorbed Depreciation	6.39	(6.12)	-	-	-	**0.27**	**-**
Employee Benefits	2.54	2.23	-	1.50	-	**6.27**	**-**
Equity-settled share-based payments	1.28	0.35	-	-	-	**1.63**	**-**
MAT Credit	20.89	-	-	-	0.01	**20.90**	**-**
Other Items	6.81	1.27	-	-	0.06	**8.14**	**-**
Deferred Tax Assets/ (Liabilities)	**159.06**	**(0.40)**	**-**	**1.50**	**0.07**	**160.82**	**0.59**

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

Particulars	Balance as at April 01, 2016	Movement during the year				As At March 31, 2017	
		Recognised in Profit or Loss	Recognised in Other Equity	Recognised in OCI	Others	Deferred Tax Asset	Deferred Tax Liabilities
Deferred Tax Assets/ (Liabilities)							
Property, Plant and Equipment	(3.09)	(1.01)	-	-	-	(4.10)	0.00
Brought Forward Loss	38.96	24.53	-	-	-	63.69	0.20
Inventories	74.84	(13.08)	-	-	-	61.76	-
Unabsorbed Depreciation	6.12	0.27	-	-	-	6.39	-
Employee Benefits	1.95	0.43	-	0.16	-	2.54	-
Equity-settled share-based payments	0.26	1.02	-	-	-	1.28	-
MAT Credit	24.17	-	-	-	(3.28)	20.89	-
Other Items	(14.23)	19.91	1.13	-	-	6.81	-
Deferred Tax Assets/ (Liabilities)	**128.98**	**32.07**	**1.13**	**0.16**	**(3.28)**	**159.26**	**0.20**

b) Amounts recognised in the Consolidated Statement of Profit and Loss

Particulars	**March 31, 2018**	March 31, 2017
Current Tax	**101.47**	109.77
Current Tax	**101.12**	98.66
Tax Adjustment of Prior Years	**0.35**	11.11
Deferred Tax Charge/ (Credit)	**0.40**	(32.07)
Deferred Tax	**0.40**	(32.07)
Tax Expense for the year	**101.87**	77.70

c) Reconciliation of Effective Tax Rate

Particulars		
Profit Before Tax	**336.83**	284.50
Tax using the Company's domestic tax rate	**116.57**	98.46
Tax effect of:		
Difference in Rate of Subsidiaries	**7.04**	0.41
Non-deductible expenses	**(2.08)**	0.59
Tax-exempt income	**-**	0.00
Change in recognised deductible temporary differences	**2.81**	(6.49)
Adjustment for tax of prior years	**0.66**	3.26
Unabsorbed losses	**(4.44)**	(9.94)
Share of profit of joint ventures	**3.05**	(10.35)
Other adjustments	**(21.74)**	1.76
Tax expense recognised	**101.87**	77.70

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

11 Other Non-Current Non-Financial Assets

	March 31, 2018	March 31, 2017
Unsecured, Considered Good		
Capital Advance	15.28	19.76
	15.28	19.76

12 Inventories (Valued at lower of Cost and Net Realisable Value)

Finished Goods	64.46	56.74
Construction Work-in-Progress (Refer Note 51)	2,279.23	3,909.38
	2,343.69	3,966.12

13 Investments

Quoted		
Investment in Mutual Funds carried at Fair Value through Profit or Loss	543.84	366.26
	543.84	366.26
Market Value of Quoted Investments		
Aggregate book value of Quoted Investments and Market Value thereof	543.84	366.26

14 Trade Receivables

To related parties		
Unsecured, Considered Good	6.35	-
To parties other than related parties		
Unsecured, Considered Good	186.13	230.84
Unsecured, Considered Doubtful	40.50	0.55
Less: Allowance for Bad and Doubtful debts	(40.50)	(0.55)
	192.48	230.84

15 Cash and Cash Equivalents

Particulars		
Balances With Banks		
In Current Accounts	34.17	42.22
In Fixed Deposit Accounts with maturity less than 3 months	90.30	20.91
Cheques On Hand	1.80	2.89
Cash On Hand	0.04	0.04
	126.31	66.06

(Currency in INR Crore)

16 Bank Balances other than above

	March 31, 2018	March 31, 2017
Balances With Banks		
In Current Accounts (Refer Note (a) below)	**1.69**	2.16
In Fixed Deposit Accounts with maturity more than 3 months but less than 12 months (Refer Note (b) below)	**186.73**	42.20
	188.42	44.36

(a) Includes

(i) Balances with Banks in current accounts INR 0.04 Crore (Previous Year: INR 0.05 Crore) is on account of earmarked balance for unclaimed dividend.

(ii) Balances with Banks in current accounts INR 1.65 Crore (Previous Year: INR 2.11 Crore) is amount received from buyers towards maintenance charges.

(b) Includes

(i) INR 9.07 Crore (Previous Year: INR 12.54 Crore) received from flat buyers and held in trust on their behalf in a corpus fund

(ii) Deposits held as Deposit Repayment Reserve amounting to INR 0.20 Crore (Previous Year: INR 1.15 Crore)

(iii) Fixed deposits held as margin money and lien marked for issuing bank guarantees amounting to INR 5.62 Crore (Previous Year : INR 9.53 Crore)

17 Loans (Current)

Secured, Considered Good		
Deposits - Projects (Refer Note (a) below)	**142.89**	161.17
Unsecured, Considered Good		
To related parties		
Loan to Related Parties	**909.41**	538.97
To parties other than related parties		
Loan to others	**13.17**	5.06
Others	**16.38**	14.64
	1,081.85	719.84

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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

18 Other Current Financial Assets

	March 31, 2018	March 31, 2017
Unsecured, Considered Good		
To related parties		
Unbilled Revenue	**134.02**	8.72
Interest Accrued	**148.91**	57.66
To parties other than related parties		
Deposits - Others	**44.95**	49.75
Unbilled Revenue	**526.85**	513.95
Balances with Banks in Fixed Deposit Accounts (Refer Note (a) below)	**17.97**	-
Interest Accrued	**20.00**	82.18
Others	**12.23**	29.32
	904.93	741.58

(a) INR 0.76 Crore (Previous Year: Nil) received from flat buyers and held in trust on their behalf in a corpus fund.

19 Other Current Non Financial Assets

Unsecured, Considered Good		
Balances with Government Authorities	**117.09**	78.24
Advance to Suppliers and Contractors (Refer Note (a) below)	**56.73**	60.14
Prepayments	**1.81**	1.95
Others	**27.73**	33.37
	203.36	173.70

(a) Advance to Suppliers and Contractors includes advances amounting to INR 16.11 Crore (Previous Year: INR 27.02 Crore) secured against bank guarantees.

20 Equity Share Capital

a) Authorised :		
1,338,000,000 Equity Shares of INR 5/- each (Previous Year: 538,000,000 Equity Share of INR 5/- each)	**669.00**	269.00
	669.00	269.00
b) Issued, Subscribed and Paid-Up:		
216,480,128 Equity Shares of INR 5/- each (Previous Year: 216,364,692 Equity Shares of INR 5/- each) fully paid-up	**108.24**	108.18
	108.24	108.18

c) During the year, the Company has issued 115,436 equity shares (Previous Year : 104,326 equity shares) under the Employee Stock Grant Scheme.

(Currency in INR Crore)

d) Reconciliation of number of shares outstanding at the beginning and end of the year :

	March 31, 2018		March 31, 2017	
	No. of Shares	**INR (in Crore)**	No. of Shares	INR (in Crore)
Equity Shares :				
Outstanding at the beginning of the year	**216,364,692**	**108.18**	216,260,366	108.13
Issued during the year	**115,436**	**0.06**	104,326	0.05
Outstanding at the end of the year	**216,480,128**	**108.24**	216,364,692	108.18

e) Shareholding Information

	March 31, 2018		March 31, 2017	
Equity Share held by :	**No. of Shares**	**INR (in Crore)**	No. of Shares	INR (in Crore)
Godrej Industries Limited (Holding Company)	**122,681,066**	**61.34**	122,681,066	61.34
Godrej & Boyce Manufacturing Company Limited (Ultimate Holding Company upto March 29, 2017)	**10,650,688**	**5.33**	10,650,688	5.33
Ensemble Holdings & Finance Limited (Subsidiary of Holding Company)	**1,382,310**	**0.69**	1,382,310	0.69

f) Rights, preferences and restrictions attached to Equity shares

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

g) Shareholders holding more than 5% shares in the Company:

	March 31, 2018		March 31, 2017	
Particulars	**No. of Shares**	**%**	No. of Shares	%
Equity shares				
Godrej Industries Limited	**122,681,066**	**56.67%**	122,681,066	56.70%

h) Equity Shares allotted as fully paid-up without payment being received in cash

	March 31, 2016	
Particulars	**No. of Shares**	**INR (In Crore)**
Equity Shares:		
Godrej Industries Limited	**16,745,762**	**8.37**

The Company has not allotted any equity shares as fully paid-up without payment being received in cash in preceding five years other than those disclosed above.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

i) Equity Shares Reserved for Issue Under Options

Particulars	March 31, 2018		March 31, 2017	
	No. of Shares	**INR (in Crore)**	No. of Shares	INR (in Crore)
(i) 29,294 Employee Stock Grants eligible for 29,294 equity shares of INR 5/- each vesting on May 31, 2017	**-**	**-**	29,294	0.01
(ii) 769 Employee Stock Grants eligible for 769 equity shares of INR 5/- each vesting on October 31, 2017	**-**	**-**	769	0.00
(iii) 18,422 Employee Stock Grants eligible for 18,422 equity shares of INR 5/- each, out of which 18,422 is vesting on May 31, 2018	**18,422**	**0.01**	50,432	0.03
(iv) 6,954 Employee Stock Grants eligible for 6,954 equity shares of INR 5/- each, out of which 6,954 is vesting on May 31, 2018	**6,954**	**0.00**	13,908	0.01
(v) 1,037 Employee Stock Grants eligible for 1,037 equity shares of INR 5/- each, out of which 1,037 is vesting on August 31, 2018	**1,037**	**0.00**	2,073	0.00
(vi) 706 Employee Stock Grants eligible for 706 equity shares of INR 5/- each, out of which 706 is vesting on January 31, 2019	**706**	**0.00**	1,413	0.00
(vii) 64,045 Employee Stock Grants eligible for 64,045 equity shares of INR 5/- each, out of which 32,025 is vesting on June 01, 2018 and 32,020 is vesting on June 01, 2019.	**64,045**	**0.03**	113,423	0.06
(viii) 1,741 Employee Stock Grants eligible for 1,741 equity shares of INR 5/- each, out of which 871 is vesting on January 01, 2019 and 870 is vesting on January 01, 2020	**1,741**	**0.00**	2,612	0.00
(ix) 408 Employee Stock Grants eligible for 408 equity shares of INR 5/- each, out of which 204 is vesting on March 01, 2019 and 204 is vesting on March 01, 2020	**408**	**0.00**	613	0.00
(x) 85,616 Employee Stock Grants eligible for 85,616 equity shares of INR 5/- each, out of which 28,539 is vesting on May 31, 2018, 28,539 is vesting on May 31, 2019 and 28,538 is vesting on May 31, 2020	**85,616**	**0.04**	-	-
(xi) 2,930 Employee Stock Grants eligible for 2,930 equity shares of INR 5/- each, out of which 977 is vesting on June 09, 2018, 977 is vesting on June 09, 2019 and 976 is vesting on June 09, 2020	**2,930**	**0.00**	-	-

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

21 Other Equity

		March 31, 2018	March 31, 2017
i)	Capital Reserve (Refer Note (a) below)	**7.20**	7.20
ii)	Capital Reserve on Account of Amalgamation (Refer Note (b) below)	**132.61**	132.62
iii)	Securities Premium (Refer Note (c) below)	**1,702.25**	1,699.22
iv)	Debenture Redemption Reserve (Refer Note (d) below)	**50.00**	-
v)	Employee Stock Grant Scheme Reserve (Refer Note (e) below)	**4.65**	3.69
vi)	Retained Earnings (Refer Note (f) below)	**235.34**	53.19
vii)	Treasury Shares (Refer Note (g) below)	**-**	-
viii)	Exchange differences on translating the financial statements of a foreign operation (Refer Note (h) below)	**-**	(0.37)
		2,132.05	1,895.55

(a) Capital Reserve

Profit on sale of treasury shares held by the ESOP trust is recognised in Capital reserve.

(b) Capital Reserve on Account of Amalgamation

During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve on account of amalgamation.

(c) Securities Premium

Securities premium reserve is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Act.

(d) Debenture Redemption Reserve

The Group has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the Group to create Debenture Redemption Reserve out of profits of the Group available for payment of dividend.

(e) Employee Stock Grant Scheme Reserve

The fair value of the equity-settled share based payment transactions with employees including key management personnel is recognised in the Consolidated Statement of Profit and Loss with corresponding credit to Employee Stock Grant Scheme Reserve.

(f) Retained Earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, debenture redemption reserve, dividends or other distributions paid to shareholders.

(g) Treasury Shares

The Company treats ESOP trust as its extension and shares held by ESOP trust are treated as treasury shares. Treasury shares are recognised at cost and deducted from equity.

(h) Exchange differences on translating the financial statements of a foreign operation

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

22 Borrowings (Non-Current)

Particulars	Maturity Date	Terms of repayment	March 31, 2018	March 31, 2017
Secured Loan				
From Others				
Term Loan (Refer Note (a) below)			-	474.76
Unsecured Debentures				
From Others				
7.82% 5,000 (Previous Year: Nil) redeemable non-convertible debentures ("NCD") of face Value INR 1,000,000 each	September 25, 2020	Single Repayment at the end of the Term	500.00	-
			500.00	474.76

(a) Secured term loan: Total Sanctioned amount of INR 500 Crore bearing interest @ CPLR minus 730 BPS and secured by way of exclusive mortgage and charge of movable and immovable property, right, title interest in the designated account / escrow account and receivables of the project situated at Bandra Kurla Complex at Mumbai and pledge of 51% of equity shares of Godrej Buildcon Private Limited held by the Company.

During the year, the term loan has been repaid.

23 Provisions (Non-Current)

	March 31, 2018	March 31, 2017
Provision for Employee Benefits		
Gratuity	**11.33**	6.54
	11.33	6.54

24 Borrowings (Current)

	Interest Rate	March 31, 2018	March 31, 2017
Secured Loans			
From Banks			
Working Capital Demand Loan (Refer Note (a) below)	7.95%-8.35%	**804.73**	801.93
Cash Credit Loan (Refer Note (b) below)		**135.58**	460.43
Unsecured Loans			
From Banks			
Overdraft Facilities	7.58%-9.51%	**626.30**	255.20
Other Loans		**697.84**	598.60
From Others			
Commercial Papers	7.44%-7.65%	**938.41**	1,389.49
		3,202.86	3,505.65

(a) Secured Working Capital Demand Loan of INR 800 Crore availed from Banks secured by hypothecation of Current Assets of the Company, hypothecation of work-in-progress of Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited) (wholly owned subsidiary), mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited) (wholly owned subsidiary) is provided as collateral security.

(b) Cash Credit availed from Banks and is secured by hypothecation of the Current Assets of the Company, hypothecation of work-in-progress of Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited) (wholly owned subsidiary) mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited) (wholly owned subsidiary) is provided as collateral security and payable on demand.

25 Trade Payables (Current)

	March 31, 2018	March 31, 2017
Dues to Micro and Small Enterprises	**8.68**	16.42
Others	**303.95**	500.64
	312.63	517.06

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Group regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue as on March 31, 2018 and March 31, 2017, to Micro, Small and Medium Enterprises on account of principal or interest.

26 Other Current Financial Liabilities

Interest payable	**20.14**	-
Unclaimed Fixed Deposits and Interest	**0.79**	1.48
Unclaimed Dividend	**0.04**	0.05
Deposits - Others	**17.42**	2.06
Advance Share of Profit from Joint Ventures	**16.80**	23.54
Employee Benefits Payable	**66.27**	27.20
Other Liabilities	**105.34**	104.23
	226.80	158.56

27 Other Current Non Financial Liabilities

Statutory Dues	**42.34**	37.17
Advances Received Against Sale of Flats/ Units	**486.13**	417.37
Other liabilities	**49.27**	43.74
	577.74	498.28

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

28 Provisions (Current)

	March 31, 2018	March 31, 2017
Provision for Employee Benefits		
Gratuity	**0.39**	0.12
Compensated Absences	**1.57**	0.22
Others (Refer Note (a) below)	**1.50**	-
	3.46	0.34

(a) Others include provision made during the year for Legal Cases. The same is expected to be settled in 1-3 Years.

29 Revenue from Operations

Sale of Real Estate Development	**1,699.73**	1,427.33
Other Operating Revenues		
Sale of Services	**103.91**	109.13
Other Income from Customers	**83.09**	44.70
Lease Rent	**2.47**	1.77
	1,889.20	1,582.93

30 Other Income

Interest Income	**141.57**	95.42
Profit on Sale of Property, Plant and Equipment (Net)	**0.08**	0.20
Income from Investment measured at FVTPL	**147.71**	3.46
Profit on Sale of Investments (Net)	**209.44**	18.31
Miscellaneous Income	**2.67**	1.06
	501.47	118.45

31 Cost of Sales

Opening Stock:		
Finished Goods	**56.74**	56.74
Construction Work-in-Progress	**3,909.38**	3,866.34
Add: Expenditure during the year		
Land/ Development Right	**244.02**	165.42
Construction, Material and Labour	**473.54**	591.18
Architect Fees	**18.98**	8.48
Other Costs	**127.70**	169.67
Finance Costs	**161.00**	190.33
	4,991.36	5,048.16

(Currency in INR Crore)

	March 31, 2018	March 31, 2017
Less : Transferred to Property, Plant and Equipment	**12.79**	-
Less : Transferred to Investment Property	**2.59**	-
Less : Transferred to Capital Work-in-Progress	**69.64**	-
Less : Transferred to Expenses	**0.33**	0.65
Less : Transferred on loss of control	**476.72**	0.49
Less : Recovery of cost towards area	**616.94**	-
Less : Closing Stock:		
Finished Goods	**64.46**	56.74
Construction Work-in-Progress	**2,279.23**	3,909.38
	1,468.66	1,080.90

32 Employee Benefits Expense

Salaries, Bonus, Gratuity and Allowances	**126.71**	85.93
Contribution to Provident and Other Funds	**1.38**	1.11
Share Based Payments to Employees	**3.99**	2.49
Staff Welfare Expenses	**6.34**	3.31
	138.42	92.84

33 Finance Costs

Interest Expense	**234.17**	229.54
Interest on Income Tax	**1.42**	1.18
Total Interest Expense	**235.59**	230.72
Other Borrowing costs	**86.68**	87.75
Total Finance Costs	**322.27**	318.47
Less : Transferred to Construction work-in-progress and Capital work-in-progress	**(163.94)**	(190.33)
Less: Recovery of Finance Cost	**(8.20)**	(24.32)
Net Finance Costs	**150.13**	103.82

34 Depreciation and Amortisation Expense

Depreciation on Property, Plant and Equipment	**12.97**	11.54
Depreciation on Investment Property	**0.11**	-
Amortisation of Intangible Assets	**3.05**	2.96
	16.13	14.50

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

35 Other Expenses

	March 31, 2018	March 31, 2017
Consultancy Charges	**30.40**	20.33
Rent	**9.12**	9.78
Insurance	**1.18**	0.97
Rates and Taxes	**9.50**	0.50
Advertisement and Marketing Expense	**64.10**	43.59
Other Expenses	**172.22**	81.33
	286.52	156.50

36 Earnings Per Share

a) Basic Earnings Per Share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

	March 31, 2018	March 31, 2017
(i) Profit attributable to ordinary shareholders (basic)		
Profit for the year, attributable to ordinary shareholders of the Company	**234.96**	206.80
	234.96	206.80
(ii) Weighted average number of ordinary shares (basic)		
Number of Equity Shares at the beginning of the year	**216,364,692**	216,260,366
Less: Effect of treasury shares held	**-**	937,997
Add: Effect of share options exercised	**79,812**	76,394
	216,444,504	215,398,763
Basic Earnings Per Share (INR)	**10.86**	9.60

b) Diluted Earnings Per Share

The calculation of diluted earnings per share is based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

	March 31, 2018	March 31, 2017
(i) Profit attributable to ordinary shareholders (diluted)		
Profit for the year, attributable to ordinary shareholders of the Company	**234.96**	206.80
	234.96	206.80
(ii) Weighted average number of ordinary shares (diluted)		
Weighted Average number of Equity shares outstanding (basic)	**216,444,504**	215,398,763
Add: Effect of treasury shares held	**-**	937,997
Add: Potential equity shares under ESGS plan	**132,923**	139,988
	216,577,427	216,476,748
Diluted Earnings Per Share (INR)	**10.85**	9.55

(Currency in INR Crore)

37 Employee benefits

a) Defined Contribution Plans:

Contribution to Defined Contribution Plans recognised as expense for the year are as under:

Particulars	March 31, 2018	March 31, 2017
Employer's Contribution to Provident Fund (Gross before Allocation)	**7.37**	6.18
Employer's Contribution to ESIC	**0.00**	0.00

b) Defined Benefit Plans:

Contribution to Gratuity Fund (Non-Funded)

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

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

(i) Change in present value of defined benefit obligation

Present value of obligation as at beginning of the year	**6.66**	5.52
Interest Cost	**0.52**	0.44
Current Service Cost	**1.44**	1.24
Benefits Paid	**(1.23)**	(1.05)
Effect of Liability Transfer in	**0.02**	0.03
Effect of Liability Transfer out	**-**	(0.00)
Actuarial (gains)/ losses on obligations - due to change in demographic assumptions	**0.23**	-
Actuarial (gains)/ losses on obligations - due to change in financial assumptions	**3.53**	0.19
Actuarial (gains) / losses on obligations - due to change in experience	**0.55**	0.29
Present value of obligation as at the end of the year	**11.72**	6.66

(ii) Amount recognised in the Consolidated Balance Sheet

Present value of obligation as at end of the year	**11.72**	6.66
Fair value of plan assets as at end of the year	**-**	-
Net obligation as at end of the year	**11.72**	6.66

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

(iii) Net gratuity cost for the year ended

Particulars	**March 31, 2018**	March 31, 2017
Recognised in the Consolidated Statement of Profit and Loss		
Current Service Cost	**1.44**	1.24
Interest Cost	**0.52**	0.44
Total	**1.96**	1.68
Recognised in Other Comprehensive Income (OCI)		
Remeasurements due to:		
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	**0.23**	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	**3.53**	0.19
Actuarial (gains)/losses on obligations - due to change in experience	**0.55**	0.29
Total	**4.31**	0.48
Net gratuity cost in Total Comprehensive Income	**6.27**	2.16

(iv) The Principal assumptions used in determining the present value of defined benefit obligation for the Group's plan are given below:

Discount rate	**7.78%**	7.74%
Salary Escalation rate	**8%**	5%
Attrition Rate	**For service 4 years and below 8.50% p.a. & For service 5 years and above 2.80% p.a.**	1%
Mortality	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)

(Currency in INR Crore)

(v) Sensitivity analysis

A quantitative sensitivity analysis on Defined Benefit Obligation for significant assumptions as at March 31, 2018 is shown below:

Particulars	March 31, 2018		March 31, 2017	
	Increase	Decrease	Increase	Decrease
Discount Rate (1% movement)	(1.38)	1.66	(0.83)	1.01
Salary escalation rate (1% movement)	1.64	(1.39)	1.03	(0.86)
Attrition Rate (1% movement)	(0.10)	0.10	0.23	(0.28)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior year.

(vi) The expected future cash flows in respect of gratuity as at March 31, 2018 were as follows:

Maturity Analysis of Projected Benefit Obligation: From the Employer

Projected Benefits Payable in Future Years from the Reporting Date	March 31, 2018	March 31, 2017
1st Following Year	0.26	0.13
2nd Following Year	0.46	0.11
3rd Following Year	0.46	0.28
4th Following Year	0.63	0.20
5th Following Year	0.42	0.35
Sum of Years 6 to 10	3.86	2.18

Compensated absences

Compensated absences for employee benefits of INR 1.49 Crore (Previous Year: INR 0.18 Crore) expected to be paid in exchange for the services recognised as an expense during the year.

38 Financial instruments – Fair values and risk management

a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

March 31, 2018	Carrying amount			Fair value			
	Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Non-Current							
Investment in Preference Shares	-	5.35	5.35	-	-	-	-
Other Investments							
Investment in Debentures	344.52	341.81	686.33	-	344.52	-	344.52
Investment in Equity Instruments	0.00	-	0.00	0.00	-	-	0.00
Loans	-	83.81	83.81	-	-	-	-
Other Non-Current Financial Assets	-	0.01	0.01	-	-	-	-
Current							
Investments	543.84	-	543.84	543.84	-	-	543.84
Trade receivables	-	192.48	192.48	-	-	-	-
Cash and cash equivalents	-	126.31	126.31	-	-	-	-
Bank balances other than above	-	188.42	188.42	-	-	-	-
Loans	-	1,081.85	1,081.85	-	-	-	-
Other Current Financial Assets	-	904.93	904.93	-	-	-	-
	888.36	2,924.97	3,813.33	543.84	344.52	-	888.36
Financial Liabilities							
Non-Current							
Borrowings	-	500.00	500.00	-	-	-	-
Current							
Borrowings	-	3,202.86	3,202.86	-	-	-	-
Trade Payables	-	312.63	312.63	-	-	-	-
Other Current Financial Liabilities	-	226.80	226.80	-	-	-	-
	-	4,242.29	4,242.29	-	-	-	-

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

March 31, 2017	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Non-Current							
Investment in Preference Shares	-	-	-	-	-	-	-
Other Investments							
Investment in Debentures	18.15	294.20	312.35	-	18.15	-	18.15
Investment in Equity Instruments	0.00	-	0.00	0.00	-	-	0.00
Loans	-	76.42	76.42	-	-	-	-
Other Non-Current Financial Assets	-	1.93	1.93	-	-	-	-
Current							
Investments	366.26	-	366.26	366.26	-	-	366.26
Trade receivables	-	230.84	230.84	-	-	-	-
Cash and cash equivalents	-	66.06	66.06	-	-	-	-
Bank balances other than above	-	44.36	44.36	-	-	-	-
Loans	-	719.84	719.84	-	-	-	-
Other Current Financial Assets	-	741.58	741.58	-	-	-	-
	384.41	2,175.23	2,559.64	366.26	18.15	-	384.41
Financial Liabilities							
Non-Current							
Borrowings	-	474.76	474.76	-	-	-	-
Current							
Borrowings	-	3,505.65	3,505.65	-	-	-	-
Trade Payables	-	517.06	517.06	-	-	-	-
Other Current Financial Liabilities	-	158.56	158.56	-	-	-	-
	-	4,656.03	4,656.03	-	-	-	-

b) Measurement of Fair Value

(i) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(ii) The Group uses the Discounted Cash Flow valuation technique (in relation to financial assets measured at amortised cost and fair value through profit or loss) which involves determination of present value of expected receipt/ payment discounted using appropriate discounting rates. The fair value so determined are classified as Level 2.

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

c) Risk Management Framework

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

d) Financial risk management

The Group has exposure to the following risks arising from financial instruments:

(i) Credit Risk

(ii) Liquidity Risk

(iii) Market Risk

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

Trade Receivables

Customer credit risk is managed by requiring customers to pay advances through progress billings before transfer of ownership, therefore substantially eliminating the Group's credit risk in this respect.

The Group's credit risk with regard to trade receivable has a high degree of risk diversification, due to the large number of projects of varying sizes and types with numerous different customer categories in a large number of geographical markets.

As per simplified approach, the Group makes provision of expected credit losses on trade receivables to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

Particulars	**March 31, 2018**	March 31, 2017
Opening balance	**0.55**	0.55
Add: Impairment loss recognised	**39.95**	-
Closing balance	**40.50**	0.55

(Currency in INR Crore)

Investment in Debt Securities, Loans to Related Parties and Project Deposits

The Group has investments in compulsorily convertible debentures / optionally convertible debentures, loans to related parties and project deposits. The settlement of such instruments is linked to the completion of the respective underlying projects. Such Financial Assets are not impaired as on the reporting date.

Cash and Bank balances

Credit risk from cash and bank balances is managed by the Group's treasury department in accordance with the Group's policy.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Management monitors rolling forecasts of the Group's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The Group has access to funds from debt markets through loan from banks, commercial papers, fixed deposits from public and other debt instruments. The Group invests its surplus funds in bank fixed deposits and debt based mutual funds.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date:

March 31, 2018	**Carrying Amount**	**Contractual cash flows**				
		Total	**Within 12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Financial Liabilities						
Non-Current						
Borrowings	**500.00**	**597.16**	**18.96**	**39.10**	**539.10**	**-**
Current						
Borrowings	**3,202.86**	**3,301.75**	**3,301.75**	**-**	**-**	**-**
Trade Payables	**312.63**	**315.88**	**277.95**	**28.70**	**9.23**	**-**
Other Current Financial Liabilities	**226.80**	**227.20**	**221.70**	**4.93**	**-**	**0.57**

March 31, 2017	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Non-Current						
Borrowings	474.76	576.06	48.42	222.54	305.10	-
Current						
Borrowings	3,505.65	3,550.13	3,550.13	-	-	-
Trade Payables	517.06	517.06	472.22	27.17	17.67	-
Other Current Financial Liabilities	158.56	158.56	158.40	0.16	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

(iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency Risk

Currency risk is not material, as the Group's primary business activities are within India and does not have significant exposure in foreign currency.

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Group's interest rate position. Various variables are considered by the Group's management in structuring the Group's borrowings to achieve a reasonable, competitive, cost of funding.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management is as follows:

Particulars	**March 31, 2018**	March 31, 2017
Financial liabilities		
Variable rate instruments	**1,160.24**	1,689.75
Fixed rate instruments	**2,536.17**	2,286.74
	3,696.41	3,976.49
Financial assets		
Variable rate instruments	**-**	-
Fixed rate instruments	**2,130.63**	1,157.86
	2,130.63	1,157.86

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Group by the amounts indicated in the table below. Given that the Group capitalises interest to the cost of inventory to the extent permissible, the amounts indicated below may have an impact on reported profits over the life cycle of projects to which such interest is capitalised. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

(Currency in INR Crore)

Particulars	Profit or Loss INR (in Crore)	
	100 BP increase	100 BP decrease
March 31, 2018		
Financial Liabilities		
Variable rate instruments		
Borrowings	(11.60)	11.60
Cash flow sensitivity (net)	(11.60)	11.60
March 31, 2017		
Financial Liabilities		
Variable rate instruments		
Borrowings	(16.90)	16.90
Cash flow sensitivity (net)	(16.90)	16.90

The Group does not have any additional impact on equity other than the impact on retained earnings.

39 Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board of Directors seek to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages by a sound capital position.

The Group monitors capital using a ratio of 'Net Debt to Equity'. For this purpose, net debt is defined as total borrowings less cash and bank balances and other current investments.

The Group's net debt to equity ratio is as follows:

Particulars	**March 31, 2018**	March 31, 2017
Net debt	**2,846.45**	3,502.97
Total equity	**2,240.29**	2,003.73
Net debt to Equity ratio	**1.27**	1.75

40 Employee Stock Option Plan

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

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

Particulars	No. of Options		Weighted Average Exercise Price
	As at March 31, 2018	As at March 31, 2017	
Options Outstanding at the beginning of the year	**-**	245,400	INR 310 (plus interest till March 31, 2012)
Options granted	**-**	-	
Options exercised	**-**	-	
Less : Forfeited / Lapsed / Idle / Available for Reissue	**-**	245,400	
Options Outstanding at the end of the year	**-**	-	INR 310 (plus interest till March 31, 2012)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

The exercise period of the GPL ESOP has expired on December 27, 2016 and consequently all the unexercised options were rendered lapsed. The GPL ESOP now stands terminated and the shares held by the Trust have been sold during the year ended March 31, 2017.

41 Employee Stock Grant Scheme

The Company instituted an Employee Stock Grant Scheme (GPL ESGS) approved by the Board of Directors, the Shareholders and the Remuneration Committee.

a) Details of Stock Grants are as under:

Particulars	No. of Options		Weighted average Exercise Price (INR)	Weighted average Share Price (INR)
	As at March 31, 2018	As at March 31, 2017		
Options Outstanding at the beginning of the year	**214,537**	254,597	5.00	511.65
Options granted	**88,546**	122,127		
Less: Options exercised	**115,436**	104,326		
Less : Option lapsed	**5,788**	57,861		
Options Outstanding at end of the year	**181,859**	214,537		

b) The weighted average exercise price of the options outstanding as at March 31, 2018 is INR 5 per share (Previous year: INR 5 per share) and the weighted average remaining contractual life of the options outstanding as at March 31, 2018 is 0.38 years (Previous year: 0.89 years)

c) The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model. The weighted average fair value of the options granted is INR 414.32 (Previous year: INR 279.78).

The following table lists the average inputs to the model used for the plan for the year ended March 31, 2018:

Particulars	March 31, 2018	March 31, 2017	Description of the Inputs used
Dividend yield %	**-**	-	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	**32% - 42%**	29% - 43%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	**6.31% - 8.57%**	6.31% - 8.57%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	**1 to 3 years**	1 to 3 years	
Weighted Average Market price on date of granting the options	**INR 419.47**	INR 286.40	

d) The expense arising from ESGS scheme during the year is INR 3.99 Crore (Previous Year: INR 2.49 Crore)

42 Leases

a) The Group has recognised INR 9.12 Crore (Previous Year: INR 9.78 Crore) during the year towards minimum lease payments and INR 2.47 Crore (Previous Year: INR 1.77 Crore) towards minimum lease receipt in the Consolidated statement of Profit and Loss.

(Currency in INR Crore)

b) The Group's significant leasing arrangements are in respect of operating leases for Commercial premises. Lease income from operating leases is recognised on a straight-line basis over the period of lease. The future minimum lease receivables of non-cancellable operating leases are as under:

Particulars	March 31, 2018	March 31, 2017
As a Lessor		
Future minimum lease receipts under operating leases		
Not later than 1 year	**3.79**	1.84
Later than 1 year and not later than 5 years	**16.24**	7.78
Later than 5 years	**53.47**	48.95

c) The Group's significant leasing arrangements are in respect of operating leases for Commercial / Residential premises. Lease expenditure for operating leases is recognised on a straight-line basis over the period of lease. These leasing arrangements are non-cancellable / cancellable and are renewable on a periodic basis by mutual consent on mutually accepted terms. The future minimum lease payments of non-cancellable operating leases are as under:

As a Lessee		
Future minimum lease payments under operating leases		
Not later than 1 year	**8.89**	7.43
Later than 1 year and not later than 5 years	**14.53**	17.44
Later than 5 years	**-**	0.38

43 Related Party Transactions

1. Related Party Disclosures:

Related party disclosures as required by Ind AS - 24, "Related Party Disclosures", are given below:

i) Holding and Ultimate Holding Companies:

Godrej Industries Limited (GIL) holds 56.67% (Previous Year – 56.70%) shares in the Company.
GIL is the subsidiary of Vora Soaps Limited from March 30, 2017, the Ultimate Holding Company.
Godrej & Boyce Manufacturing Company Limited (G&B), was the Ultimate Holding Company upto March 29, 2017.

ii) Other Related Parties in Godrej Group:

1 Godrej & Boyce Manufacturing Company Limited (w.e.f March 30, 2017)

2 Anamudi Real Estates LLP

3 Godrej Agrovet Limited

4 Godrej Investments Private Limited

5 Ensemble Holdings & Finance Limited

6 Natures Basket Limited

7 Cream Line Dairy Products Limited

8 Godrej Consumer Products Limited

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

iii) a) Associate

1 Godrej One Premises Management Private Limited

iii) b) Joint Ventures :

1 Godrej Realty Private Limited

2 Godrej Landmark Redevelopers Private Limited

3 Godrej Redevelopers (Mumbai) Private Limited

4 Mosiac Landmarks LLP

5 Dream World Landmarks LLP

6 Oxford Realty LLP

7 Godrej SSPDL Green Acres LLP

8 Caroa Properties LLP

9 M S Ramaiah Ventures LLP

10 Oasis Landmarks LLP

11 Amitis Developers LLP

12 Godrej Construction Projects LLP

13 Godrej Housing Projects LLP

14 Godrej Greenview Housing Private Limited (w.e.f June 30, 2016)

15 Wonder Space Properties Private Limited

16 Wonder City Buildcon Private Limited

17 Godrej Home Construction Private Limited

18 Wonder Projects Development Private Limited (w.e.f September 19, 2016)

19 Godrej Property Developers LLP

20 Prakhhyat Dwellings LLP (w.e.f September 02, 2016)

21 Godrej Real View Developers Private Limited (w.e.f March 29, 2017)

22 Pearlite Real Properties Private Limited (w.e.f March 30, 2017)

23 Bavdhan Realty @ Pune 21 LLP (w.e.f October 26, 2016)

24 AR Landcraft LLP (w.e.f June 07, 2016)

25 Godrej Highview LLP (w.e.f June 15, 2017)

26 Godrej Projects North Star LLP (formerly known as Godrej Century LLP incorporated on March 14, 2017) (w.e.f September 27, 2017))

27 Godrej Skyline Developers Private Limited (w.e.f. September 29, 2017)

28 Godrej Developers & Properties LLP (w.e.f October 30, 2017)

29 Godrej Green Homes Limited (w.e.f March 17, 2018)

(Currency in INR Crore)

30 Sai Srushti Onehub Projects LLP (w.e.f. January 31, 2018)

31 Godrej Irismark LLP (w.e.f January 24, 2018)

iv) Key Management Personnel and their relatives:

1 Mr Adi B. Godrej

2 Mr. N.B. Godrej

3 Mr. Pirojsha Godrej

4 Mr. Mohit Malhotra

5 Ms. Parmeshwar Adi Godrej (Upto October 10, 2016)

6 Mr. Jamshyd N. Godrej

7 Mr. Amit Choudhury

8 Mr. K. B. Dadiseth

9 Mrs. Lalita D. Gupte

10 Mr. Pranay Vakil

11 Dr. Pritam Singh

12 Mr. S. Narayan (Upto August 02, 2017)

13 Mr. Amitava Mukherjee

14 Ms. Tanya Dubash

15 Mst. Hormazd Nadir 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

Nature of Transaction	Godrej & Boyce Manufacturing Company Limited (i)	Godrej Industries Limited (i)	Other Related Parties in Godrej Group (ii)	Associate (iii) (a)	Joint Ventures (iii) (b)	Total
Purchase of Property, Plant and Equipment						
Current Year	-	-	0.13	-	-	0.13
Previous Year	*0.29*	-	-	-	-	*0.29*
Expenses charged by other Companies / Entities						
Current Year	-	9.45	20.33	4.06	-	33.84
Previous Year	*25.03*	*10.05*	*7.57*	*4.56*	*1.42*	*48.62*
Amount paid on transfer of Employee (Net)						
Current Year	-	0.05	0.07	-	-	0.12
Previous Year	-	-	-	-	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

Nature of Transaction	Godrej & Boyce Manufacturing Company Limited (i)	Godrej Industries Limited (i)	Other Related Parties in Godrej Group (ii)	Associate (iii) (a)	Joint Ventures (iii) (b)	Total
Sale of Units						
Current Year	-	3.99	176.97	-	-	180.95
Previous Year	*1.19*	*10.18*	*126.33*	-	-	*137.70*
Income Received from other Companies / Entities						
Current Year	-	-	0.03	-	1.23	1.26
Previous Year	-	-	*0.00*	-	*0.75*	*0.75*
Development Management Fees Received						
Current Year	-	-	3.09	-	49.64	52.72
Previous Year	*1.38*	-	*45.00*	-	*25.78*	*72.16*
Expenses charged to other Companies / Entities						
Current Year	-	-	-	-	91.59	91.59
Previous Year	*0.10*	*0.00*	*0.01*	-	*73.33*	*73.45*
Interest Income on Debentures						
Current Year	-	-	-	-	61.58	61.58
Previous Year	-	-	-	-	*41.44*	*41.44*
Interest Income						
Current Year	-	-	-	-	86.24	86.24
Previous Year	-	-	-	-	*53.28*	*53.28*
Share of Profit/ (Loss) in Joint Ventures and Associate						
Current Year	-	-	-	-	6.02	6.02
Previous Year	-	-	-	-	*31.68*	*31.68*
Amount received on transfer of employee (Net)						
Current Year	-	0.01	0.00	-	-	0.01
Previous Year	-	*0.56*	-	-	-	*0.56*

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

Nature of Transaction	**Godrej & Boyce Manufacturing Company Limited (i)**	**Godrej Industries Limited (i)**	**Other Related Parties in Godrej Group (ii)**	**Associate (iii) (a)**	**Joint Ventures (iii) (b)**	**Total**
Commitments / Bank Guarantee / LC issued / Corporate/ Performance Guarantee						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	*156.05*	*156.05*
Investment made in Equity/ Preference Shares #						
Current Year	-	-	-	-	84.23	84.23
Previous Year	-	-	-	-	*4.37*	*4.37*
Investment made in LLP's						
Current Year	-	-	-	-	4.83	4.83
Previous Year	-	-	-	-	*0.11*	*0.11*
Investment made in Debentures						
Current Year	-	-	-	-	99.33	99.33
Previous Year	-	-	-	-	*94.82*	*94.82*
Sale of Investments/ Repayment of Partners Capital / Withdrawal of Share of Profit						
Current Year	-	-	65.20	-	0.00	65.20
Previous Year	-	-	-	-	-	-
Redemption/ Sale of Debentures						
Current Year	-	-	-	-	-	-
Previous Year	-	-	-	-	*28.51*	*28.51*
Advances given / (Taken)						
Current Year	-	-	-	-	778.58	778.58
Previous Year	-	-	-	-	*502.20*	*502.20*
Loans and Advances Repaid						
Current Year	-	-	-	-	550.21	550.21
Previous Year	-	-	-	-	*360.58*	*360.58*
Deposit given						
Current Year	-	0.25	1.66	-	-	1.91
Previous Year	-	*0.13*	*1.51*	*0.03*	-	*1.66*
Deposit repaid						
Current Year	-	0.29	-	-	-	0.29
Previous Year	-	*0.32*	-	-	-	*0.32*
Amount received against Sale of Units						
Current Year	-	7.45	51.38	-	-	58.83
Previous Year	-	*2.35*	*113.10*	-	-	*115.44*

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

Nature of Transaction	Godrej & Boyce Manufacturing Company Limited (i)	Godrej Industries Limited (i)	Other Related Parties in Godrej Group (ii)	Associate (iii) (a)	Joint Ventures (iii) (b)	Total
Balance Outstanding as on March 31, 2018						
Amount Receivables						
Current Year	-	0.09	1.28	-	1,047.92	1,049.29
Previous Year	-	*0.12*	*0.08*	-	*616.50*	*616.70*
Unbilled Revenue						
Current Year	-	-	133.55	-	-	133.55
Previous Year	-	*2.33*	*3.66*	-	-	*5.99*
Amount Payables						
Current Year	-	1.48	10.82	0.09	-	12.39
Previous Year	-	*0.97*	*116.91*	-	-	*117.88*
Deposit Receivables						
Current Year	-	0.19	3.17	0.03	-	3.39
Previous Year	-	*0.41*	*3.17*	*0.03*	-	*3.61*
Advance received against Share of Profit						
Current Year	-	-	-	-	16.80	16.80
Previous Year	-	-	-	-	*23.54*	*23.54*
Debentures Outstanding						
Current Year	-	-	-	-	686.33	686.33
Previous Year	-	-	-	-	*312.33*	*312.33*
Debenture Interest Outstanding						
Current Year	-	-	-	-	80.51	80.51
Previous Year	-	-	-	-	*88.57*	*88.57*
Commitments / Bank Guarantee / LC issued / Corporate/ Performance Guarantee						
Current Year	-	-	-	-	93.18	93.18
Previous Year	-	-	-	-	*160.65*	*160.65*

Includes Loan amount converted into Debentures INR Nil Crore (Previous Year: INR 13.44 Crore) and Equity INR 68.90 Crore (Previous Year: INR 0.70 Crore).

(Currency in INR Crore)

(ii) Details relating to parties referred to in items 1(iv) above

Particulars	**March 31, 2018**	March 31, 2017
Short-term employee benefits	**16.08**	12.17
Post retirement benefits	**0.24**	0.18
Share based payment transactions	**0.69**	0.57
Total Compensation paid to Key Management Personnel	**17.01**	12.92
Revenue recognised for sale of flats / units to KMP and their relatives	**9.63**	13.20
Amount received from sale of flats/ units to KMP and their relatives	**21.56**	6.72
Trade receivable / (advance) on account of sale of flats / units to KMP and their relatives	**(0.13)**	(0.17)
Sale of assets	**0.01**	-
Unbilled Revenue	**0.47**	2.73
Expenditure on issue of equity shares under ESGS to KMP	**-**	0.01

44 Contingent Liabilities and Commitments

a) Contingent Liabilities

	Matters	**March 31, 2018**	March 31, 2017
I)	**Claims against Company not Acknowledged as debts:**		
i)	Claims not acknowledged as debts represent cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Group as advised by our advocates. In the opinion of the management the claims are not sustainable	**175.42**	196.46
ii)	Claims under the Labour Laws for disputed cases	**-**	0.05
iii)	Claims under Stamp Acts	**-**	20.02
iv)	Other Claims not acknowledged as debts	**-**	0.76
v)	Claims under Income Tax Act, Appeal preferred to The Deputy Commissioner/ Commissioner of Income Tax (Appeals)	**26.10**	25.36
vi)	Claims under MVAT, Appeal preferred to The Deputy Commissioner/Joint Commissioner of Sales Taxes ((Appeals) IV/V), Mumbai	**20.04**	21.33
vii)	Appeal preferred to Customs, Excise and Service Tax Appellate tribunal at Bengaluru	**47.35**	40.65
viii)	Appeal preferred to The Joint Commissioner of Sales Tax (Appeal -4) at Maharashtra under Entry of Goods Into Local Areas Act, 2002	**0.77**	0.79
II)	**Guarantees:**		
i)	Guarantees given by Bank, counter guaranteed by the Group	**16.15**	20.71
ii)	Guarantees given by the Company relating to Joint Venture	**88.58**	156.00

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

b) Commitments

(i) Particulars	**March 31, 2018**	March 31, 2017
Capital Commitment (to include for CWIP under Construction)	**19.66**	16.43
Capital Commitment towards Godrej Properties Worldwide Inc., USA	**3.25**	-

(ii) The Group enters into construction contracts for Civil, Elevator, External Development, MEP work etc. with its vendors. The total amount payable under such contracts will be based on actual measurements and negotiated rates, which are determinable as and when the work under the said contracts are completed.

(iii) The Group has entered into development agreements with owners of land for development of projects. Under the agreements the Group is required to pay certain payments/ deposits to the owners of the land and share in built up area/ revenue from such developments in exchange of undivided share in land as stipulated under the agreements.

45 Foreign Exchange Difference

The amount of exchange difference included in the Consolidated statement of profit and loss, is INR (0.03) Crore (Net Loss) (Previous Year: INR 0.21 Crore (Net loss)).

46 Corporate Social Responsibility

The Group has spent INR 2.82 Crore during the year (Previous Year: INR 3.08 Crore) as per the provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities grouped under 'Other Expenses'.

(a) Gross amount required to be spent by the Group during the year INR 2.73 Crore (Previous Year: INR 3.08 Crore).

(b) Amount spent during the year on :

Particulars	**Amount Spent in Cash**	**Amount yet to be paid in Cash**	**Total Amount**
Year ended March 31, 2018			
(i) Construction / Acquisition of any Asset	**-**	**-**	**-**
(ii) On purposes other than (i) above	**2.08**	**0.74**	**2.82**
Year ended March 31, 2017			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	2.86	0.22	3.08

47 Segment Reporting

A. Basis of Segmentation

Factors used to identify the entity's reportable segments, including the basis of organisation

For management purposes, the Group has only one reportable segments namely, Development of real estate property. The Managing Director of the Company acts as the Chief Operating Decision Maker ("CODM").The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators.

B. Geographical Information

The geographic information analyses the Group's revenue and Non Current Assets by the Group's country of domicile and other countries. As the Group is engaged in Development of Real Estate property in India, it has only one reportable geographical segment.

(Currency in INR Crore)

C. Information about major customers

Revenue from one customer is INR 518.52 Crore for the year ended March 31, 2018. None of the customers for the year ended March 31, 2017 constituted 10% or more of the total revenue of the Group.

48 Cash and Cash Equivalents and Bank Balances includes balances in Escrow Account which shall be used only for specified purposes as defined under Real Estate (Regulation and Development) Act, 2016.

49 Specified Bank Notes Disclosure

In accordance with the Notification No.- G.S.R 308(E) issued by the Ministry of Corporate Affairs dated March 30, 2017, the details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016 is provided in the table below:

(Amoun t In INR)

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on November 08, 2016	422,500	205,975	628,475
Add: Permitted Receipts	-	1,470,826	1,470,826
Less: Permitted Payments	-	1,286,271	1,286,271
Less: Amount deposited in Banks	422,500	-	422,500
Closing cash in hand as on December 30, 2016	-	390,530	390,530

50 Construction Contracts

Particulars	**March 31, 2018**	March 31, 2017
For contracts in progress as on the reporting date		
Aggregate amount of costs incurred and profit recognised (less recognised losses) to date for projects in progress	**10,304.72**	10,658.64
Balance of Advance from customer as on reporting date	**440.88**	364.58
Amount of work-in-progress and the value of inventories as on the reporting date	**2,221.53**	3,862.04
Excess of revenue recognised over actual bills raised (Unbilled revenue)	**624.11**	488.36

51 The write-down of inventories to net realisable value during the year amounted to INR 100.87 Crore (Previous Year: INR 14.27 Crore).

52 The figures for the previous year have been regrouped/ reclassified to correspond with current year's classification/ disclosure that include changes consequent to the issuance of "Guidance Note on Division II - Ind AS Schedule III to the Companies Act, 2013".

53 Previous year's figures were audited by a firm of Chartered Accountants other than B S R & Co. LLP.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

54 Information on Subsidiaries, Joint Ventures and Associates

a) Information on Subsidiaries

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding As on March 31, 2018 %	As on March 31, 2017 %
(i)	**Companies:**			
1	Godrej Buildcon Private Limited	India	**100%**	100%
2	Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited)	India	**100%**	100%
3	Godrej Garden City Properties Private Limited	India	**100%**	100%
4	Godrej Hillside Properties Private Limited	India	**100%**	100%
5	Godrej Home Developers Private Limited	India	**100%**	100%
6	Godrej Investment Advisors Private Limited (ceased to be Subsidiary from June 21, 2017)	India	**N.A.**	100%
7	Godrej Prakriti Facilities Private Limited	India	**100%**	100%
8	Prakritiplaza Facilities Management Private Limited	India	**100%**	100%
9	Godrej Highrises Properties Private Limited	India	**100%**	100%
10	Godrej Genesis Facilities Management Private Limited	India	**100%**	100%
11	Godrej Fund Management Pte. Ltd. (100% Subsidiary of Godrej Investment Advisors Private Limited) (ceased to be Subsidiary from June 21, 2017)	Singapore	**-**	100%
12	Citystar InfraProjects Limited	India	**100%**	100%
13	Godrej Green Homes Limited (Classified as Joint Venture w.e.f. March 17, 2018)	India	**N.A.**	100%
14	Godrej Residency Private Limited	India	**100%**	100%
15	Godrej Properties Worldwide Inc., USA	USA	**100%**	N.A
(ii)	**LLPs**			
1	Godrej Land Developers LLP	India	**100%**	100%
2	Godrej Highrises Realty LLP	India	**100%**	100%
3	Godrej Project Developers & Properties LLP	India	**100%**	100%
4	Godrej Skyview LLP	India	**100%**	100%
5	Godrej Green Properties LLP	India	**100%**	100%
6	Godrej Projects (Pune) LLP	India	**100%**	100%
7	Godrej Projects (Soma) LLP	India	**100%**	N.A.
8	Godrej Projects North LLP (formerly known as Godrej Projects (Bluejay) LLP)	India	**100%**	N.A.
9	Godrej Athenmark LLP	India	**100%**	N.A.
10	Godrej Vestamark LLP	India	**100%**	N.A.
11	Godrej Avamark LLP	India	**100%**	N.A.
12	Godrej Developers & Properties LLP (Classified as Joint Venture (w.e.f. October 30, 2017)	India	**N.A.**	100%
13	Godrej Projects North Star LLP (formerly known as Godrej Century LLP) (Classified as Joint Venture (w.e.f. September 27, 2017)	India	**N.A.**	100%
14	Godrej Highview LLP (Classified as Joint Venture w.e.f. September 22, 2017)	India	**N.A.**	100%

b) Information on Joint Ventures:

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding		Percentage of Voting Rights	
			As on March 31, 2018 %	As on March 31, 2017 %	**As on March 31, 2018 %**	As on March 31, 2017 %
(i)	**Companies:**					
1	Godrej Realty Private Limited	India	**51%**	51%		
2	Godrej Landmark Redevelopers Private Limited	India	**51%**	51%		
3	Godrej Redevelopers (Mumbai) Private Limited	India	**51%**	51%		
4	Wonder Space Properties Private Limited	India	**25.10%**	25.10%		
5	Wonder City Buildcon Private Limited	India	**25.10%**	25.10%		
6	Godrej Home Constructions Private Limited	India	**25.10%**	25.10%		
7	Godrej Greenview Housing Private Limited	India	**20%**	20%		
8	Wonder Projects Development Private Limited	India	**20%**	20%		
9	Godrej Real View Developers Private Limited	India	**20%**	20%		
10	Pearlite Real Properties Private Limited	India	**49%**	49%		
11	Godrej Skyline Developers Private Limited	India	**26%**	100%		
12	Godrej Green Homes Limited (Considered as Subsidiary till March 16, 2018)	India	**50%**	N.A.		
(ii)	**LLPs**					
1	Godrej Property Developers LLP	India	**32%**	32%	**50%**	50%
2	Mosiac Landmarks LLP	India	**1%**	1%	**66.66%**	66.66%
3	Dream World Landmarks LLP	India	**40%**	40%	**66.66%**	66.66%
4	Oxford Realty LLP	India	**35%**	35%	**51%**	51%
5	Godrej SSPDL Green Acres LLP	India	**37%**	37%	**66.66%**	66.66%
6	Oasis Landmarks LLP	India	**38%**	38%	**66.66%**	66.66%
7	M S Ramaiah Ventures LLP	India	**49.50%**	49.50%	**51%**	51%
8	Caroa Properties LLP	India	**35%**	35%	**66.66%**	66.66%
9	Godrej Construction Projects LLP	India	**34%**	34%	**51%**	51%

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding		Percentage of Voting Rights	
			As on March 31, 2018 %	As on March 31, 2017 %	**As on March 31, 2018 %**	As on March 31, 2017 %
10	Godrej Housing Projects LLP	India	**50%**	50%	**51%**	51%
11	Amitis Developers LLP	India	**46%**	46%	**50%**	50%
12	A R Landcraft LLP	India	**40%**	40%	**50%**	50%
13	Prakhhyat Dwellings LLP	India	**42.50%**	42.50%	**50%**	50%
14	Bavdhan Realty @ Pune 21 LLP	India	**45%**	45%	**45%**	45%
15	Godrej Highview LLP (Considered as subsidiary till June 14, 2017)	India	**40%**	N.A.	**100%**	N.A.
16	Godrej Irismark LLP (w.e.f. January 24, 2018)	India	**50%**	N.A.	**100%**	N.A
17	Godrej Projects North Star LLP (formerly known as Godrej Century LLP) (Considered as subsidiary till September 26, 2017)	India	**55%**	N. A.	**50%**	N.A
18	Godrej Developers & Properties LLP (w.e.f. October 30, 2017) (Considered as subsidiary till October 29, 2017)	India	**37.50%**	N. A.	**100%**	N.A
19	Sai Srushti Onehub Projects LLP (w.e.f. January 31, 2018)	India	**75%**	N.A.	**50%**	N.A

In case of LLPs percentage of holding in the above table denotes the Share of Profits in the LLP.

c) Information on Associate:

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding	
			As on March 31, 2018 %	As on March 31, 2017 %
(i)	**Companies:**			
1	Godrej One Premises Management Private Limited	India	**30%**	30%

(Currency in INR Crore)

55 **Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries /Joint Ventures/Associate.**

Sr. No.	Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of TCI	Amount
	Parent:								
	Godrej Properties Limited	99.62%	2,231.80	102.51%	240.85	98.24%	(2.76)	102.56%	238.09
	Subsidiaries (Indian):								
1	Godrej Buildcon Private Limited	7.43%	166.44	19.15%	45.00	0.00%	-	19.38%	45.00
2	Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited)	-1.86%	(41.58)	-65.52%	(153.94)	1.52%	(0.04)	-66.33%	(153.98)
3	Godrej Garden City Properties Private Limited	0.26%	5.85	0.74%	1.74	0.00%	-	0.75%	1.74
4	Godrej Hillside Properties Private Limited	0.00%	0.11	-0.01%	(0.02)	0.00%	-	-0.01%	(0.02)
5	Godrej Home Developers Private Limited	0.01%	0.12	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
6	Godrej Prakriti Facilities Private Limited	0.02%	0.39	0.07%	0.16	0.00%	-	0.07%	0.16
7	Prakritiplaza Facilities Management Private Limited	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-
8	Godrej Highrises Properties Private Limited	0.00%	0.04	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
9	Godrej Genesis Facilities Management Private Limited	0.02%	0.37	0.10%	0.25	0.00%	-	0.11%	0.25
10	Citystar Infra Projects Limited	0.00%	(0.01)	-0.01%	(0.01)	0.00%	-	-0.01%	(0.01)
11	Godrej Residency Private Limited	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
12	Godrej Land Developers LLP	0.00%	(0.02)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
13	Godrej Highrises Realty LLP	0.00%	(0.02)	-0.01%	(0.02)	0.00%	-	-0.01%	(0.02)

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

Sr. No.	Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of TCI	Amount
14	Godrej Project Developers & Properties LLP	0.00%	(0.02)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
15	Godrej Skyview LLP	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
16	Godrej Green Properties LLP	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
17	Godrej Projects (Pune) LLP	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
18	Godrej Projects (Soma) LLP	0.00%	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
19	Godrej Projects North LLP (formerly known as Godrej Projects (BlueJay) LLP)	0.00%	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
20	Godrej Athenmark LLP	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
21	Godrej Vestamark LLP	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
22	Godrej Avamark LLP	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
23	Godrej Fund Management Pte. Ltd. (ceased to be Subsidiary from June 21, 2017).	0.00%	-	0.65%	1.52	0.00%	-	0.65%	1.52
24	Godrej Investment Advisors Private Limited (ceased to be Subsidiary from June 21, 2017)	0.00%		0.00%	(0.00)	0.00%	-	0.00%	(0.00)
25	Godrej Green Homes Limited. (Considered as Joint Venture w.e.f. March 17, 2018)	0.00%	-	-0.13%	(0.30)	0.00%	-	-0.13%	(0.30)
26	Godrej Developers & Properties LLP.	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
27	Godrej Properties Worldwide Inc., USA	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	Associate (Indian) (Investment as per Equity Method)								
1	Godrej One Premises Management Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

Sr. No.	Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of TCI	Amount
	Joint Ventures (Indian) (Investment as per the Equity Method)								
1	Godrej Realty Private Limited	0.00%	-	-0.14%	(0.32)	0.00%	-	-0.14%	(0.32)
2	Godrej Landmark Redevelopers Private Limited	0.00%	-	-0.22%	(0.51)	0.00%	-	-0.22%	(0.51)
3	Godrej Redevelopers (Mumbai) Private Limited	0.00%	-	2.59%	6.10	0.00%	-	2.63%	6.10
4	Wonder Space Properties Private Limited	0.00%	-	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
5	Wonder City Buildcon Private Limited	0.00%	-	0.59%	1.39	0.00%	-	0.60%	1.39
6	Godrej Home Constructions Private Limited	0.00%	-	-0.46%	(1.09)	0.00%	-	-0.47%	(1.09)
7	Godrej Greenview Housing Private Limited	0.00%	-	-1.25%	(2.93)	0.00%	-	-1.26%	(2.93)
8	Wonder Projects Development Private Limited	0.00%	-	-0.24%	(0.57)	0.00%	-	-0.24%	(0.57)
9	Godrej Real View Developers Private Limited	0.00%	-	-0.24%	(0.57)	0.00%	-	-0.24%	(0.57)
10	Pearlite Real Properties Private Limited	0.00%	-	-1.79%	(4.21)	0.00%	-	-1.81%	(4.21)
11	Godrej Skyline Developers Private Limited	0.00%	-	-0.05%	(0.12)	0.00%	-	-0.05%	(0.12)
12	Godrej Green Homes Limited (Considered as Subsidiary till March 16, 2018)	0.00%	-	-0.16%	(0.38)	0.00%	-	-0.16%	(0.38)
13	Godrej Property Developers LLP	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
14	Mosiac Landmarks LLP	0.00%	-	0.05%	0.11	0.00%	-	0.05%	0.11
15	Dream World Landmarks LLP	0.00%	-	-0.84%	(1.98)	0.00%	-	-0.85%	(1.98)
16	Oxford Realty LLP	0.00%	-	3.96%	9.31	0.00%	-	4.01%	9.31

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

Sr. No.	Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of TCI	Amount
17	Godrej SSPDL Green Acres LLP	0.00%	-	-0.15%	(0.35)	0.00%	-	-0.15%	(0.35)
18	Oasis Landmarks LLP	0.00%	-	3.06%	7.19	0.00%	-	3.10%	7.19
19	M S Ramaiah Ventures LLP	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
20	Caroa Properties LLP	0.00%	-	-0.28%	(0.67)	0.00%	-	-0.29%	(0.67)
21	Godrej Construction Projects LLP	0.00%	-	-0.01%	(0.01)	0.00%	-	-0.01%	(0.01)
22	Godrej Housing Projects LLP	0.00%	-	-2.33%	(5.48)	0.00%	-	-2.36%	(5.48)
23	Amitis Developers LLP	0.00%	-	-0.73%	(1.72)	0.00%	-	-0.74%	(1.72)
24	A R Landcraft LLP	0.00%	-	-0.57%	(1.34)	0.00%	-	-0.58%	(1.34)
25	Prakhhyat Dwellings LLP	0.00%	-	-0.09%	(0.22)	0.00%	-	-0.09%	(0.22)
26	Bavdhan Realty @ Pune 21 LLP	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
27	Godrej Highview LLP	0.00%	-	-1.30%	(3.05)	0.00%	-	-1.31%	(3.05)
28	Godrej Irismark LLP	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
29	Godrej Projects North Star LLP (formerly known as Godrej Century Projects LLP)	0.00%	-	-0.01%	(0.01)	0.00%	-	-0.01%	(0.01)
30	Godrej Developers & Properties LLP	0.00%	-	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
31	Sai Srushti Onehub Projects LLP	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
	Inter-company Elimination and Consolidation Adjustments	-5.50%	(123.16)	43.10%	101.27	0.00%	-	43.62%	101.27
	Total	**100.00%**	**2,240.29**	**100.00%**	**234.96**	**100.00%**	**(2.81)**	**100.00%**	**232.15**

INR 0.00 represents amount less than INR 50,000

As per our report of even date.
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

ANIRUDDHA GODBOLE
Partner
Membership No: 105149
Mumbai
May 04, 2018

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

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428
Mumbai
May 04, 2018

RAJENDRA KHETAWAT
Chief Financial Officer

(Currency in INR Crore)

Annexure A: Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to Subsidiaries, Joint Ventures and Associate

Part "A" : Subsidiaries

Sr. No.	Name of Subsidiary Company /Limited Liability Partnership	Reporting Currency	Accounting Period	Capital	Reserves and Surplus	Total Assets	Total Liabilities (Refer Note (b) below)	Investments	Turnover (Refer Note (c) below)	Profit before taxation	Current Tax	Deferred Tax	Provision for taxation	Profit/ (Loss) after taxation	% of Holding*	Country
1	Godrej Buildcon Private Limited	INR	2017-18	0.05	166.39	548.65	382.21	-	738.79	70.23	25.24	(0.01)	25.23	45.00	100%	India
2	Godrej Projects Development Limited (formerly known as Godrej Projects Development Private Limited)	INR	2017-18	0.23	(41.81)	971.12	1,012.70	215.13	220.63	(204.58)	(0.16)	(50.48)	(50.64)	(153.94)	100%	India
3	Godrej Garden City Properties Private Limited	INR	2017-18	0.05	5.80	41.36	35.51	35.06	19.54	2.41	0.22	0.46	0.68	1.74	100%	India
4	Godrej Hillside Properties Private Limited	INR	2017-18	0.41	(0.30)	0.13	0.02	0.12	0.01	(0.02)	-	0.00	0.00	(0.02)	100%	India
5	Godrej Home Developers Private Limited	INR	2017-18	0.41	(0.29)	0.13	0.01	0.11	0.01	(0.01)	-	0.00	0.00	(0.01)	100%	India
6	Godrej Prakriti Facilities Private Limited	INR	2017-18	0.01	0.38	6.53	6.14	-	4.25	0.22	0.06	-	0.06	0.16	100%	India
7	Prakritiplaza Facilities Management Private Limited	INR	2017-18	0.01	-	0.73	0.72	-	0.04	-	-	-	-	-	100%	India
8	Godrej Highrises Properties Private Limited	INR	2017-18	0.01	0.03	71.91	71.88	0.00	-	(0.01)	-	(0.00)	(0.00)	(0.01)	100%	India
9	Godrej Genesis Facilities Management Private Limited (Refer Note (a) below)	INR	2017-18	0.01	0.36	1.79	1.42	-	2.73	0.34	0.09	-	0.09	0.25	100%	India
10	Citystar Infra Projects Limited	INR	2017-18	0.05	(0.06)	0.35	0.36	-	-	(0.01)	-	-	-	(0.01)	100%	India
11	Godrej Residency Private Limited	INR	2017-18	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	-	-	(0.01)	100%	India
12	Godrej Land Developers LLP (Refer Note (a) below)	INR	2017-18	0.00	(0.02)	0.00	0.02	-	-	(0.01)	-	-	-	(0.01)	100%	India

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

Sr. No.	Name of Subsidiary Company /Limited Liability Partnership	Reporting Currency	Accounting Period	Capital	Reserves and Surplus	Total Assets	Total Liabilities (Refer Note (b) below)	Investments	Turnover (Refer Note (c) below)	Profit before taxation	Current Tax	Deferred Tax	Provision for taxation	Profit/ (Loss) after taxation	% of Holding*	Country
13	Godrej Highrises Realty LLP (Refer Note (a) below)	INR	2017-18	0.00	(0.02)	3.29	3.31	-	-	(0.02)	-	0.00	0.00	(0.02)	100%	India
14	Godrej Project Developers & Properties LLP	INR	2017-18	0.00	(0.02)	0.17	0.19	-	-	(0.01)	-	-	-	(0.01)	100%	India
15	Godrej Skyview LLP (Refer Note (a) below)	INR	2017-18	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	-	-	(0.01)	100%	India
16	Godrej Green Properties LLP (Refer Note (a) below)	INR	2017-18	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	-	-	(0.01)	100%	India
17	Godrej Projects (Pune) LLP	INR	2017-18	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	-	-	(0.01)	100%	India
18	Godrej Projects (Soma) LLP (Refer Note (a) below)	INR	2017-18	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	-	-	(0.01)	100%	India
19	Godrej Projects North LLP (formerly known as Godrej Projects (BlueJay) LLP) (Refer Note (a) below)	INR	2017-18	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	-	-	(0.01)	100%	India
20	Godrej Athenmark LLP (Refer Note (a) below)	INR	2017-18	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	-	-	(0.01)	100%	India
21	Godrej Vestamark LLP (Refer Note (a) below)	INR	2017-18	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	-	-	(0.01)	100%	India
22	Godrej Avamark LLP (Refer Note (a) below)	INR	2017-18	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	-	-	(0.01)	100%	India
23	Godrej Properties Worldwide Inc., USA	INR	2017-18	-	-	-	-	-	-	-	-	-	-	-	100%	USA

*Percentage holding in LLPs denotes the Share of Profit in the LLPs

(a) Subsidiary of Godrej Projects Development Limited

(b) Total Liabilities excludes Capital and Reserves and Surplus

(c) Turnover Includes Revenue from Operations and Other Income

(d) All the above information is given as per Ind AS

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

Part "B" : Joint Ventures

Sr. No.	Name of Joint Venture Company/ Limited Liability Partnership	Latest audited Balance Sheet Date	Shares of Joint Ventures held by the Company on the year end			Description of how there is significant influence	Reason why joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Share of Profit/(Loss) for the year	
			No. of Share	Amount of Investment in Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
1	Godrej Realty Private Limited	31.03.2018	884,850	5.52	51%	through % of holding	NA	0.90	(0.32)	-
2	Godrej Landmark Redevelopers Private Limited	31.03.2018	25,500	0.03	51%	through % of holding	NA	53.00	(0.51)	-
3	Godrej Redevelopers (Mumbai) Private Limited	31.03.2018	28,567	4.44	51%	through % of holding	NA	18.56	6.10	-
4	Wonder Space Properties Private Limited	31.03.2018	114,191	1.78	25.10%	through % of holding	NA	1.69	(0.01)	-
5	Wonder City Buildcon Private Limited	31.03.2018	810,420	1.61	25.10%	through % of holding	NA	1.92	1.39	-
6	Godrej Home Constructions Private Limited	31.03.2018	1,071,770	2.18	25.10%	through % of holding	NA	(0.16)	(1.09)	-
7	Godrej Greenview Housing Private Limited	31.03.2018	1,264,560	1.37	20%	through % of holding	NA	(2.80)	(2.93)	-
8	Wonder Projects Development Private Limited	31.03.2018	1,050,100	1.40	20%	through % of holding	NA	0.82	(0.57)	-
9	Godrej Real View Developers Private Limited	31.03.2018	1,306,000	1.31	20%	through % of holding	NA	0.74	(0.57)	-
10	Pearlite Real Properties Private Limited	31.03.2018	3,552,500	3.55	49%	through % of holding	NA	(0.65)	(4.21)	-
11	Godrej Skyline Developers Private Limited	31.03.2018	260,000	0.26	26%	through % of holding	NA	0.14	(0.12)	-
12	Godrej Green Homes Limited (Considered as Subsidiary till March 16, 2018)	31.03.2018	338,847	69.13	50%	through % of holding	NA	95.23	(0.38)	-
13	Godrej Property Developers LLP	31.03.2018	NA	0.03	32%	through % of holding and Voting rights	NA	(0.02)	(0.00)	-
14	Mosiac Landmarks LLP	31.03.2018	NA	0.11	1%	through % of holding and Voting rights	NA	0.05	0.11	-
15	Dream World Landmarks LLP	31.03.2018	NA	0.04	40%	through % of holding and Voting rights	NA	0.73	(1.98)	-
16	Oxford Realty LLP	31.03.2018	NA	0.00	35%	through % of holding and Voting rights	NA	6.75	9.31	-

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

Sr. No.	Name of Joint Venture Company/ Limited Liability Partnership	Latest audited Balance Sheet Date	Shares of Joint Ventures held by the Company on the year end			Description of how there is significant influence	Reason why joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Share of Profit/(Loss) for the year	
			No. of Share	Amount of Investment in Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
17	Godrej SSPDL Green Acres LLP	31.03.2018	NA	0.05	37%	through % of holding and Voting rights	NA	(2.15)	(0.35)	-
18	Oasis Landmarks LLP	31.03.2018	NA	0.00	38%	through % of holding and Voting rights	NA	7.20	7.19	-
19	M S Ramaiah Ventures LLP	31.03.2018	NA	1.01	49.50%	through % of holding and Voting rights	NA	0.96	(0.00)	-
20	Caroa Properties LLP	31.03.2018	NA	0.04	35%	through % of holding and Voting rights	NA	(3.26)	(0.67)	-
21	Godrej Construction Projects LLP	31.03.2018	NA	0.00	34%	through % of holding and Voting rights	NA	(2.36)	(0.01)	-
22	Godrej Housing Projects LLP	31.03.2018	NA	0.01	50%	through % of holding and Voting rights	NA	(5.56)	(5.48)	-
23	Amitis Developers LLP	31.03.2018	NA	0.05	46%	through % of holding and Voting rights	NA	(1.71)	(1.72)	-
24	A R Landcraft LLP	31.03.2018	NA	0.10	40%	through % of holding and Voting rights	NA	14.59	(1.34)	-
25	Prakhhyat Dwellings LLP	31.03.2018	NA	0.00	42.50%	through % of holding and Voting rights	NA	(0.04)	(0.22)	-
26	Bavdhan Realty @ Pune 21 LLP	31.03.2018	NA	0.00	45%	through % of holding and Voting rights	NA	0.00	(0.00)	-
27	Godrej Highview LLP	31.03.2018	NA	4.80	40%	through % of holding and Voting rights	NA	1.76	(3.05)	-
28	Godrej Irismark LLP	31.03.2018	NA	0.01	50%	through % of holding and Voting rights	NA	(0.00)	(0.00)	-
29	Godrej Projects North Star LLP (formerly known as Godrej Century Projects LLP)	31.03.2018	NA	0.01	55%	through % of holding and Voting rights	NA	(0.01)	(0.01)	-

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

Sr. No.	Name of Joint Venture Company/ Limited Liability Partnership	Latest audited Balance Sheet Date	Shares of Joint Ventures held by the Company on the year end			Description of how there is significant influence	Reason why joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Share of Profit/(Loss) for the year	
			No. of Share	Amount of Investment in Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
30	Godrej Developers & Properties LLP	31.03.2018	NA	0.00	37.50%	through % of holding and Voting rights	NA	(0.02)	(0.01)	-
31	Sai Srushti Onehub Projects LLP	31.03.2018	NA	0.01	75%	through % of holding and Voting rights	NA	45.46	(0.00)	-

Part "C" : Associate

Sr. No.	Name of Associate Company	Latest audited Balance Sheet Date	Shares of Associate held by the company on the year end			Description of how there is significant influence	Reason why associate is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet"	Share of Profit/(Loss) for the year	
			No of Share	Amount of Investment in Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
1	Godrej One Premises Management Private Limited	31.03.2018	3,000	0.00	30%	through % of holding	NA	0.00	-	-

Percentage holding in LLPs denotes the Share of Profit in the LLPs

All the above information is given as per Ind AS

INR 0.00 represents amount less than INR 50,000

For and on behalf of the Board

PIROJSHA GODREJ
Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428
Mumbai, Dated: May 04, 2018

RAJENDRA KHETAWAT
Chief Financial Officer

NOTICE

Notice is hereby given that the Thirty Third Annual General Meeting ("AGM") of the members ("Members") of Godrej Properties Limited ("Company") will be held on Thursday, August 02, 2018, at 02:00 p.m. at The Auditorium, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited standalone financial statements and the audited consolidated financial statements of the Company for the financial year ended March 31, 2018 together with the report of the Board of Directors and report of the Auditors thereon and other reports.
2. To appoint a Director in place of Mr. Nadir B. Godrej (DIN: 00066195), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Auditors and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 as amended, the appointment of B S R & Co. LLP, Chartered Accountants (Firm Registration Number: 101248W/W-100022) as the Statutory Auditors of the Company be and is hereby ratified, to hold office from the conclusion of this 33rd (Thirty Third) Annual General Meeting (AGM) till the conclusion of the 37th (Thirty Seventh) Annual General Meeting (AGM), at such remuneration as may be mutually agreed upon between them and the Company."

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 196,197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) ("the Act") and pursuant to the provisions of the Articles of Association of the Company and subject to such other approvals as may be required, consent of the Members of the Company be and is hereby accorded for re-appointment of Mr. Pirojsha Godrej (DIN: 00432983) as Whole time Director designated as Executive Chairman of the Company for a period of three years with effect from April 1, 2018 upon the remuneration as may be determined and agreed to between the Board of Directors and Mr. Pirojsha Godrej, on the following terms and conditions:

   I. Fixed Compensation:

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

   The basic salary is ₹ 908,382/- per month. The annual basic salary and increments in remuneration will be recommended by the Nomination and Remuneration Committee and will be decided by the Board of Directors depending on the performance of Mr. Pirojsha Godrej as Executive Chairman, the profitability of the Company and other relevant factors.

   II. Performance Linked Variable Remuneration (PLVR):

   PLVR according to the Scheme of the Company for each of the financial years in accordance with the performance of Mr. Pirojsha Godrej as Executive Chairman for each year or as may be recommended by the Nomination & Remuneration Committee and decided by the Board of Directors.

   III. Flexible Compensation:

   In addition to the Fixed Compensation and PLVR mentioned above, Mr. Pirojsha Godrej will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per rules of the Company and subject to the relevant provisions of the Companies Act, as amended (collectively, the "perquisites and allowances").

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

   - Housing (i.e. unfurnished residential accommodation) or House Rent Allowance as per Company's rules;
   - Furnishing at residence;
   - Supplementary Allowance;
   - Leave Travel Assistance for self and family;
   - Payment/reimbursement of medical/hospitalisation expenses for self and family;
   - Group insurance cover, group mediclaim cover;
   - Payment/reimbursement of club fees, food vouchers, and fuel reimbursement;
   - Company cars with drivers for official use, provision of telephone(s) at residence;
   - Payment/reimbursement of telephone expenses;

- Housing loan as per rules of the Company and contingency loan as per rules of the Company. These loans shall be subject to Central Government approval, if any;
- Consolidated privilege leave on full pay and allowance, not exceeding 30 days in a financial year. Encashment/accumulation of leave will be permissible in accordance with the rules specified by the Company. Sick leave as per the rules of the Company;
- Such other perquisites and allowances as per the policy/rules of the Company in force and/ or as may be recommended by the Nomination & Remuneration Committee and approved by the Board from time-to-time.

Explanation:

i) For the Leave Travel Assistance and reimbursement of medical and hospitalization expenses, 'family' means the spouse and dependent children and dependent parents.

ii) Perquisites shall be valued at actual cost, or if the cost is not ascertainable, the same shall be valued as per the applicable Income Tax Rules.

IV. Other Reimbursements:

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

V. Overall Remuneration:

The aggregate of salary and perquisites as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion may pay to the Executive Chairman from time-to-time, shall not exceed the limits prescribed from time to-time under Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act as may for the time being, be in force.

VI. Minimum Remuneration:

Notwithstanding the foregoing, if in any Financial Year during the currency of the tenure of the Executive Chairman, the Company has no profits or its profits are inadequate, the Company will pay remuneration as specified above.

Other Terms:

- The Executive Chairman is liable to retire by rotation. The appointment is terminable by giving three months' notice in writing on either side.
- The Executive Chairman shall not, during the continuance of his employment or at any time thereafter, divulge or disclose to whomsoever or make any use whatsoever, whether for his own or for any other purpose other than that of the Company, any information or knowledge obtained by him during his employment with the business or affairs or other matters whatsoever of the Company, and it shall be the Executive Chairman's endeavor, during the continuance of his employment, to prevent any other person from disclosing the aforesaid information.
- If the Executive Chairman be guilty of such inattention to or negligence in the conduct of the business of the Company or of misconduct or of any other act or omission inconsistent with his duties as Director or any breach of the terms of his appointment, as in the opinion of all other Directors renders his retirement from the office desirable, the opinion of such other Directors shall be final, conclusive, and binding on the Executive Chairman and the Company may, by giving thirty days' notice in writing to the Executive Chairman, terminate this appointment, and he shall cease to be the Executive Chairman of the Company, upon expiration of such notice.

RESOLVED FURTHER THAT approval be and is hereby accorded to make application to Central Government, if necessary, as per the provisions of Sections 196 and 197 of the Act for obtaining its approval towards payment of remuneration as above, in the event it exceeds, in any financial year, the limits provided in Part II of Schedule V to the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable for giving effect to the foregoing resolution, and to settle any question, or doubt that may arise in relation thereto."

5. To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) ("the Act") and pursuant to the provisions of the Articles of Association of the Company and subject to such other approvals as may be required, consent of the Members of the Company be and is hereby accorded for re-appointment of Mr. Mohit Malhotra (DIN: 07074531) as Managing Director & Chief Executive Officer of the Company for a period of three years with effect from April 1, 2018 upon the remuneration as may be determined and agreed to between the Board of Directors and Mr. Mohit Malhotra,

NOTICE

on the following terms and conditions.

I. Fixed Compensation:

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

The basic salary is ₹ 846,000/- per month. The annual basic salary and increments in remuneration will be recommended by the Nomination and Remuneration Committee and will be decided by the Board of Directors depending on the performance of Mr. Mohit Malhotra as Managing Director & Chief Executive Officer, the profitability of the Company and other relevant factors.

II. Performance Linked Variable Remuneration (PLVR):

PLVR according to the Scheme of the Company for each of the financial years in accordance with the performance of Mr. Mohit Malhotra as Managing Director & Chief Executive Officer for each year or as may be recommended by the Nomination & Remuneration Committee and decided by the Board of Directors.

III. Flexible Compensation:

In addition to the Fixed Compensation and PLVR mentioned above, Mr. Mohit Malhotra will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per rules of the Company and subject to the relevant provisions of the Companies Act, as amended (collectively, the "perquisites and allowances").

These perquisites and allowances may be granted to Mr. Mohit Malhotra as per the rules of the Company and in the manner as the Nomination and Remuneration Committee may recommend and the Board of Directors may decide.

- Housing (i.e. unfurnished residential accommodation) or House Rent Allowance as per Company's rules;
- Furnishing at residence;
- Supplementary Allowance;
- Leave Travel Assistance for self and family;
- Payment/reimbursement of medical/hospitalisation expenses for self and family;
- Group insurance cover, group mediclaim cover;
- Payment/reimbursement of club fees, food vouchers, and fuel reimbursement;
- Company cars with drivers for official use, provision of telephone(s) at residence;
- Payment/reimbursement of telephone expenses;
- Housing Loan as per rules of the Company and contingency loan as per rules of the Company. These loans shall be subject to Central Government approval, if any;
- Consolidated privilege leave on full pay and allowance, not exceeding 30 days in a financial year. Encashment/accumulation of leave will be permissible in accordance with the rules specified by the Company. Sick leave as per the rules of the Company;
- Such other perquisites and allowances as per the policy/rules of the Company in force and/ or as may be recommended by the Nomination & Remuneration Committee and approved by the Board from time to-time.
- Mr. Mohit Malhotra will also be entitled to the stock options/stock grants as per the prevailing schemes of the Company.

Explanation:

i) For the Leave Travel Assistance and reimbursement of medical and hospitalization expenses, 'family' means the spouse and dependent children and dependent parents.

ii) Perquisites shall be valued at actual cost, or if the cost is not ascertainable, the same shall be valued as per the applicable Income Tax Rules.

IV. Other Reimbursements:

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

V. Overall Remuneration:

The aggregate of salary and perquisites as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion may pay to the Managing Director & Chief Executive Officer from time-to-time, shall not exceed the limits prescribed from time-to-time under Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act as may for the time being, be in force.

VI. Minimum Remuneration:

Notwithstanding the foregoing, if in any financial year during the currency of the tenure of the Managing Director & Chief Executive Officer, the Company has no profits or its profits are inadequate, the Company will pay remuneration as specified above.

Other Terms:

- The Managing Director is not liable to retire by rotation. The appointment is terminable by giving three months' notice in writing on either side.
- The Managing Director shall not, during the continuance of his employment or at any time thereafter, divulge or disclose to whomsoever or make any use whatsoever, whether for his own or for any other purpose other than that of the Company, any information or knowledge obtained by him during his employment with the business or affairs or other matters whatsoever of the Company, and it shall be the Managing Director's endeavor, during the continuance of his employment, to prevent any other person from disclosing the aforesaid information.
- If the Managing Director be guilty of such inattention to or negligence in the conduct of the business of the Company or of misconduct or of any other act or omission inconsistent with his duties as Director or any breach of the terms of his appointment, as in the opinion of all other Directors renders his retirement from the office desirable, the opinion of such other Directors shall be final, conclusive, and binding on the Managing Director and the Company may, by giving thirty days' notice in writing to the Managing Director, terminate this appointment, and he shall cease to be the Managing Director of the Company, upon expiration of such notice.

RESOLVED FURTHER THAT approval be and is hereby accorded to make application to Central Government, if necessary, as per the provisions of Sections 196 and 197 of the Act for obtaining its approval towards payment of remuneration as above, in the event it exceeds, in any financial year, the limits provided in Part II of Schedule V to the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable for giving effect to the foregoing resolution, and to settle any question, or doubt that may arise in relation thereto."

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to M/s. R. Nanabhoy & Co., Cost Accountants, appointed as Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2018-19, amounting to ₹ 105,000/- (Rupees One Lakh Five Thousand only) exclusive of tax and out of pocket of expenses be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors
For Godrej Properties Limited

Sd/-
Surender Varma
Company Secretary & Chief Legal Officer
ICSI Membership No. A10428

Place : Mumbai
Dated : May 4, 2018

Registered Office : Godrej One,
5th Floor, Pirojshanagar,
Eastern Express Highway,
Vikhroli (East), Mumbai - 400 079
CIN: L74120MH1985PLC035308
Tel: 91 22 6169 8500 Fax: 91 22 6169 8888
Website: www.godrejproperties.com
Email : secretarial@godrejproperties.com

NOTICE

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING. A person can act as a proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**

2. All documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company during office hours on all days except Saturdays, Sundays and public holidays, up to the date of this 33rd AGM.

3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

4. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, as amended (the "Companies Act" or the "Act") with respect to Item Nos. 4, 5 and 6 of the notice set out above is annexed hereto.

5. The details as stipulated under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India, in respect of the directors seeking re-appointment under Item No.s 2, 4 & 5 of this Notice, are annexed.

6. Corporate Members intending to attend the AGM through their authorized representatives are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.

7. Members desirous of seeking any clarifications pertaining to agenda items at the AGM are requested to send in their questions so as to reach the Company's Registered Office at least 7 days before the date of the AGM, so that the same can be suitably replied to.

8. Members are requested to address all correspondence, including dividend matters, to the Registrar and Share Transfer Agents, Karvy Computershare Private Limited, Karvy Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serilinggampally, Hyderabad - 500 032 ("Karvy").

9. Members who wish to claim dividends, which had remained unpaid are requested to contact the Registrar and Share Transfer Agents, Karvy. Members are requested to note that the amount of dividend which remains unclaimed for a period of 7 years from the date of such transfer will be transferred along with the underlying shares to the Investor Education and Protection Fund (IEPF) as per Sections 124 and 125 of the Companies Act. Members are requested to claim their unclaimed dividends immediately to avoid transfer of underlying shares to the IEPF. Members may note that the dividend and shares transferred to IEPF can be claimed by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

10. As per the provisions of Section 72 of the Act, and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH.13 with Karvy. In respect of shares held in dematerialize form, the nomination may be filed with the respective Depository Participants.

11. The Company is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs, Government of India, has permitted companies to send official documents to their Members electronically as part of its green initiatives in corporate governance.

    To support the green initiative of the Ministry of Corporate Affairs, the Notice convening the AGM, Financial Statements, Directors' Report, Auditors' Report, etc, is being sent by electronic mode to those Members whose email addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. Members may note that this Notice and the Annual Report 2017-18 will also be available on the Company's website www.godrejproperties.com. In case you wish to get a physical copy of the Annual Report, you may send your request to Karvy at einward.ris@karvy.com mentioning your Folio No./ DP ID and Client ID.

12. Members/Proxies should bring the Attendance Slip duly filled in, for attending the AGM and also their copy of the Annual Report. Members who have received the notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit the duly filled in Attendance Slip at the registration counter to attend the AGM.

13. In compliance with the Rule 20 of the Companies (Management and Administration) Rules, 2014 and Secretarial Standards issued by the Institute of Company Secretaries of India, the Company has considered July 26, 2018 to determine the eligibility of Members to vote by electronic means or through physical ballot at the AGM (Cut off date). The persons whose names appear on the Register of Members/List of Beneficial Owners as on the Cut off date would be entitled to vote through electronic means or through physical ballot at the AGM.

14. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address with their depository participants for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Karvy.

16. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

17. In terms of Section 108 of the Companies Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing the facility to its Members, being eligible to vote, to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice. Members can cast their votes on electronic voting system from any place other than the venue of the meeting (Remote e-voting). The persons who have become the Members of the Company after the dispatch of the Notice and Annual Report and their names appear in the Register of Members/List of Beneficial owners as on the Cutoff date i.e. July 26, 2018 may contact Karvy to obtain the Notice of AGM and the login id and password for casting vote electronically or may cast their vote through physical ballot at the AGM. Details of the process and manner of remote e-voting along with the User ID and Password is being sent to all the Members along with the Notice.

    The Company has engaged the services of Karvy to provide e-voting facilities and for security and enabling the Members to cast their vote in a secure manner.

    Commencement of e-voting: From 9.00 a.m. on July 29, 2018

    Conclusion of e-voting: At 5.00 p.m. on August 01, 2018

Instructions and other information relating to e-voting are as under:

(a) Members receiving an email from Karvy:

- (i) Open the email which contains your user ID and password for e-voting. Please note that the password is an initial password
- (ii) Launch internet browser by typing the URL: https://evoting.karvy.com
- (iii) Enter the login credentials (i.e. User ID and password) In case of physical folio, User ID will be EVEN (E-voting Event Number) xxxx followed by folio number. In case of demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- (iv) After entering these details appropriately, click on “LOGIN”.
- (v) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (vi) You need to login again with the new credentials.
- (vii) On successful login, the system will prompt you to select the EVENT for Godrej Properties Limited.
- (viii) On the voting page enter the number of shares (which represents the number of votes) as on the Cut-off date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially in “AGAINST” but the total number in “FOR/AGAINST” taken together should not exceed your total shareholding as on the Cut-off date, as mentioned above. You may also choose the option “ABSTAIN” and the shares held will not be counted under either head.

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(ix) Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

(x) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

(xi) You may then cast your vote by selecting an appropriate option and click on "Submit".

(xii) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

(xiii) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: akjaincs@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

(b) Members receiving physical copy of the Notice [For Members whose email IDs are not registered with the Company/ Depository Participants] of AGM and Attendance Slip:

(i) Initial Password is provided, as follows, at the bottom of the Attendance Slip.

EVEN (E-Voting Event Number)	USER ID	PASSWORD
-	-	-

(ii) Please follow all the steps from Sr. No (ii) to (xiii) above, to case vote.

(c) In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the Cut-Off date for E-voting i.e., July 26, 2018, he/she may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the member is registered against Folio No./ DP ID, Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL:

MYEPWD <SPACE> IN12345612345678

Example for CDSL:

MYEPWD <SPACE> 1402345612345678

Example for Physical:

MYEPWD <SPACE> XXXX1234567890

ii. If e-mail address or mobile number of the Member is registered against Folio No. / DP ID, Client ID, then on the home page of https://evoting.karvy.com, the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Member may call Karvy's toll free number 1800-3454-001.

iv. Member may send an e-mail request to evoting@karvy.com. However, Karvy shall endeavour to send User ID and Password to those new Members whose mail ids are available.

(d) Common Instructions:

(i) E-voting shall not be allowed beyond 5.00 p.m. on August 01, 2018. During the e-voting period, Members of the Company, holding shares either in physical form or in dematerialized form, as on Cut off date, may cast their vote electronically. A person who is not a Member as on the Cut off date should treat this Notice for information purpose only. The remote evoting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Members, the Members shall not be allowed to change it subsequently.

(ii) In case of any query/ grievance pertaining to remote e-voting, please visit Help & FAQ's and e-voting user manual available to the download section available at the Karvy's website https://evoting.karvy.com. or contact details of Karvy at toll free no. 1800-3454-001 or email at evoting@karvy.com.

(iii) The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on Cut off date.

(iv) The Board of Directors ("Board") has appointed Mr. Ashish Kumar Jain, of M/s A K Jain & Co, Practicing Company Secretaries, as the Scrutinizer to scrutinize that the remote e-voting process and voting at the meeting is conducted in a fair and transparent manner.

(v) The Scrutinizer shall within a period not exceeding three (3) days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and shall make a Scrutinizer's Report of the votes cast in favour or against, if any, and forward it to the Chairman of the Company.

(vi) In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, the Chairman will offer an opportunity to such Members to vote at the Meeting for all businesses specified in the accompanying Notice. For abundant clarity, please note that the Members who have exercised their right to vote by electronic means may attend the AGM but shall not be entitled vote at the Meeting. A Member can opt for only single mode of voting i.e. either through remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

(vii) The Results of e-voting and poll voting at the meeting on resolutions shall be aggregated and declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favour of the Resolutions.

(viii) The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.godrejproperties.com) and on Karvy's website (https://evoting.karvy.com) immediately after the declaration of the results and the same will be communicated to the BSE Limited and the National Stock Exchange of India Limited.

18. Route map showing directions to reach venue of the AGM is given at the end of the Annual Report.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4:

The Members at the Annual General Meeting held on July 28, 2012, appointed Mr. Pirojsha Godrej as the Managing Director & Chief Executive Officer ("MD & CEO") of the Company for a period of three years with effect from April 01, 2012.

Further, the Members of the Company at the Annual General Meeting of the Company held on August 04, 2015 approved the re-appointment of Mr. Pirojsha Godrej as MD & CEO of the Company, for a further period of three years with effect from April 01, 2015 and subsequently approved the re-designation of Mr. Pirojsha Godrej as Executive Chairman with effect from April 01, 2017.

The Board at its meeting held on May 04, 2018, subject to the approval of members, had approved the re-appointment of Mr. Pirojsha Godrej as Whole time Director designated as Executive Chairman for a period of three years commencing from April 01, 2018. The details of Mr. Pirojsha Godrej as required to be given under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by Institute of Company Secretaries of India are attached to the Notice.

Accordingly, the approval of the Members of the Company is sought for re-appointment including remuneration payable to Mr. Pirojsha Godrej as Executive Chairman mentioned in the item no.4 of this Notice, with effect from April 01, 2018.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Pirojsha Godrej as Executive Chairman pursuant to Section 190 of the Companies Act, 2013.

Nature of concern or interest of Directors:

None of the other directors and/or key managerial personnel of your Company and their relatives, except Mr. Adi Godrej, Mr. Pirojsha Godrej, are concerned or interested, financially or otherwise, in Resolution no. 4. The other relatives of Mr. Pirojsha Godrej may be deemed to be interested in the resolution to the extent of their shareholding in the Company.

The Board recommends passing of the Resolution set out at Item No. 4 of this Notice.

ITEM NO. 5

The Members of the Company at Annual General Meeting held on August 04, 2015 appointed Mr. Mohit Malhotra as an Executive Director of the Company for a period of three years with effect from April 01, 2015 and also approved the re-designation of Mr. Mohit Malhotra as Managing Director & CEO with effect from April 01, 2017.

The Board at its meeting held on May 04, 2018, subject to the approval of members, had approved the re-appointment of Mr. Mohit Malhotra as

NOTICE

Managing Director & CEO for a period of three years commencing from April 01, 2018. The details of Mr. Mohit Malhotra as required to be given under Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by Institute of Company Secretaries of India are attached to the Notice.

Accordingly, the approval of the Members of the Company is sought for re-appointment including remuneration payable to Mr. Mohit Malhotra as Managing Director & CEO mentioned in the item no.5 of this Notice, with effect from April 01, 2018.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Mohit Malhotra as Managing Director & CEO pursuant to Section 190 of the Companies Act, 2013.

Nature of concern or interest of Directors:

None of the directors and/or key managerial personnel of your Company and their relatives, except Mr. Mohit Malhotra, are concerned or interested, financially or otherwise, in the Resolution no. 5. The other relatives of Mr. Mohit Malhotra may be deemed to be interested in the resolution to the extent of their shareholding in the Company.

The Board recommends passing of the Resolution set out at Item No. 5 of this Notice.

ITEM NO. 6:

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. R. Nanabhoy & Co., Cost Accountants, as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2018-19. In accordance with the provisions of Section 148 of the Companies Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing Ordinary Resolution as set out at Items No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2018-19.

Nature of concern or interest of Directors:

None of the directors and/or key managerial personnel of your Company and their relatives are concerned or interested, financially or otherwise, in the above Resolution.

Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by The Institute of Company Secretaries of India, the following information is furnished about the Directors proposed to be re-appointed/appointed.

Brief Resume of the Directors

Name of the Director	**Mr. Nadir B. Godrej**	**Mr. Pirojsha Godrej**	**Mr. Mohit Malhotra**
Particulars	**(DIN: 00066195)**	**(DIN: 00432983)**	**(DIN: 07074531)**
Age	66	37	40
Nationality	Indian	Indian	Indian
Date of Appointment	April 25,1990	October 25, 2008	April 01, 2015
Shares held in the Company	1,027,854	342,610	21,926
Qualification	Mr. Nadir B. Godrej holds a Bachelor of Science degree in chemical engineering from the Massachusetts Institute of Technology, U.S.A., a Master of Science degree in chemical engineering from Stanford University, U.S.A, and a Master of Business Administration degree from Harvard Business School, USA.	Mr. Pirojsha Godrej holds a Bachelors Degree in Economics from the Wharton School at the University of Pennsylvania, a Masters degree in International Affairs from Colombia University's School of International and Public Affairs and a Masters degree in Business Administration from Columbia Business School, U.S.A.	Mr. Malhotra holds a Bachelor's degree in Mechanical Engineering from Thapar Institute of Engineering & Technology, Patiala and a Post Graduate Diploma in Management from the Indian Institute of Management, Kolkata

Name of the Director	Mr. Nadir B. Godrej	Mr. Pirojsha Godrej	Mr. Mohit Malhotra
Particulars	**(DIN: 00066195)**	**(DIN: 00432983)**	**(DIN: 07074531)**
Expertise in specific functional Area	Engineering and Management	Management	Management
Terms & Conditions of re-appointment/ variation of remuneration	N.A.	Specified in Resolution No. 3 of the Notice	Specified in Resolution No. 4 of the Notice
Remuneration last drawn	Kindly refer the Corporate Governance Report	Kindly refer the Corporate Governance Report	Kindly refer the Corporate Governance Report
Directorships held in other Companies	• Godrej Consumer Products Limited • Godrej Industries Limited • Mahindra and Mahindra Limited • The Indian Hotels Company Limited • Astec Lifesciences Limited • Godrej Agrovet Limited • Godrej & Boyce Manufacturing Company Limited • Creamline Dairy Products Limited • Godrej Tyson Foods Limited • Isprava Vesta Private Limited	• Swaddle Projects Private Limited • Godrej One Premises Management Private Limited • Godrej Investment Advisers Private Limited • Godrej Consumer Products Limited • Praviz Developers Private Limited • Karukachal Developers Private Limited • Eranthus Developers Private Limited	Nil
Chairman/ Membership in other committees of the Board	None	• Allotment Committee - Chairman • Management Committee - Chairman • Corporate Social Responsibility Committee - Chairman • Stakeholder Relationship Committee - Member	• Corporate Social Responsibility Committee - Member • Management Committee – Member
Inter-se relationship with other directors/ Key Managerial Personnel	Mr. Pirojsha Godrej is nephew of Mr. Nadir Godrej	Nephew of Mr. Jamshyd N. Godrej & Mr. Nadir B. Godrej	None
No. of Board meetings attended during the year	4 (Four)	4 (Four)	4 (Four)

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GODREJ | PROPERTIES

PROXY FORM

GODREJ PROPERTIES LIMITED

CIN: L74120MH1985PLC035308

Registered Office: Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079.

Email: secretarial@godrejproperties.com website: www.godrejproperties.com

Form No. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member			
Registered Address :-			
E-mail ID			
Folio No./ Client ID		DP -ID	

I/We, being the member (s) of .... shares of the above named company, hereby appoint:-

1.	Name			
	Address		Signature	
	E- Mail ID			
Or failing him				
2.	Name			
	Address		Signature	
	E- Mail ID			
Or failing him				
3.	Name			
	Address		Signature	
	E- Mail ID			

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Thursday, August 02, 2018 at 2:00 p.m. at Godrej One, The Auditorium, Pirojshanagar, Eastern Express Highway, Vikhroli (East) , Mumbai - 400 079 and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

Resolution Nos. :-

Sr. No	Resolutions	Optional (see note 2)		
		For	**Against**	**Abstain**
ORDINARY BUSINESS				
1.	Adoption of the financial statements for the year ended March 31, 2018			
2.	Re-appointment of Mr. Nadir B. Godrej as Director liable to retire by rotation			
3.	Appointment of B S R & Co. LLP as Statutory Auditors of the Company			
SPECIAL BUSINESS				
4.	Re-appointment of Mr. Pirojsha Godrej as the Executive Chairman and revision in remuneration payable to him			
5.	Re-appointment of Mr. Mohit Malhotra as the Managing Director & Chief Executive Officer and revision in remuneration payable to him			
6.	Ratification of remuneration paid to Cost Auditors			

Signed this _______day of __________2018

Affix Revenue Stamp

Signature of the Member __________________

Signature of the First Proxy Holder

Signature of the Second Proxy Holder

Signature of the Third Proxy Holder

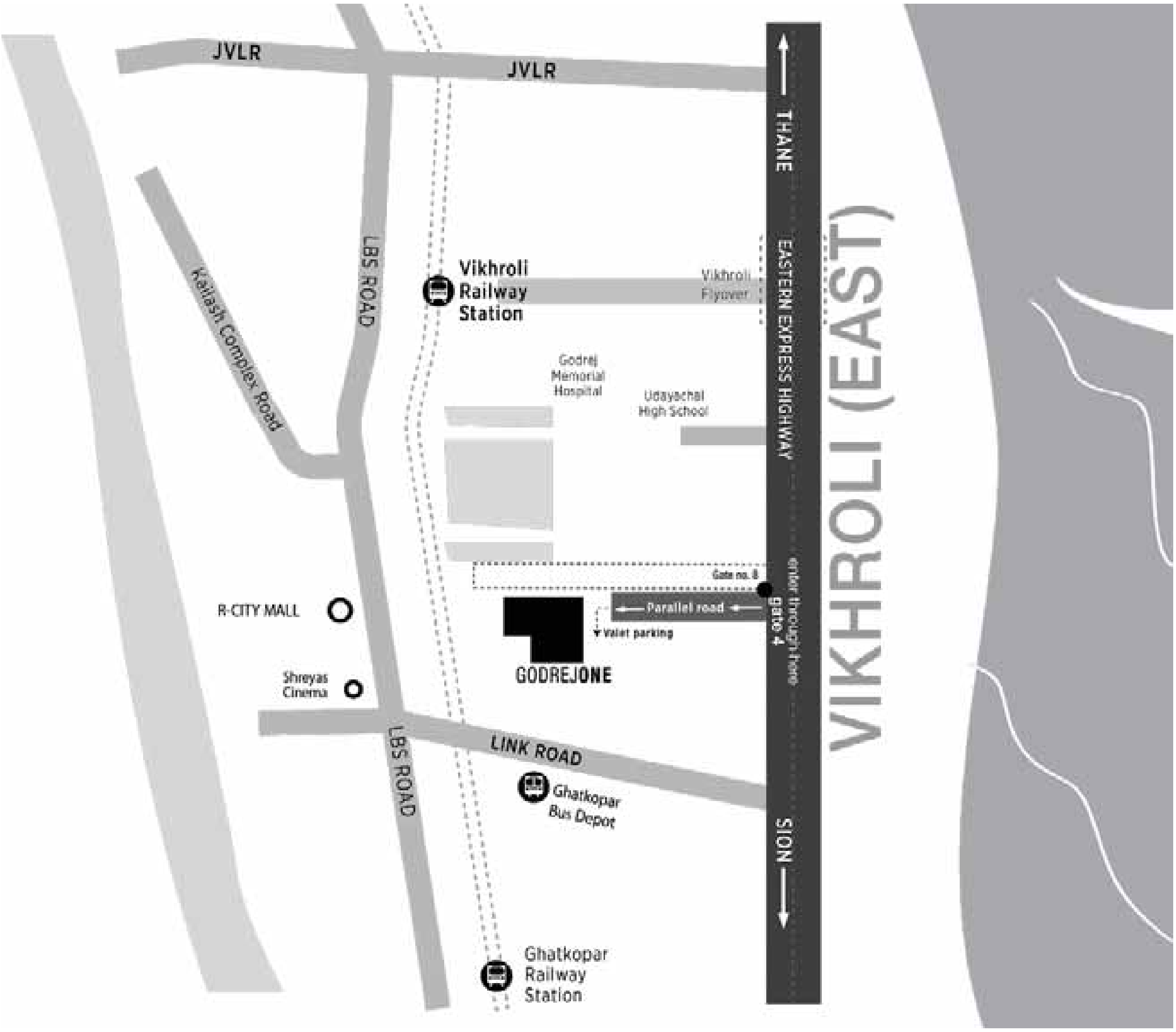
Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.

VENUE OF THE MEETING

The Auditorium, Godrej One,

Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079.



NOTES

Godrej Properties Limited

Registered Office:

Godrej Properties Limited

Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai 400 079. India

Tel: 91-22-61698500 | Website: www.godrejproperties.com

Regional Office

AHMEDABAD	BENGALURU	CHENNAI	GURGAON	KOLKATA	PUNE
2nd Floor, RUDRAPATH Near Rajpath Club S. G. Highway Ahmedabad - 380059.	No.80, Hulkul Ascent, 2nd Cross, Lavelle Road, Bengaluru 560001.	3rd Floor, Sudharsan Buildings, Old No. 86/5, New No. 92/5, Chamiers Road, Opp. to Hotel Sheraton Park, Chennai - 600 018	3rd Floor, UM House Tower A, Plot no.35, Sector – 44, Gurgaon – 122002 Haryana.	No. 23, The Legacy 25A, Shakeshpare Sarani, Kolkata - 700017.	Godrej Eternia C, Office A, 10th Floor, 3 Old Mumbai Pune Highway, Wakdewadi Shivaji Nagar, Pune - 411005

The images included in the Annual Report are relating to the following projects:

PROJECT	RERA REGISTRATION NUMBER	RERA WEBSITE
Godrej Elements	P52100016626	https://maharera.mahaonline.gov.in/
Godrej Alive A	P51700010303	
Godrej Alive B	P51700005281	
Godrej Alive C	P51700009993	
Godrej Alive E	P51700009992	
Godrej Vihaa Phase 1	P51700002689	
Godrej Vihaa Phase 2	P51700002442	
Sky Gardens at Godrej Vihaa	P51700013329	
Godrej Vihaa Phase 5	P51700008346	
The Trees, Residential Phase 1	P51800000165	
The Trees Residential Phase 2	P51800000161	
The Trees, Origins	P51800000158	
Godrej Prime	P51800000519	
Godrej Tranquil	P51800000812	
Godrej Meridien Phase 1	RC/REP/HARERA/GGM/2018/05	www.harera.in
Godrej Meridien Phase 2	RC/REP/HARERA/GGM/2018/06	
Godrej Nature Plus Phase 1	Regn No. 18 of 2018 dated 30.01.2018	
Godrej Reflections Phase 1	PRM/KA/RERA/1251/446/PR/180329/002843	http://rera.karnataka.gov.in
Godrej Nest Phase 1	UPRERAPRJ13521	http://www.up-rera.in/
Godrej Nest Phase 2	UPRERAPRJ14252	

Godrej Properties Limited, Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai 400 079. India
Tel: 91-22-61698500 | Website: www.godrejproperties.com