The information in this Preliminary Placement Document is not complete and may be changed. The Issue is meant only for Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and is not an offer to the public or to any other class of investors to purchase the Equity Shares. This Preliminary Placement Document is not an offer to sell any Equity Shares and is not soliciting an offer to subscribe to or buy the Equity Shares in any jurisdiction where such offer, sale or subscription is not permitted. This Preliminary Placement Document is being issued for the sole purpose of information or discussion relating to the Equity Shares that may be Allotted pursuant to the Placement Document.

Preliminary Placement Document
Subject to Completion
Not for Circulation and Strictly Confidential
Serial Number: _____
Dated: June 25, 2019

Godrej | PROPERTIES

Registered Office and Corporate Office: Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079, Maharashtra, India
Tel: +91 22 6169 8500
Email: secretarial@godrejproperties.com | **Website**: www.godrejproperties.com | **CIN**: L74120MH1985PLC035308

Our Company was incorporated on February 8, 1985 in the Republic of India with limited liability under the Companies Act, 1956. For details of changes in the name of our Company and a brief history of our Company, see "***General Information***" on page 195.

Issue of up to [●] equity shares of face value of ₹ 5 each (the "**Equity Shares**") at a price of ₹ [●] per Equity Share (the "**Issue Price**"), including a premium of ₹ [●] per Equity Share, aggregating to approximately ₹ [●] million (the "**Issue**"). For further details, see "***Summary of the Issue***" on page 30.

THIS ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED, READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES") AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER.

Our Company's outstanding Equity Shares are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", and together with BSE, the "**Stock Exchanges**"). The closing price of the outstanding Equity Shares on BSE and NSE as on June 24, 2019 was ₹ 960.75 and ₹ 960.45 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**SEBI Listing Regulations**") for listing of the Equity Shares to be issued pursuant to the Issue, from BSE and NSE on June 25, 2019 and June 25, 2019, respectively. Our Company shall make applications to the Stock Exchanges for obtaining final listing and trading approvals for the Equity Shares to be issued pursuant to the Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE.

A draft of this Preliminary Placement Document, which includes disclosures prescribed under Form PAS-4 (as defined hereinafter), has been delivered to the Stock Exchanges. A copy of the Placement Document (which shall also include disclosures prescribed under Form PAS-4) shall be delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 (as defined hereinafter) and the PAS Rules. This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Reserve Bank of India ("**RBI**"), the Stock Exchanges, the RoC or any other regulatory or listing authority, and is intended only for use by Eligible QIBs (as defined hereinafter). This Preliminary Placement Document has not been and shall not be registered as a prospectus with the RoC, shall not be circulated or distributed to the public in India or any other jurisdiction, and the Issue shall not constitute a public offer in India or any other jurisdiction.

THE ISSUE AND DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBS IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013 AND THE RULES PRESCRIBED THEREUNDER, AND CHAPTER VI OF THE SEBI ICDR REGULATIONS. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PROSPECTIVE INVESTOR OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN ELIGIBLE QIBS. THIS PRELIMINARY PLACEMENT DOCUMENT SHALL BE CIRCULATED ONLY TO SUCH ELIGIBLE QIBS WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU MAY NOT AND ARE NOT AUTHORISED TO: (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE COMPANIES ACT, 2013, SEBI ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OF OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ "*RISK FACTORS*" ON PAGE 43 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES ISSUED PURSUANT TO THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT. PROSPECTIVE INVESTORS SHALL CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES AND THE COMPANY. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORIZED FINANCIAL ADVISOR.

Invitations, offers and sales of Equity Shares to be issued pursuant to the Issue shall only be made pursuant to this Preliminary Placement Document, together with the Application Form, the Placement Document and the Confirmation of Allocation Note (each as defined herein). For further details, see "***Issue Procedure***" on page 139. The distribution of this Preliminary Placement Document or the disclosure of its contents without our Company's prior consent to any person other than Eligible QIBs and persons retained by Eligible QIBs to advise them with respect to their purchase of Equity Shares is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold by the Company (a) in the United States only to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the Securities Act) (a "**U.S. QIB**") pursuant to Section 4(a)(2) under the Securities Act, and (b) outside the United States, in offshore transactions, in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For further information, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 152 and 159, respectively.

The information on our websites, any website directly or indirectly linked to our websites or on the respective websites of the Book Running Lead Managers (as defined hereinafter) or of their respective affiliates does not form part of this Preliminary Placement Document and prospective investors should not rely on any such information contained in or available through any such websites for their investment in this Issue.

This Preliminary Placement Document is dated June 25, 2019.

BOOK RUNNING LEAD MANAGERS

kotak® Investment Banking

KOTAK MAHINDRA CAPITAL COMPANY LIMITED

AXIS CAPITAL

AXIS CAPITAL LIMITED

CLSA A CITIC Securities Company

CLSA INDIA PRIVATE LIMITED

Merrill Lynch A subsidiary of Bank of America Corporation

DSP MERRILL LYNCH LIMITED

TABLE OF CONTENTS

NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Preliminary Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains all information with respect to our Company, its Subsidiaries, Joint Ventures, Associate and the Equity Shares, which we consider material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to our Company, its Subsidiaries, its Joint Ventures, its Associate and the Equity Shares are in all material respects, true, accurate and not misleading, and the opinions and intentions expressed in this Preliminary Placement Document with regard to our Company, its Subsidiaries, its Joint Ventures, its Associate and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to our Company. There are no other facts in relation to our Company, its Subsidiaries, its Joint Ventures, its Associate and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements.

Kotak Mahindra Capital Company Limited, Axis Capital Limited, CLSA India Private Limited and DSP Merrill Lynch Limited (the "**Book Running Lead Managers**") have not separately verified the information contained in this Preliminary Placement Document (financial, legal, or otherwise). Accordingly, neither the Book Running Lead Managers, nor any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Book Running Lead Managers or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information supplied in connection with the Company, its Subsidiaries, its Joint Ventures, its Associate and the Issue of the Equity Shares or their distribution. Each person receiving this Preliminary Placement Document acknowledges that such person has not relied on any of the Book Running Lead Managers or on any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Company, its Subsidiaries, its Joint Ventures and its Associate and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company, or by or on behalf of the Book Running Lead Managers. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The Equity Shares to be issued pursuant to the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including the United States Securities and Exchange Commission ("SEC"), any other federal or state authorities in the United States, the securities authorities of any non-United States jurisdiction and any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary is a criminal offense in the United States and may be a criminal offence in other jurisdictions.

The Equity Shares have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold by the Company (a) in the United States only to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the Securities Act) pursuant to Section 4(a)(2) under the Securities Act, and (b) outside the United States, in offshore transactions, in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For further information, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 152 and 159, respectively.

The information contained in this Preliminary Placement Document has been provided by our Company and other sources identified herein. The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of the Company to any person, other than Eligible QIBs specified by the Book Running Lead Managers or their representatives, and those retained by Eligible QIBs to advise them with respect to their subscription of the Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

The distribution of this Preliminary Placement Document and the issue of the Equity Shares may be restricted in certain jurisdictions by applicable laws. As such, this Preliminary Placement Document does not constitute, and may not be used for, or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our

Company and the Book Running Lead Managers which would permit an offering of the Equity Shares or distribution of this Preliminary Placement Document in any jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document, nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. For further details, see "***Selling Restrictions***" on page 152.

In making an investment decision, the prospective investors must rely on their own examination of our Company, its Subsidiaries, its Joint Ventures, its Associate and the Equity Shares and the terms of the Issue, including the merits and risks involved. The prospective investor should not construe the contents of this Preliminary Placement Document as legal, tax, accounting or investment advice. The prospective investors should consult their own counsel and advisors as to business, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the Book Running Lead Managers are making any representation to any investor, purchaser, offeree or subscriber to the Equity Shares in relation to this Issue regarding the legality of an investment in the Equity Shares by such investor, purchaser, offeree or subscriber under applicable legal, investment or similar laws or regulations. The prospective investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Company.

Each investor, purchaser, offeree or subscriber of the Equity Shares is deemed to have acknowledged, represented and agreed that it is eligible to invest in India and in our Company under Indian law, including under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013, read with Rule 14 of the PAS Rules and that it is not prohibited by SEBI or any other statutory, regulatory or judicial authority in India or any other jurisdiction from buying, selling or dealing in the securities including the Equity Shares or otherwise accessing the capital markets in India.

This Preliminary Placement Document contains summaries of certain terms of documents, which summaries are qualified in their entirety by the terms and conditions of such documents.

The information on our Company's website, www.godrejproperties.com, any website directly and indirectly linked to the website of our Company or on the respective websites of the Book Running Lead Managers and of their affiliates, does not constitute nor form part of this Preliminary Placement Document. The prospective investors should not rely on any such information contained in, or available through, any such websites.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

For information to investors in certain other jurisdictions, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 152 and 159, respectively.

REPRESENTATIONS BY INVESTORS

All references to "you" and "your" in this section are to the prospective investors in the Issue. By Bidding for and/or subscribing to any Equity Shares under the Issue, you are deemed to have represented, warranted, acknowledged and agreed to our Company and the Book Running Lead Managers, as follows:

1. You are a "**Qualified Institutional Buyer**" as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 and all other applicable laws; and (ii) comply with all requirements under applicable law in this relation, including reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue;

2. That you are eligible to invest in India under applicable law, including the FEMA Regulations (as defined hereinafter), and have not been prohibited by SEBI or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India;

3. If you are not a resident of India, but are an Eligible QIB, you are a foreign portfolio investor, and you confirm that you are an Eligible FPI as defined in this Preliminary Placement Document and have a valid and existing registration with SEBI under the applicable laws in India, and can participate in the Issue only under Schedule 2 of FEMA Regulations. You will make all necessary filings with appropriate regulatory authorities, including RBI, as required pursuant to applicable laws. You have not been prohibited by SEBI or any other regulatory authority, from buying, selling or dealing in securities. Since, FVCIs and non-resident multilateral or bilateral development financial institution are not permitted to participate in the Issue, you confirm that you are neither a FVCI nor a non-resident multilateral or bilateral development financial institution. Further, you acknowledge that Eligible FPIs may invest in such number of Equity Shares such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed 24% of the post-Issue paid-up capital of our Company on a fully diluted basis.

4. You will provide the information as required under the Companies Act, 2013 and the PAS Rules for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number and bank account details;

5. If you are Allotted Equity Shares pursuant to the Issue, you shall not sell the Equity Shares so acquired, for a period of one year from the date of Allotment (hereinafter defined), except on the floor of the Stock Exchanges (additional requirements apply if you are within the United States, for more information, see "***Selling Restrictions***" and "***Transfer Restrictions***" on page 152 and 159, respectively);

6. You are aware that this Preliminary Placement Document has not been, and will not be, registered as a prospectus with the RoC under the Companies Act, 2013, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Preliminary Placement Document has not been reviewed, verified or affirmed by SEBI, the RBI, the RoC, the Stock Exchanges or any other regulatory or listing authority and is intended only for use by Eligible QIBs. The Preliminary Placement Document has been filed (and the Placement Document shall be filed) with the Stock Exchanges for record purposes only and be displayed on the websites of our Company and the Stock Exchanges;

7. You are entitled to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions applicable to you and that you have fully observed such laws and you have all necessary capacity and have obtained all necessary consents and authorities, as may be required and complied and shall comply with all necessary formalities to enable you to participate in the Issue and to perform your obligations in relation thereto (including without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorizations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honor such obligations;

8. Neither our Company, the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment of the Equity Shares, be a client of the Book Running Lead Managers. Neither the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates has any duty or responsibility to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity;

9. All statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Preliminary Placement Document. None of our Company, the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates assumes any responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;

10. You are aware that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category of investors other than the Eligible QIBs and the Allotment shall be on a discretionary basis at the discretion of our Company in consultation with the Book Running Lead Managers;

11. You have made, or been deemed to have made, as applicable, the representations, warranties, acknowledgments and undertakings as set out under "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 152 and 159, respectively;

12. You have been provided a serially numbered copy of the Preliminary Placement Document, and have read it in its entirety, including in particular the "***Risk Factors***" on page 43;

13. In making your investment decision, you have (i) relied on your own examination of our Company, its Subsidiaries, its Joint Ventures and its Associate and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Company, its Subsidiaries, its Joint Ventures and its Associate, the Equity Shares and the terms of the Issue based on such information as is publicly available, (iii) consulted your own independent counsels and advisors or otherwise have satisfied yourself concerning, the effects of local laws (including tax laws), (iv) relied solely on the information contained in this Preliminary Placement Document and no other disclosure or representation by our Company or any other party, (v) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares, and (vi) relied upon your own investigation and resources in deciding to invest in the Issue;

14. Neither the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, has provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including the Issue and the use of proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, when evaluating the tax consequences in relation to the purchase, ownership and disposal of the Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against, either of the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

15. You are a sophisticated investor and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the investment in the Equity Shares and you and any managed accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to our Company and/or the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute;

16. If you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorized in writing, by each such managed account to acquire the Equity Shares for each managed account and to make (and you hereby make) the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to 'you' to include such accounts;

17. You are not a 'promoter' of our Company (as defined under the SEBI ICDR Regulations or the Companies Act, 2013), and are not a person related to any of the Promoters, either directly or indirectly and your Bid (hereinafter defined)

does not directly or indirectly represent any Promoter or Promoter Group (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;

18. You have no rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board of Directors of our Company, other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoters);

19. You have no right to withdraw your Bid or revise your Bid downwards after the Issue Closing Date (as defined herein);

20. You are eligible to Bid for and hold Equity Shares so Allotted together with any Equity Shares held by you prior to the Issue. You further confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law;

21. The Bid made by you would not ultimately result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("**SEBI Takeover Regulations**");

22. To the best of your knowledge and belief, your aggregate holding, together with other Eligible QIBs in the Issue that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:

    a. Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIBs, its subsidiary or holding company and any other QIB ; and

    b. 'Control' shall have the same meaning as is assigned to it under the SEBI Takeover Regulations;

23. You are aware that (i) applications for in-principle approval, in terms of Regulation 28 of the SEBI Listing Regulations, for listing and admission of the Equity Shares and for trading on the Stock Exchanges, were made and approval has been received from each of the Stock Exchanges, and (ii) final applications will be made for obtaining listing and trading approvals from the Stock Exchanges only after Allotment, and that there can be no assurance that such approvals will be obtained on time or at all. Neither, our Company nor the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising therefrom;

24. You shall not undertake any trade in the Equity Shares credited to your beneficiary account with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

25. You are aware that in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document. However, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Book Running Lead Managers;

26. You agree in terms of Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules, that our Company shall make necessary filings with the RoC as may be required under the Companies Act, 2013;

27. You acknowledge that this Preliminary Placement Document does not, and the Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

28. You are aware that if you, together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in this Issue, our Company shall be required to disclose the name of such Allottees and the number of Equity Shares Allotted to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures being made by our Company;

29. You are aware and understand that the Book Running Lead Managers have entered into a placement agreement with our Company, whereby the Book Running Lead Managers have, subject to the satisfaction of certain conditions set out therein, severally and not jointly, undertaken to use their reasonable efforts to seek to procure subscription for the Equity Shares on the terms and conditions set out therein;

30. The contents of this Preliminary Placement Document are exclusively the responsibility of our Company and that neither the Book Running Lead Managers nor any person acting on its or their behalf or any of the counsels or advisors to the Issue has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By accepting participation in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in the Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, and you have neither received nor relied on any other information, representation, warranty or statement made by, or on behalf of, the Book Running Lead Managers or our Company or any other person and neither the Book Running Lead Managers nor our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them and the Book Running Lead Managers and their respective affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;

31. Neither the Book Running Lead Managers nor any of their respective affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations and warranties by our Company, whether to you or otherwise;

32. You are a sophisticated investor who is seeking to purchase the Equity Shares for your own investment and not with a view to distribute. You acknowledge that (i) an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment, (ii) you have sufficient knowledge, sophistication and experience in financial and business matters so as to be capable of evaluating the merits and risk of the purchase of the Equity Shares, and (iii) you are experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions and have such knowledge and experience in financial, business and investments matters that you are capable of evaluating the merits and risks of your investment in the Equity Shares;

33. You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act;

34. Either (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents with regard to our Company or this Issue ("**Company Presentation**"); or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the Book Running Lead Managers may not have the knowledge of the statements that our Company or its agents may have made at such Company Presentations and are therefore unable to determine whether the information provided to you at such Company Presentation included any material misstatements or omissions, and, accordingly you acknowledge that Book Running Lead Managers have advised you not to rely in any way on any such information that was provided to you at such Company Presentation, and (b) you confirm that, to the best of your knowledge, you have not been provided any material or price sensitive information that was not publicly available;

35. You understand that the Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state securities laws. For more information, see "***Selling Restrictions***" on page 152;

36. If you are within the United States, you are a U.S. QIB, who is or are acquiring the Equity Shares for your own account or for the account of an institutional investor who also meets the requirements of a U.S. QIB, for investment purposes only, and not with a view to, or for offer or sale in connection with, the distribution (within the meaning of any United States securities laws) thereof in whole or in part;

37. If you are outside the United States, you are purchasing the Equity Shares in an "offshore transaction" within the meaning of Regulation S;

38. You are not acquiring or subscribing for the Equity Shares as a result of any general solicitation or general advertising (as those terms are defined in Regulation D under the Securities Act) or "directed selling efforts" (as defined in Regulation S) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the Securities Act provided by Section 4(a)(2) thereof, and the Equity Shares may not be eligible for resale under Rule 144A. You understand and agree that the Equity Shares are transferable only in

accordance with the restrictions described in *"**Selling Restrictions**" and "**Transfer Restrictions**"* on pages 152 and 159, respectively;

39. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue. You agree to indemnify and hold our Company and the Book Running Lead Managers and their respective affiliates and their respective directors, officers, employees and controlling persons harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements, agreements and undertakings made by you in this Preliminary Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;

- Our Company, the Book Running Lead Managers, their respective affiliates, directors, officers, employees and controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, which are given to the Book Running Lead Managers on their own behalf and on behalf of our Company, and are irrevocable; and

- You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Mumbai, India shall have sole and exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document and the Placement Document.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended ("**SEBI FPI Regulations**"), FPIs (other than a Category III foreign portfolio investors and unregulated broad based funds which are classified as Category II FPI by virtue of their investment manager being appropriately regulated) may issue, subscribe or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an Eligible FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India or unlisted debt securities or securitized debt instruments, as its underlying) (all such offshore derivative instruments are referred to herein as "**P-Notes**"), for which they may receive compensation from the purchasers of such instruments. Further, in accordance with SEBI circular (bearing number CIR/IMD/FIIC/20/2014) dated November 24, 2014, Eligible FPIs are permitted to issue P-Notes to only those subscribers which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations and which do not have any opaque structure(s), as defined under the SEBI FPI Regulations. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Notes. In the event a prospective investor has investments as a FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Notes investments held in the underlying company. For further details relating to investment limits of FPIs, see "***Issue Procedure***" on page 139. P-Notes may be issued only in favour of those entities which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations. Pursuant to its circular dated June 10, 2016, SEBI has introduced additional requirements applicable to P-Notes, including (i) KYC norms for issuers of P-Notes which require identification and verification of beneficial owners of entities subscribing to the P-Note holding more than a prescribed threshold; (ii) the requirement for issuers to file suspicious transaction reports with the Indian Financial Intelligence Unit; and (iii) the requirement for the issuer to report details of intermediate transfers in the monthly reports on P-Notes submitted to SEBI. An Eligible FPI shall also ensure that no further issue or transfer of any instrument referred to above is made by or on behalf of it to any person other than such entities regulated by appropriate foreign regulatory authorities. P-Notes have not been, and are not being offered, or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-notes, including, without limitation, any information regarding any risk factors relating thereto.

The FPI is required to collect regulatory fee of US$ 1,000 or any other amount, as may be specified by SEBI from time to time, from every subscriber of P-Notes issued by it and deposit the same with SEBI by way of electronic transfer in the designated bank account of SEBI. FPI is required to deposit this regulatory fee once every three years, provided that for the block of three years beginning April 1, 2017, the FPI shall collect and deposit the regulatory fee within two months from the date of notification of the Securities and Exchange Board of India (Foreign Portfolio Investors) (Fourth Amendment) Regulations, 2017 (i.e. July 20, 2017).

Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the Book Running Lead Managers do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the Book Running Lead Managers and do not constitute any obligations of or claims on the Book Running Lead Managers. Respective affiliates of the Book Running Lead Managers which are Eligible FPIs may purchase the Equity Shares in the Issue, and may issue P-Notes in respect thereof, in each case to the extent permitted by applicable law.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

Also see "***Selling Restrictions***" and "***Transfer Restrictions***" on page 152 and 159, respectively.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Preliminary Placement Document has been submitted to each of the Stock Exchanges. The Stock Exchanges do not in any manner:

(1) warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document;

(2) warrant that the Equity Shares issued pursuant to the Issue will be listed or will continue to be listed on the Stock Exchanges; or

(3) take any responsibility for the financial or other soundness of our Company, its promoters, its management or any scheme or project of our Company,

and it should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to 'you', 'your', 'offeree', 'purchaser', 'subscriber', 'recipient', 'investors', 'prospective investors' and 'potential investor' are to the Eligible QIBs who are the prospective investors in the Equity Shares issued pursuant to the Issue, references to the 'Company' or the 'Issuer' are to Godrej Properties Limited and references to 'we', 'us' or 'our' are to Godrej Properties Limited together with its Subsidiaries, its Joint Ventures and its Associate on a consolidated basis.

In this Preliminary Placement Document, references to 'INR', '₹', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of India and to 'USD', 'U.S. Dollars' and 'US$' are to the legal currency of the United States. All references herein to 'India' are to the Republic of India and its territories and possessions and the 'Government' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable. All references herein to the 'US' or the 'U.S.' or the 'United States' are to the United States of America and its territories and possessions.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. All the numbers in this Preliminary Placement Document, other than the financials and booking value, have been presented in millions or whole numbers, unless stated otherwise. One million represents 1,000,000 and one billion represents 1,000,000,000.

All references in this Preliminary Placement Document to "acre" means "43,560 sq. ft." or "4,047" sq. m and "hectare" means "107,639 sq. ft." or "10,000 sq. m".

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to a particular 'financial year', 'Fiscal Year' or 'FY' are to the twelve month period ended on March 31 of that year and references to a particular 'year' are to the calendar year ending on December 31 of that year.

Our Company reports its financial statements in Indian Rupees.

Our audited consolidated financial statements for the Fiscal 2019 prepared in accordance with the Ind AS (including Ind AS 115 'Revenue from contracts with customers') and Companies Act, 2013, and Fiscal 2018 prepared in accordance with the Ind AS and Companies Act, 2013 together with their respective reports issued by B S R & Co. LLP, Chartered Accountants; and our audited consolidated financial statements for the Fiscal 2017 prepared in accordance with the Ind AS and Companies Act, 2013, together with its report issued by Kalyaniwalla & Mistry LLP, Chartered Accountants, have been included in this Preliminary Placement Document.

Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including IFRS and US GAAP and the reconciliation of the financial information to other accounting principles has not been provided. No attempt has been made to explain those differences or quantify their impact on the financial data included in this Preliminary Placement Document and investors should consult their own advisors regarding such differences and their impact on our Company's financial data. The degree to which the financial information included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act, the SEBI ICDR Regulations and practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited. Also see, "***Risk Factors - It is difficult to compare our performance between periods, as our revenues and expenses fluctuate significantly from period to period***" on page 52 and "***Risk Factors - Significant differences exist between Ind AS used to prepare our Consolidated Financial Statements and other accounting principles, such as Indian GAAP and IFRS, with which investors may be more familiar***" on page 64.

Our financials are prepared in crores and have been presented in this Preliminary Placement Document in crores for presentation purposes. One crore represents 10,000,000. Certain figures contained in this Preliminary Placement Document, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Certain information contained in this Preliminary Placement Document regarding Developable Area and Saleable Area is based on assumptions, management plans and estimates. Also see, "***Risk Factors - Certain information contained in this Preliminary Placement Document is based on assumptions and current management plans and estimates which may change, and we cannot assure you of the completeness or the accuracy of other statistical and financial data contained in this Preliminary Placement Document***" on page 49.

INDUSTRY AND MARKET DATA

Information regarding market position, growth rates and other industry data pertaining to our businesses contained in this Preliminary Placement Document consists of estimates based on data and reports compiled by government bodies, professional organizations, industry publications and analysts, data from other external sources and knowledge of the markets in which we compete. The statistical information included in this Preliminary Placement Document relating to the various sectors in which we operate has been reproduced from various trade, industry and regulatory/ government publications and websites, more particularly described in "***Industry Overview***" on page 98.

This data is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey.

Neither our Company, nor the BRLMs have independently verified this data and make any representation regarding the accuracy or completeness of such data. Similarly, while we believe that our internal estimates are reasonable, such estimates have not been verified by any independent sources, and neither our Company nor any of the BRLMs can assure potential investors as to their accuracy. See also "***Risk Factors – Certain information contained in this Preliminary Placement Document is based on assumptions and current management plans and estimates which may change, and we cannot assure you of the completeness or the accuracy of other statistical and financial data contained in this Preliminary Placement Document***" on page 49.

The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Accordingly, investment decisions should not be based solely on such information.

Disclaimer clause of Knight Frank

This Preliminary Placement Document contains data and statistics from certain reports and material prepared by Knight Frank from the reports titled (i) REIT-able Space in India, March 2017, (ii) Knight Frank, India Real Estate, Residential and Office, July to December 2018; and (iii) Residential Investment Advisory Report, Knight Frank Research Report, 2016, which are subject to the following disclaimer:

"The reports are published for general information only and not to be relied upon in anyway. Although high standards have been used in the preparation of the information analysis, views and projections presented in the report, no responsibility or liability whatsoever can be accepted by Knight Frank for any loss or damage resultant from any use of, reliance on or reference to the contents of this document. As a general report this material does not necessarily represent the view of Knight Frank in relation to particular properties or projects."

Disclaimer clause of P.E. Analytics

This Preliminary Placement Document contains data and statistics prepared by P.E. Analytics, which is subject to the following disclaimer:

"The Data has been prepared/collected by P.E. Analytics based upon information available to the public and sources, believed to be reliable. Though utmost care has been taken to ensure its accuracy, no representation or warranty, express or implied, is made that it is accurate or complete. P.E. Analytics has reviewed the Data and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

P.E. Analytics accepts no liability and will not be liable for any losses or damages arising directly or indirectly (including special, incidental, consequential, punitive or exemplary damages) from your use of the research, howsoever arising, and including any losses, damages or expenses arising from, but not limited to, any defects, errors, imperfections, faults, mistakes or inaccuracies in the research data, its contents."

AVAILABLE INFORMATION

Our Company has agreed that, for so long as any Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, our Company will, during any period in which it is neither subject to Sections 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, promptly furnish or cause to be furnished to the BRLMs and, upon request of any holder or beneficial owner of such restricted securities or any prospective purchaser of such restricted securities designated by such holder or beneficial owner, to such holder, beneficial owner or prospective purchaser, the information required to be delivered to holders, beneficial owners and prospective purchasers of the Equity Shares being issued by Rule 144A(d)(4) under the U.S. Securities Act, subject to compliance with the applicable provisions of Indian law.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute 'forward-looking statements'. The prospective investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'goal', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'seek to', 'should', 'will', 'will continue', 'will pursue', 'would', or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

The forward-looking statements appear in a number of places throughout this Preliminary Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate. In addition even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Preliminary Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document that are not historical facts. These forward-looking statements contained in this Preliminary Placement Document (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements include, among others:

- the continuing validity of ownership rights and title in respect of land or development rights acquired by us pursuant to arrangements with third parties;

- our ability to successfully enjoy our development rights under our development agreements and the ability of our development partners to meet their obligations;

- significant changes and modifications in the expected completion dates of our Ongoing Projects or Forthcoming Projects as per our currently estimated management plans and timelines;

- the ability of land owners to develop parts of the project in case of projects where we are appointed as the development manager;

- our ability to identify and acquire ownership of or development rights over, land parcels in suitable locations;

- our dependence on third party entities for the construction and development of our projects;

- increase in prices of, shortages of, or delays or disruptions in the supply of building materials or labour;

- our ability to add or replenish our Developable and Saleable Area by acquiring suitable sits or entering in to development agreements for suitable sites; and

- payments to land owners pursuant to development agreements, or payment of penalties or liquidated damages in the event of delay in completion within the agreed timeframe.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed in "***Risk Factors***", "***Industry Overview***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 43, 98, 112 and 76, respectively.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, any future gains, losses or impact on net income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure the prospective investors that such expectations will prove to be correct. Given these uncertainties, the prospective investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document, and our Company or the Book Running Lead Managers undertake no obligation to update or revise any of them, whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward looking statements or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a limited liability company incorporated under the laws of India. All the Directors and Key Managerial Personnel of our Company named herein are resident citizens of India and a substantial portion of the assets of our Company and of such persons are located in India. As a result, it may be difficult or may not be possible for the prospective investors outside India to affect service of process upon our Company or such persons in India, or to enforce against them judgments of courts outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Civil Procedure Code. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except:

(a) where the judgment has not been pronounced by a court of competent jurisdiction;

(b) where the judgment has not been given on the merits of the case;

(c) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable;

(d) where the proceedings in which the judgment was obtained were opposed to natural justice;

(e) where the judgment has been obtained by fraud; and

(f) where the judgment sustains a claim founded on a breach of any law then in force in India.

Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. Under Section 14 of the Civil Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards. The execution of a foreign decree under Section 44A of the Civil Procedure Code is also subject to the exception under Section 13 of the Civil Procedure Code as mentioned above.

Each of the United Kingdom, Singapore and Hong Kong, amongst others has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a new suit upon the foreign judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy, and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax in accordance with applicable laws.

EXCHANGE RATES

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information with respect to the exchange rates between the Rupee and the U.S. dollar (in ₹ per USD). No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

On June 21, 2019, the exchange rate (the RBI reference rate) was ₹ 69.63 to USD 1. (*Source: www.fbil.org.in*)

(₹ per USD)

	Period end	**Average(1)**	**High(2)**	**Low(3)**
Fiscal:				
2019	69.17	69.89	74.39	64.93
2018	65.04	64.45	65.76	63.35
2017	64.84	67.09	68.72	64.84
Quarter ended:				
March 31, 2019	69.17	70.49	71.75	68.58
December 31, 2018	69.79	72.11	74.39	65.66
September 30, 2018	72.55	70.03	72.81	68.30
June 30, 2018	68.58	67.04	68.94	64.93
Month ended:				
May 31, 2019	69.81	69.77	70.42	69.27
April 30, 2019	69.84	69.43	70.14	68.49
March 31, 2019	69.17	69.48	70.97	68.58
February 28, 2019	71.19	71.22	71.75	70.55
January 31, 2019	71.03	70.73	71.38	69.48
December 31, 2018	69.79	70.73	72.04	69.79

(Source: www.rbi.org.in and www.fbil.org.in)

(1) Average of the official rate for each working day of the relevant period;
(2) Maximum of the official rate for each working day of the relevant period; and
(3) Minimum of the official rate for each working day of the relevant period.

Notes:

- *If the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*
- *The RBI reference rates are rounded off to two decimal places.*

DEFINITIONS AND ABBREVIATIONS

This Preliminary Placement Document uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein.

The following list of certain capitalised terms used in this Preliminary Placement Document is intended for the convenience of the reader/ prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Preliminary Placement Document shall have the meaning as defined hereunder. Further any references to any agreement, document, statute, rules, guidelines, regulations or policies shall include amendments made thereto, from time to time.

*The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in "**Taxation-Statement of Tax Benefits**", "**Industry Overview**", "**Financial Information**" and "**Legal Proceedings**" on pages 169, 98, 196 and 185, respectively, shall have the meaning given to such terms in such sections.*

Company Related Terms

Term	Description
the Company or our Company or the Issuer or GPL	Godrej Properties Limited
Articles or Articles of Association	Articles of association of our Company, as amended from time to time
Associate	Godrej One Premises Management Private Limited
Audit Committee	Audit committee of our Company as disclosed in "***Board of Directors and Senior Management***" on page 125
Audited Consolidated Financial Statements or Financial Statements	Fiscal 2019 Audited Consolidated Financial Statements, Fiscal 2018 Audited Consolidated Financial Statements and Fiscal 2017 Audited Consolidated Financial Statements
Auditors or Statutory Auditors	The current statutory auditors of our Company, namely, B S R & Co. LLP, Chartered Accountants
Board of Directors or Board or our Board	The board of directors of our Company or any duly constituted committee thereof
Corporate Social Responsibility Committee	Corporate social responsibility committee of our Company as disclosed in "***Board of Directors and Senior Management***" on page 125
Directors	The directors of our Company
ESGS	Godrej Properties Limited Employees Stock Grant Scheme, 2011, the equity stock grant scheme of our Company, as approved by the Nomination and Remuneration Committee pursuant to a resolution dated January 28, 2011, by the Board pursuant to a resolution dated January 31, 2011 and by the shareholders of our Company through postal ballot the results of which were announced on March 18, 2011
Equity Shares	Equity shares having a face value of ₹ 5 each of our Company
Fiscal 2019 Audited Consolidated Financial Statements	Our audited consolidated financial statements for the Fiscal 2019 prepared in accordance with the Ind AS (including Ind AS 115 'Revenue from contracts with customers' and Companies Act, 2013) and Companies Act, 2013 together with the report dated April 30, 2019 issued by B S R & Co., LLP, Chartered Accountants
Fiscal 2018 Audited Consolidated Financial Statements	Our audited consolidated financial statements for the Fiscal 2018 prepared in accordance with the Ind AS and Companies Act, 2013 together with the report dated May 4, 2018 issued by B S R & Co., LLP, Chartered Accountants
Fiscal 2017 Audited Consolidated Financial Statements	Our audited consolidated financial statements for the Fiscal 2017 prepared in accordance with the Ind AS and Companies Act, 2013 together with the report dated May 4, 2017 issued by Kalyaniwalla & Mistry LLP, Chartered Accountants
Fiscal 2018 Restated Audited Consolidated Financial Statements	Our restated audited consolidated financial statements for the Fiscal 2018 (comparative for Fiscal 2019 Audited Consolidated Financial Statements), restated in accordance with Ind AS 115 following full retrospective approach, prepared in accordance with the Ind AS and Companies Act, 2013 together with the report dated April 30, 2019 issued by B S R & Co., LLP, Chartered Accountants
Independent Director	A non-executive, independent Director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations
Joint Ventures	Joint ventures of our Company, being: (i) Amitis Developers LLP; (ii) AR Landcraft LLP; (iii) Ashank Macbricks Private Limited; (iv) Bavdhan Realty @ Pune 21 LLP; (v) Caroa Properties LLP; (vi) Dream World Landmarks LLP; (vii) Godrej Construction Projects LLP;

Term	Description
	(viii) Godrej Developers & Properties LLP; (ix) Godrej Green Homes Private Limited; (x) Godrej Greenview Housing Private Limited; (xi) Godrej Highview LLP; (xii) Godrej Home Constructions Private Limited; (xiii) Godrej Housing Projects LLP; (xiv) Godrej Irismark LLP; (xv) Godrej Projects North Star LLP; (xvi) Godrej Property Developers LLP; (xvii) Godrej Real View Developers Private Limited; (xviii) Godrej Realty Private Limited; (xix) Godrej Redevelopers (Mumbai) Private Limited; (xx) Godrej Reserve LLP; (xxi) Godrej Skyline Developers Private Limited; (xxii) Godrej SSDPL Green Acres LLP; (xxiii) Godrej Vestamark LLP; (xxiv) M S Ramaiah Ventures LLP; (xxv) Maan-Hinje Township Developers LLP; (xxvi) Mahalunge Township Developers LLP; (xxvii) Manjari Housing Projects LLP; (xxviii) Manyata Industrial Parks LLP; (xxix) Mosiac Landmarks LLP; (xxx) Oasis Landmarks LLP; (xxxi) Oxford Realty LLP; (xxxii) Pearlite Real Properties Private Limited; (xxxiii) Prakhhyat Dwellings LLP; (xxxiv) Roseberry Estate LLP; (xxxv) Suncity Infrastructures (Mumbai) LLP; (xxxvi) Wonder City Buildcon Private Limited; and (xxxvii) Wonder Projects Development Private Limited
Key Management Personnel	Key management personnel of our Company as disclosed in "***Board of Directors and Senior Management***" on page 125
Memorandum or Memorandum of Association	Memorandum of association of our Company, as amended
Nomination and Remuneration Committee	Nomination and remuneration committee of the Board of our Company as disclosed in "***Board of Directors and Senior Management***" on page 125
Promoters	The promoters of our Company namely, Godrej & Boyce Manufacturing Company Limited and Godrej Industries Limited
Promoter Group	Unless the context requires otherwise, the promoter group of our Company as determined in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations
Registered Office and Corporate Office	Registered and corporate office of our Company situated at Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079, Maharashtra, India
Risk Management Committee	Risk management committee of the Board of our Company as disclosed in "***Board of Directors and Senior Management***" on page 125
Stakeholders' Relationship Committee	Stakeholders' relationship committee of the Board of our Company as disclosed in "***Board of Directors and Senior Management***" on page 125
Subsidiaries	Subsidiaries of our Company, being: (i) Ashank Realty Management LLP; (ii) Citystar InfraProjects Limited; (iii) Embellish Houses LLP; (iv) Godrej Athenmark LLP; (v) Godrej City Facilities Management LLP; (vi) Godrej Florentine LLP; (vii) Godrej Garden City Properties Private Limited; (viii) Godrej Genesis Facilities Management Private Limited; (ix) Godrej Green Properties LLP; (x) Godrej Highrises Properties Private Limited; (xi) Godrej Highrises Realty LLP; (xii) Godrej Hillside Properties Private Limited; (xiii) Godrej Home Developers Private Limited; (xiv) Godrej Landmark Redevelopers Private Limited; (xv) Godrej Odyssey LLP; (xvi) Godrej Olympia LLP; (xvii) Godrej Prakriti Facilities Private Limited; (xviii) Godrej Project Developers & Properties LLP; (xix) Godrej Projects North LLP; (xx) Godrej Projects (Soma) LLP;

Term	Description
	(xxi) Godrej Projects Development Limited; (xxii) Godrej Properties Worldwide Inc.; (xxiii) Godrej Residency Private Limited; (xxiv) Godrej Skyview LLP; (xxv) Prakritiplaza Facilities Management Private Limited; and (xxvi) Wonder Space Properties Private Limited
we or us or our	Our Company along with our Subsidiaries, Joint Ventures and Associate

Issue Related Terms

Term	Description
Allocated or Allocation	Allocation of Equity Shares, in consultation with the Book Running Lead Managers, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms submitted by them, in compliance with Chapter VI of the SEBI ICDR Regulations
Allotment or Allotted	Allotment and issue of Equity Shares pursuant to the Issue
Allottees	Eligible QIBs to whom Equity Shares are issued pursuant to the Issue
Application Form	Form (including any revisions thereof) which will be submitted by the Eligible QIBs for registering a Bid in the Issue
Bid(s)	Indication of an Eligible QIB's interest, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue. The term "Bidding" shall be construed accordingly
Bid Amount	The price per Equity Share indicated in the Bid multiplied by the number of Equity Shares Bid for by Eligible QIBs and payable by the Eligible QIBs in the Issue on submission of the Application Form
Bidder(s)	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form
CAN or Confirmation of Allocation Note	Note, advice or intimation to successful Bidders confirming the Allocation of Equity Shares to such successful Bidders after discovery of the Issue Price
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about [●], 2019
Designated Date	The date of credit of Equity Shares pursuant to the Issue to the Allottees' demat accounts, as applicable to the relevant Allottees
Eligible FPIs	FPIs that are eligible to participate in this Issue and do not include Category III FPI
Eligible QIBs	QIBs that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations. In relation to the Issue, this term shall consist of (i) QIBs which are resident in India; and (ii) Eligible FPIs, participating through Schedule 2 of the FEMA Regulations. Subject to (ii) above, in the United States persons reasonably believed to be "qualified institutional buyers" as defined in Rule 144A under the U.S. Securities Act may participate in the Issue. Further, except as provide in (ii) above, other non-resident QIBs (including FVCIs and non-resident multilateral and bilateral development financial institutions) are not permitted to participate in the Issue
Escrow Account	Special non-interest bearing, no-lien, current bank account without any cheques or overdraft facilities, opened with the Escrow Agent, subject to the terms of the Escrow Agreement, into which the Bid Amount shall be deposited by Eligible QIBs and refunds, if any, shall be remitted to unsuccessful Bidders
Escrow Agent	HDFC Bank Limited
Escrow Agreement	Agreement dated June 25, 2019, entered into by and amongst our Company, the Escrow Agent and the Book Running Lead Managers for collection of the Bid amounts and remitting refunds, if any, of the amounts collected, to the Bidders
Floor Price	Floor price of ₹ 928 for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the shareholders of our Company accorded through their resolution passed by way of postal ballot on June 8, 2019 and in terms of Regulation 176(1) of the SEBI ICDR Regulations
Book Running Lead Managers or BRLMs	Kotak Mahindra Capital Company Limited, Axis Capital Limited, CLSA India Private Limited and DSP Merrill Lynch Limited
Issue	Offer, issuance and Allotment of the Equity Shares to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act, 2013 and the rules made thereunder
Issue Closing Date	[●], 2019, the date after which our Company (or Book Running Lead Managers on behalf of our Company) shall cease acceptance of Application Forms and the Bid Amount
Issue Opening Date	June 25, 2019, the date on which our Company (or the Book Running Lead Managers on behalf of our Company) shall commence acceptance of the Application Forms and the Bid Amount
Issue Period	Period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids along with the Bid Amount

Term	Description
Issue Price	A price per Equity Share of ₹ [●]
Issue Size	Aggregate size of the Issue, up to ₹ [●] million
Mutual Fund	A mutual fund registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Placement Agreement	Placement agreement dated June 25, 2019 by and among our Company and the Book Running Lead Managers
Placement Document	Placement document to be issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules made thereunder
Preliminary Placement Document	This preliminary placement document cum application form, dated June 25, 2019 issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules made thereunder
QIB or Qualified Institutional Buyer	Qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 read with the applicable rules of the PAS Rules
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Bid Amount submitted by such Bidder pursuant to the Issue
Refund Intimation Letter	The letter from the Company to relevant Bidders intimating them of the Refund Amount, if any, to be refunded to their respective bank accounts on the date of issuance of CAN
Relevant Date	June 25, 2019, which is the date of the meeting in which the QIP committee of the Board decided to open the Issue
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Bid Amount and who will be Allocated Issue shares
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India

Business and Industry Related Terms

Term	Description
Acre	43,560 sq. ft.
CLSS	Credit Linked Subsidy Scheme
Completed Projects	Projects/ phases for which approval on completion is received from relevant authorities
Developable Area	The total area which the Company, its Subsidiaries, its Joint Ventures, its Associate and/or LLPs develop in each project, and includes carpet area, common area, service and storage area, as well as other open area, including car parking
EWS	Economically weaker section
Forthcoming Projects	Projects for which land or development rights have been acquired or a memorandum of understanding or an agreement to acquire or a joint development agreement has been executed, in each case, by the Company, its Subsidiaries, its Associates, its Joint Ventures and/ or LLPs, either directly or indirectly
FSI	Floor space index, which means the quotient of the ratio of the combined gross floor area of all floors, excepting areas specifically exempted, to the total area of the plot
IT	Information Technology
ITeS	Information Technology Enabled Services
MIG	Middle income group
msf	Million square feet
Ongoing Projects	Projects in respect of which (i) all title or development rights, or other interest in the land is held either directly by the Company, its Subsidiaries, its Joint Ventures, LLPs, Associates and/or other entities in which the Company and/or its Subsidiaries are shareholders or have a stake or have some economic interest ; and (ii) development work is ongoing/started; (iii) wherever required, all land for the project has been converted for the intended use; and (iv) the requisite approvals required as per applicable law for launch of project/phase have been obtained or applied for, as the case may be. This includes partial or all phases of the projects.
PMAY	Pradhan Mantri Awas Yojana
psf	Per square feet
RERA	Real Estate (Regulation and Development) Act, 2016, as amended
Saleable Area	Part of the Developable Area for project/ phase for which the prospective buyer or tenant or lessee or licensee, as the case may be, is obligated to pay the developer(s) or for which the developer(s) expect that the prospective buyer or tenant or lessee or licensee, as the case may be, will pay.

Conventional and General Terms/ Abbreviations

Term	Description
INR/ Rupees/ ₹/ Indian Rupees/ Rs.	Indian Rupees

Term	Description
AGM	Annual general meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
Adjusted EBITDA	Adjusted EBITDA is Non-GAAP measure which represents EBITDA plus interest included in cost of sale
BSE	BSE Limited
CBI	Central Bureau of Investigation
CDSL	Central Depository Services (India) Limited
CEO	Chief executive officer
CFO	Chief financial officer
CIN	Corporate identity number
Civil Procedure Code	The Code of Civil Procedure, 1908, as amended
Companies Act	The Companies Act, 1956 or the Companies Act, 2013, as applicable
Companies Act, 1956	The erstwhile Companies Act, 1956, as amended and the rules made thereunder
Companies Act, 2013	The Companies Act, 2013, as amended and the rules made thereunder
CrPC	The Code of Criminal Procedure, 1973
CSR	Corporate social responsibility
Depositories Act	The Depositories Act, 1996, as amended
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996, as amended
Depository Participant	A depository participant as defined under the Depositories Act
EBITDA	EBITDA is Non-GAAP measure which represents earnings before interest, taxes, depreciation and amortisation expenses
EGM	Extraordinary general meeting
EPS	Earnings per share
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999, as amended and the regulations issued thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended and any notifications, circulars or clarifications issued thereunder
Finance Cost	Finance cost charged to the statement of profit and loss
Financial Year or Fiscal Year(s) or Fiscal	Period of 12 months ended March 31 of that particular year, unless otherwise stated
Form PAS-4	Form PAS-4 as prescribed under the PAS Rules
FII	Foreign institutional investors
FIR	First information report
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations.
FVCI	Foreign venture capital investors as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 and registered with SEBI thereunder
GDP	Gross domestic product
Government	Government of India, unless otherwise specified
GST	Goods and services tax
HUF	Hindu undivided family
ICAI	The Institute of Chartered Accountants of India
IPC	Indian Penal Code, 1860
Ind AS	Indian accounting standards as notified by the MCA vide Companies (Indian Accounting Standards) Rule 2015, as amended
Ind AS 115	Indian Accounting Standard 115 "Revenue from contracts with customers" (Ind AS 115) prescribed under Section 133 of the Companies Act, 2013
Income Tax Act	The Income Tax Act, 1961, as amended
Interest Coverage Ratio	EBITDA expense/ Finance Costs
JLL	Jones Lang LaSalle Property Consultants India Pvt. Ltd.
Knight Frank	Knight Frank (India) Private Limited
MCA	The Ministry of Corporate Affairs, Government of India
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
P.E. Analytics	P.E. Analytics Private Limited
PAN	Permanent account number
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
PAT	Profit After Tax
RBI	The Reserve Bank of India
Regulation S	Regulation S under the Securities Act

Term	Description
Relevant Member State	Each member state of the European Economic Area which has implemented the Prospectus Directive
RoC	The Registrar of Companies, Maharashtra at Mumbai
Rule 144A	Rule 144A under the Securities Act
SCR (SECC) Rules	The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012
SCRA	The Securities Contracts (Regulation) Act, 1956, as amended
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEC	United States Securities and Exchange Commission
Securities Act	The United States Securities Act of 1933, as amended
SFA	The Securities and Futures Act Chapter 289 of Singapore
SI-NBFC	Systemically important non-banking financial companies
SLP	Special leave petition
Stock Exchanges	BSE and NSE
STT	Securities transaction tax
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended
U.K.	United Kingdom
UOI	Union of India
U.S.$/ U.S. dollar/ USD	United States Dollar, the legal currency of the United States of America
USA/ U.S./ United States	The United States of America
U.S. QIB	Qualified institutional buyer (as defined in Rule 144A under the Securities Act)
VCF	Venture capital fund

DISCLOSURE REQUIREMENTS UNDER FORM PAS-4 PRESCRIBED UNDER THE COMPANIES ACT, 2013

The disclosure requirements as provided in Form PAS-4 and the relevant pages in this Preliminary Placement Document where these disclosures, to the extent applicable, are provided below:

S. No.	Disclosure Requirements	Relevant Page of this Preliminary Placement Document
1.	**GENERAL INFORMATION**	
i.	Name, address, website, if any, and other contact details of the company indicating both registered office and corporate office.	Cover page, 195
ii.	Date of incorporation of the company.	Cover page, 195
iii.	Business carried on by the company and its subsidiaries with the details of branches or units, if any.	112
iv.	Brief particulars of the management of the company.	125
v.	Names, addresses, DIN and occupations of the directors.	125, 126
vi.	Management's perception of risk factors.	43
vii.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:	
a.	Statutory dues;	195
b.	Debentures and interest thereon;	195
c.	Deposits and interest thereon; and	195
d.	Loan from any bank or financial institution and interest thereon.	195
viii.	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process.	444
ix.	Any default in annual filing of the company under the Companies Act, 2013 or the rules made thereunder.	193
2.	**PARTICULARS OF THE OFFER**	
i.	Financial position of the company for the last three financial years.	32, 196
ii.	Date of passing of board resolution.	30
iii.	Date of passing of resolution in the general meeting, authorizing the offer of securities.	30
iv.	Kinds of securities offered (i.e. whether share or debenture) and class of security, the total number of shares or other securities to be issued.	30
v.	Price at which the security is being offered including the premium, if any, along with justification of the price.	30
vi.	Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer.	Not applicable
vii.	Relevant date with reference to which the price has been arrived at.	20
viii.	The class or classes of persons to whom the allotment is proposed to be made.	19, 30, 142, 143
ix.	Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer).	Not applicable
x.	The proposed time within which the allotment shall be completed.	19
xi.	The names of the proposed allottees and the percentage of post private placement capital that may be held by them.	73
xii.	The change in control, if any, in the company that would occur consequent to the private placement.	132
xiii.	The number of persons to whom allotment on preferential basis/ private placement/ rights issue has already been made during the year, in terms of number of securities as well as price.	Not applicable
xiv.	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.	Not applicable
xv.	Amount which the company intends to raise by way of proposed offer of securities.	Cover page, 30, 69
xvi.	Terms of raising of securities:	Not applicable
a.	Duration, if applicable;	
b.	Rate of dividend;	
c.	Rate of interest;	
d.	Mode of payment; and	
e.	Mode of repayment.	
xvii.	Proposed time schedule for which the private placement offer cum application letter is valid.	19
xviii.	Purposes and objects of the offer.	69
xix.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects.	Not applicable
xx.	Principle terms of assets charged as security, if applicable.	Not applicable
xxi.	The details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the company and its future operations.	Not applicable
xxii.	The pre-issue and post-issue shareholding pattern of the company in the specified format.	73
3.	**MODE OF PAYMENT FOR SUBSCRIPTION**	
i.	Cheque	146
ii.	Demand draft	

S. No.	Disclosure Requirements	Relevant Page of this Preliminary Placement Document
iii.	Other banking channels	
4.	**DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC**	
i.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	Not applicable
ii.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the issue of the private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed.	193
iii.	Remuneration of directors (during the current year and last three financial years).	129, 130
iv.	Related party transactions entered during the last three financial years immediately preceding the year of issue of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided.	42
v.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of issue of private placement offer cum application letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark.	39
vi.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last three years immediately preceding the year of issue of private placement offer cum application letter in the case of company and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the private placement offer cum application letter and if so, section-wise details thereof for the company and all of its subsidiaries.	193
vii.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company.	193
5.	**FINANCIAL POSITION OF THE COMPANY**	
a.	The capital structure of the company in the following manner in a tabular form:	
(i)(A)	The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	71
(B)	Size of the present offer;	Cover page, 30, 71
(C)	Paid up capital:	71
(I)	After the offer;	71
(II)	After conversion of convertible instruments (if applicable);	Not applicable
(D)	Share premium account (before and after the offer).	71
(ii)	The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.	71
	Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the private placement offer cum application letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case.	
b.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of private placement offer cum application letter.	33, 35, 38
c.	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/ interest paid).	75
d.	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of private placement offer cum application letter.	32, 34, 37
e.	Audited Cash Flow Statement for the three years immediately preceding the date of issue of private placement offer cum application letter.	33, 36, 38
f.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	96
Part – B (To be filed by the Applicant)		
i.	Name	446
ii.	Father's name	
iii.	Complete Address including Flat/House Number, Street, Locality, Pin Code	
iv.	Phone number, if any	
v.	Email -id, if any	
vi.	PAN Number	
vii.	Bank Account Details	
6.	**A DECLARATION BY THE DIRECTORS THAT**	443
a.	The company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder.	

S. No.	Disclosure Requirements	Relevant Page of this Preliminary Placement Document
b.	The compliance with the said Act and the rules made thereunder do not imply that payment of dividend or interest or repayment of preference shares or of debentures, if applicable, is guaranteed by the Central Government.	
c.	The monies received under the offer shall be used only for the purposes and objects indicated in the private placement offer cum application letter.	
	I am authorized by the Board of Directors of the Company vide resolution number 2 dated June 25, 2019 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.	

SUMMARY OF BUSINESS

Unless otherwise stated, the financial data used in this section has been derived from our audited consolidated financial statements as of and for the financial year ended on March 31, 2019 (including as of and for the financial year ended March 31, 2018 from the restated financial data for such financial year included therein).

Overview

We are one of the leading real estate development companies in India, with a focus on developing residential projects. We currently have real estate development projects in 11 cities in India. We undertake our projects through our in-house team of professionals and by collaborating with entities with domestic and international operations. Our consolidated total income for the financial years 2019 and 2018 (restated) was ₹ 3,221.98 crore and ₹ 2,102.36 crore, respectively. Our consolidated profit after tax for financial years 2019 and 2018 (restated) was ₹ 253.15 crore and ₹ 86.91 crore, respectively. During the financial year 2019, our projects had a booking value of ₹ 5,316 crore and we had 16 new projects and phase launches.

Our Promoters and Promoter Group collectively held 70.81% of our outstanding equity share capital as of June 21, 2019. We are a part of the Godrej group and the real estate business is one of the key growth businesses of the group. We believe that the 'Godrej' brand commands a strong resonance among the populace in India and is associated with trust, quality and reliability. The 'Godrej' brand was valued at $2.4 billion in March, 2019 by Interbrand, a London-based brand consultant.

We believe that we have high standards of corporate governance and an eminent Board of Directors. Our Board and management periodically review our internal policies and business practices and have been instrumental in building our reputation in the real estate sector in India. Being part of the Godrej group and our strong business practices and reputation in the real estate sector in India have enabled us to scale up and become India's largest publicly-listed real estate developer by booking value during the financial years 2015 to 2019 *(Source: PropEquity)*.

We are present in 11 cities (the National Capital Region, Pune, Mumbai, Bengaluru, Kolkata, Ahmedabad, Chandigarh, Chennai, Mangalore, Nagpur and Kochi). We focus primarily on residential projects. Residential projects constituted approximately 94% of our total estimated Saleable Area as of March 31, 2019. In addition, we also have certain commercial projects at various stages of development, which constituted approximately 6% of our total estimated Saleable Area as of March 31, 2019.

The table below provides our estimated Saleable Area for our Ongoing Projects and Forthcoming Projects by city as of March 31, 2019:

City	Estimated Saleable Area* (in million sq. ft)	Number of Projects
NCR	21.40	13
Pune	47.93	13
Mumbai	19.22	21
Bengaluru	25.13	16
Kolkata	4.26	3
Ahmedabad	17.20	1
Others	8.34	6
Total	**143.48**	**73**

**Total estimated Saleable Area, irrespective of the revenue, profit or area sharing arrangement. Saleable Area is management estimates based on initial plans and architectural drawings.*

We have entered into a memorandum of understanding (the "**MoU**"), dated October 4, 2011, with Godrej & Boyce for developing lands owned by them in various regions across India. Under the MoU, for their land in Vikhroli, Mumbai, we are entitled to receive 10.0% of the money received from the sales of units as a development manager fee, while we are required to bear all costs related to the project management, sales and marketing, with the total area of land to be developed pursuant to the MoU not yet determined. Under the MoU, we have been appointed as Development Manager for the projects at land owned by Godrej & Boyce in Vikhroli, Mumbai, such as Godrej Platinum, Godrej G&B Vikhroli (Residential) and G&B Vikhroli (Mixed-use).

We have also entered into a limited liability partnership agreement (the "**LLP Agreement**"), dated July 18, 2011, with Godrej & Boyce for the joint development of Godrej Lawkim, a real estate project in Thane Mumbai. Under the terms of the LLP Agreement, we and the counterparties are required to contribute certain amounts as fixed capital and we are entitled to a 32% share of the partnership profits.

Apart from Godrej & Boyce, we have also entered into a Development Management agreement (the "**DMA**"), dated June 23, 2016, with Godrej Agrovet Limited for the development of a land parcel of approximate 100 acres in Sarjapur, Bengaluru**.** Under the terms of the DMA, we are responsible for providing development management services of managing the execution of the project. Godrej Agrovet Limited is required to pay to us 12.0% of the money received for the sales of units as a development management fee.

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

In some projects, we offer and sell equity interests in project-specific companies to long-term investors. This business model enables us to hold fewer assets, be more capital efficient, achieve higher returns on our investments in the projects and undertake more projects without investing large amounts of capital towards the purchase of land. We are thereby able to limit our risk through project diversification while maintaining significant management control over these projects. As of March 31, 2019, 10 of our projects were being undertaken with long-term equity partners who have invested in project-specific companies. On some of these projects, we have partnered with a residential development financing platform managed by one of our group companies, Godrej Fund Management for third party equity investments in such projects.

Our Strengths

We believe that the following are our principal strengths:

Strong Parentage and Established Brand Name

We are a part of the Godrej group, among India's oldest and most prominent corporate groups. The diversified business interests of the Godrej group includes fast moving consumer goods, advanced engineering, home appliances, furniture, security, agri-care and real estate development, which is one of the key growth businesses of the Godrej group. We believe that the 'Godrej' brand is recognisable in India due to its long established presence in the Indian market, the diversified businesses in which the Godrej group operates and the trust we believe it has developed over the course of its operating history. The 'Godrej' brand has been ranked among the 10 most valuable Indian brands in the Interbrand's Best Indian Brands 2019 study.

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

We are ranked as the most trusted Indian real estate brand by the Brand Trust Report in 2019. In addition, we have received several business awards and recognitions. We won the 'Best Realty Brand 2018-19' by the Economic Times, 'Trusted Real Estate Brand' at the India Best Brand Series and Awards in 2018, 'Builder of the Year' at the CNBC-Awaaz Real Estate Awards in 2018, 'One of India's Top Builders' award at the Construction World Architect and Builder Awards 2018 and 2017, 'Developer of the Year' at the Golden Brick Awards 2018, 'Real Estate Company of the Year' at the Construction Week India Awards in 2018, 'Excellence in Real Estate-India' at Business Excellence Awards 2019 by Corporate Insider and 'India's Greatest Brands 2017-18' in the real estate industry by Asia One – 'Real Estate Industry's Commercial and Residential Properties. In addition, our GPL Design Studio won the 'Best Design Thinking Organization' at the Design Thinking Summit and Awards 2019.

Strong Project Pipeline

As of March 31, 2019, we had a project pipeline of approximately 143.48 million sq. ft. of estimated Saleable Area across 11 cities. As of March 31, 2019, we had 43 Ongoing Projects comprising approximately 71.02 million sq. ft. of estimated Saleable Area and 30 Forthcoming Projects comprising approximately 72.46 million sq. ft. of estimated Saleable Area. During the last three financial years, we added 29 projects with approximately 71.35 million sq. ft. of estimated Saleable Area, of which we added 11 new projects with approximately 30.40 million sq. ft. of estimated Saleable Area during the financial year 2019, including our largest ever deal in the Pune market.

Most of our land parcels are located in four key real estate markets in India, Mumbai, Pune, Bengaluru and the National Capital Region, and include land parcels, which we own directly or indirectly, and land parcels over which we have development rights, either directly or indirectly (through developers in case of development manager agreements), through definitive agreements or memoranda of understanding. These assets provide us with a strong project pipeline to fuel our growth strategy over the next few years.

Track Record of Joint Development Projects

We typically undertake projects through the joint development model and enter into development agreements with land owners to develop their land. These agreements provide us with the development rights to land in exchange for a pre-determined portion of revenues, profits or developable area generated from the project. This model reduces our upfront land-acquisition costs and reduces our risk exposure to the project thereby allowing us to be more capital efficient, achieve higher returns on our investments and expand our project portfolio. We are also able to limit our risk through project diversification while maintaining significant management control over these projects.

As of March 31, 2019, approximately 78% of our total estimated Saleable Area was being undertaken as joint development projects. The scale and number of joint development projects with a number of land owners has strengthened our business development capabilities through our existing relationships with land owners, intermediaries and independent property companies. Our extensive experience entering into innovative deal structures benefitting us as well as the land owners is one of our significant competitive advantages for sourcing land deals in these markets. We intend to continue to build on these strengths to support our growth strategy going forward.

We also undertake the development of projects as a project development manager on a fee basis. In these projects, we have little or no capital investment.

Strong Management, Eminent Board of Directors, Good Corporate Governance Practices and Strong Employee Base

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

We believe that a motivated and empowered employee base is the key to our competitive advantage. Our employee value proposition is based on a strong focus on employee development, an exciting work culture, empowerment and competitive compensation. Continued talent development is a key focus area for us and is implemented through diligently designed talent management processes. We have structured programs for executive education and coaching for senior employees, executive MBA programs, study visits and a variety of customized learning initiatives to support continuous learning and development of our employees. For example, last year, our senior management team, including executive directors, visited China and interacted with some of the leading Chinese developers to understand their growth model, business processes and organization structures that have allowed them to scale up successfully. We believe that the skills and diversity of our employees give us the flexibility and agility to adapt to the future needs of our business. We have been certified by GPTW as "Great Places to Work" in 2019-20, a recognition that reflects the strength of our employee centric culture and human resource practices.

Our Business Strategies

The following are the key elements of our business strategy:

Enhance and Leverage the 'Godrej' Brand and Group Resources

One of our key strengths is our affiliation and relationship with the Godrej group and the strong brand equity generated from the 'Godrej' brand name. We believe that our customers, vendors and members of the financial community perceive the 'Godrej' brand to be that of a trusted provider of quality products and services. The 'Godrej' brand has been ranked among the 10 most valuable Indian brands in the Interbrand's Best Indian Brands 2019 study and our Company was ranked as the most trusted Indian real estate brand by the Brand Trust Report in 2019. We believe the ongoing consolidation in the real estate industry may lead to fewer established and credible players in the market and we intend to continue to enhance and leverage the 'Godrej' brand through strategic branding initiatives, consumer engagement programs and integrated marketing campaigns. In addition, our association with the Godrej group helps us leverage group resources including the land owned by other companies in the Godrej group.

Build Upon Extensive Portfolio of Joint Development Projects and Other Innovative Structures to Optimise Resources

We intend to continue to develop most of our projects through joint development agreements with land owners. We believe that industry developments such as the implementation of The Real Estate (Regulation and Development) Act, 2016 (the "**RERA**") will help in the growth of joint development model in India, as smaller developers may find it difficult to comply with the regulatory requirements and accordingly, look to developers such as our Company, for developing their land assets. The current liquidity environment in the real estate industry also offers opportunities to acquire developable assets at discounted valuation. We believe we are well positioned to benefit from this opportunity by leveraging our existing relationships and established track record with land owners. As of March 31, 2019, we had 52 of our projects under joint development agreements and partnership deeds with several land owners. This provides us a competitive advantage to get access to land assets across high growth markets through innovative structures while maintaining an asset-light portfolio.

As of March 31, 2019, 10 of our projects were being undertaken with long-term equity partners who have invested in project-specific companies. We will continue to explore opportunities to undertake projects with such investors on an ongoing basis. We believe this allows us to remain asset light while enabling us to focus on our key core functions of land sourcing, project execution and marketing as we continue to expand our operations. We also have a residential development financing platform within a group company, Godrej Fund Management, for third party equity investments in residential projects. The platform evaluates investment opportunities in our project-specific companies from time to time, pursuant to which we may enter into definitive agreements for equity contributions for the development of some of our projects.

We will continue to undertake development of projects as a project development manager on a fee basis, as a strategic choice to diversify our portfolio and get access to specific micro markets while remaining asset-light. As of March 31, 2019, 13 of our projects were being undertaken under development manager model. Further, we may, from time to time, enter into definitive agreements pursuant to term sheets, memoranda of understanding with various parties for acquisition of land development rights.

Focus on Developing Residential Projects in Select Regions

We believe that the growth opportunity for real estate development in India will be driven by growing trend of, among other things, urbanization, falling household sizes, increasing working population and increase in mid-income households. These growth drivers would be especially pronounced in Tier 1 cities. Hence, we intend to continue with developing properties in Mumbai, Pune, Bengaluru and the National Capital Region as our growth focus geographies. We already have significant operational presence and a number of projects in these cities and during the financial year 2019, we had achieved booking value of over ₹ 900 crore in each of these four markets. Growth focus on these cities would allow us to better leverage our experience, operational capabilities and relationships for effective and faster expansion of our portfolio. As of March 31, 2019, 75.49% of our estimated Saleable Area comprised residential projects in these four regions.

Focus on Execution to Capitalize on Industry Opportunities

As we target significant growth over next few years to capitalize on industry opportunities, we do recognize the importance of delivering quality projects on a timely basis and ensuring a satisfying customer experience. We intend to continue to scale up the size of our operations and our project teams while focusing on strengthening our execution capabilities. We have grown our employee base from 925 employees as of March 31, 2016 to 1,424 employees as of March 31, 2019. We have delivered approximately 20 million sq. ft. of real estate during the last five financial years, of which we had delivered approximately 3.22 million sq. ft. across Mumbai, Pune, NCR, Kolkata and Chennai during the financial year 2019. We shall continue to build scale and consolidate our leadership in our core markets through focused efforts on sales and marketing, as well as efforts to manage costs efficiently. Selective outsourcing of the development process enables us to undertake more projects and source best-in-class development partners, while optimally utilizing our resources.

We intend to continue to outsource activities such as design, architecture and construction to skilled partners. Our in-house design studio, which has won multiple international awards, collaborates with our design partners for design ideation and translation into documentation and built form. We are working with renowned international and domestic firms across a variety of design services, such as Pelli Clarke Pelli Architects LLP for our projects Godrej One and The Trees, Conran and Partners, Sasaki Associates Ltd, Lighting Design Partnership (LDP) PTY Ltd, One Landscape Design Pte Ltd, KPF and SOM India LLC.

On the construction front, we shall continue to work with renowned domestic contractors such as Larsen & Toubro Limited and Capacite Infraprojects Limited for some of our projects. To meet organization's objective of scale and faster turnaround, we are in the process of adopting modern methods of construction, including precast and tunnel formwork. We have already implemented the precast construction technology at Godrej Golf Links, our 100 acre development in Noida.

We are also focusing on use of information technology and digital platforms as a lever to support scale and strengthening of our execution capabilities. Most of our internal process are already implemented through robust IT systems. These include SAP for enterprise resource planning, eCRM for customer related processes and Success Factors for managing people processes. We focus on adopting the latest technologies for automation, standardization and data driven decision making so that we are able to scale up efficiently and also improve our agility. We are also investing in our digital capabilities and Digital4U, a new digital platform is in the process of being implemented. It shall allow us to serve customers, sales representatives and channel partners through a mobile app and a web enabled platform. It will also allow us to deliver a consistent, seamless and compelling user experience across regions and channels.

Focus on Sustainable Development

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

We are a member of the Indian Green Building Council, which is actively involved in promoting the green building concept in India with a vision to serve as a single point solutions provider and facilitator for green building activities in India. As part of the International Finance Corporation's eco-cities program, we are one of the five founding members of the Sustainable Housing Leadership Consortium, whose mandate is to promote sustainable urban development. Each of our new project strives to achieve the minimum level of silver under the rating system specified by IGBC. In addition, our Company was ranked 4^{th} in Asia and 8^{th} globally by the Global Real Estate Sustainability Benchmark 2018. The Godrej Garden City, Ahmedabad project received platinum certification by the Indian Building Council under its Green Residential Society rating in 2017. We have implemented environmentally-friendly building concepts in many of our projects in line with leading global sustainability practices.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including in "***Risk Factors***", "***Use of Proceeds***", "***Placement***", "***Issue Procedure***" and "***Description of the Equity Shares***" on pages 43, 69, 150, 139 and 165, respectively.

Issuer	Godrej Properties Limited
Face Value	₹ 5 per Equity Share
Issue Price	₹ [●] per Equity Share
Floor Price	₹ 928 per Equity Share, calculated in accordance with Regulation 176 under Chapter VI of the SEBI ICDR Regulations. The Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the shareholders of our Company accorded through their resolution passed by way of postal ballot on June 8, 2019 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Size	Issue of up to [●] Equity Shares, aggregating up to approximately ₹ [●] million, at a premium of ₹ [●] each. A minimum of 10% of the Issue Size i.e. at least [●] Equity Shares, shall be available for Allocation to Mutual Funds only and the balance [●] Equity Shares should be available for Allocation to all QIBs, including Mutual Funds. In case of under-subscription in the portion available for Allocation to Mutual Funds, such minimum portion or part thereof may be Allotted to other Eligible QIBs.
Date of Board resolution	April 30, 2019
Date of shareholders' resolution	June 8, 2019
Authority for the Issue	The Issue has been authorised by the Board on April 30, 2019 and the shareholders of our Company pursuant to the resolution dated June 8, 2019, passed through a postal ballot.
Eligible Investors	QIBs that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations. In relation to the Issue, Eligible Investors shall consist of (i) QIBs which are resident in India; and (ii) Eligible FPIs, participating through Schedule 2 of the FEMA Regulations. Subject to (ii) above, in the United States persons reasonably believed to be "qualified institutional buyers" as defined in Rule 144A under the U.S. Securities Act may participate in the Issue. Further, except as provide in (ii) above, other non-resident QIBs (including FVCIs and non-resident multilateral and bilateral development financial institutions) are not permitted to participate in the Issue. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered shall be determined by the Book Running Lead Managers in consultation with our Company, at its discretion. For further details, see "***Issue Procedure – Qualified Institutional Buyers***" on page 142.
Dividend	See "***Description of the Equity Shares***" and "***Dividends***" on pages 165 and 75, respectively.
Indian taxation	See "***Taxation***" on page 169.
Equity Shares issued and outstanding immediately prior to the Issue	229,394,076 Equity Shares
Equity Shares issued and outstanding immediately after the Issue	[●] Equity Shares
Listing and trading	Our Company has obtained in-principle approvals dated June 25, 2019 and June 25, 2019 in terms of Regulation 28(1)(a) of the SEBI Listing Regulations from BSE and NSE, respectively, for listing of the Equity Shares issued pursuant to the Issue. Our Company will make applications to each of the Stock Exchanges after Allotment to obtain final listing and trading approval for the Equity Shares after the Allotment and after the credit of the Equity Shares to the beneficiary account of the Depository Participant, respectively.

Lock-in	For details in relation to lock-up, see "***Placement – Lock-in***" on page 150 for a description of restrictions on our Company and one of our Promoters, Godrej Industries Limited, in relation to the Equity Shares.	
Transferability restrictions	The Equity Shares to be issued and Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. For details in relation to other transfer restrictions, please see "***Transfer Restrictions***" on page 159.	
Use of proceeds	The gross proceeds from the Issue will be approximately ₹ [●] million. The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue, will be approximately ₹ [●] million. See "***Use of Proceeds***" on page 69 for additional information regarding the use of net proceeds from the Issue.	
Risk factors	See "***Risk Factors***" on page 43 for a discussion of risks you should consider before investing in the Equity Shares.	
Closing Date	The Allotment of the Equity Shares pursuant to the Issue is expected to be made on or about [●], 2019.	
Ranking	The Equity Shares to be issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* with the existing Equity Shares of our Company, including in respect of voting rights and dividends. The holders of Equity Shares (who hold Equity Shares as on the applicable record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, the SEBI Listing Regulations and other applicable laws and regulations. Equity shareholders of our Company may attend and vote in shareholders' meetings in accordance with the provisions of the Companies Act, 2013. For further details, see "***Dividends***" and "***Description of the Equity Shares***" on pages 75 and 165, respectively.	
Security codes for the Equity Shares	ISIN	INE484J01027
	BSE Code	533150
	NSE Symbol	GODREJPROP

SELECTED FINANCIAL INFORMATION

*The following tables set out selected financial information extracted from our Audited Consolidated Financial Statements (including as of and for the financial year ended March 31, 2018 from the restated financial data for such financial year included therein), prepared in accordance with the applicable accounting standards, Companies Act, 2013 and the requirements of SEBI Listing Regulations, as applicable, and presented in "**Financial Information**" on page 196. See "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" and "**Financial Information**", on pages 76 and 196, respectively, for further details.*

Summary of consolidated Balance Sheet information as at March 31, 2019

(Currency in INR Crore)

Particulars	As At March 31, 2019	As At March 31, 2018 (Restated)
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	71.90	84.82
Capital Work-in-Progress	98.77	71.37
Investment Property	2.20	2.48
Goodwill on consolidation	0.04	0.04
Other Intangible Assets	22.55	25.29
Intangible Assets Under Development	0.77	0.12
Investment in Joint Ventures and Associate	722.85	223.95
Financial Assets		
Other Investments	862.20	686.33
Loans	28.57	83.81
Other Non-Current Financial Assets	32.85	0.01
Deferred Tax Assets (Net)	515.53	640.54
Income Tax Assets (Net)	157.98	116.40
Other Non-Current Non Financial Assets	56.61	15.28
Total Non-Current Assets	**2,572.82**	**1,950.44**
Current Assets		
Inventories	2,210.80	3,733.40
Financial Assets		
Investments	1,052.10	543.84
Trade Receivables	159.91	156.16
Cash and Cash Equivalents	152.51	126.31
Bank Balances other than above	190.09	206.39
Loans	1,030.19	995.30
Other Current Financial Assets	343.02	226.41
Other Current Non Financial Assets	381.30	333.62
Total Current Assets	**5,519.92**	**6,321.43**
TOTAL ASSETS	**8,092.74**	**8,271.87**
EQUITY AND LIABILITIES		
EQUITY		
Equity Share Capital	114.66	108.24
Other Equity	2,354.35	1,102.16
Total Equity	**2,469.01**	**1,210.40**
LIABILITIES		
Non-Current Liabilities		
Financial Liabilities		
Borrowings	500.00	500.00
Deferred Tax Liabilities (Net)	0.73	0.59
Provisions	11.52	11.34
Total Non-Current Liabilities	**512.25**	**511.93**
Current Liabilities		
Financial Liabilities		
Borrowings	3,015.84	3,202.86
Trade Payables		
total outstanding dues of micro enterprises and small enterprises	13.45	9.00
total outstanding dues of creditors other than micro enterprises and small enterprises	234.25	303.96
Other Current Financial Liabilities	262.09	258.40
Other Current Non Financial Liabilities	1,556.36	2,722.43
Provisions	11.15	6.39
Current Tax Liabilities (Net)	18.34	46.50
Total Current Liabilities	**5,111.48**	**6,549.54**

Particulars	As At March 31, 2019	As At March 31, 2018 (Restated)
TOTAL EQUITY AND LIABILITIES	**8,092.74**	**8,271.87**

Extracted from audited consolidated financial statements for the Fiscal 2019 prepared in accordance with the Ind AS (including Ind AS 115 'Revenue from contracts with customers')

Summary of consolidated statement of profit and loss information for the year ended March 31, 2019

(Currency in INR Crore)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018 (Restated)
INCOME		
Revenue from Operations	2,817.40	1,603.72
Other Income	404.58	498.64
Total Income	**3,221.98**	**2,102.36**
EXPENSES		
Cost of Materials Consumed	565.11	1,111.23
Change in inventories of finished goods and construction work-in-progress	1,628.75	249.73
Employee Benefits Expense	173.04	138.42
Finance Costs	234.03	150.13
Depreciation and Amortisation Expense	14.34	16.13
Other Expenses	272.46	283.29
Total Expenses	**2,887.73**	**1,948.93**
Profit before share of profit in joint ventures and associate and tax	**334.25**	**153.43**
Share of profit/(loss) of joint ventures and associate (net of tax)	13.95	(36.55)
Profit before tax	**348.20**	**116.88**
Current Tax	(31.59)	101.47
Deferred Tax Charge/(Credit)	126.64	(71.50)
Total Tax Expense	**95.05**	**29.97**
Profit for the Year	**253.15**	**86.91**
Other Comprehensive Income		
Items that will not be subsequently reclassified to profit or loss		
Remeasurements of the defined benefit plan	(0.50)	(4.31)
Tax on above	0.17	1.50
Items that will be subsequently reclassified to profit or loss		
Exchange difference in translating the financial statements of a foreign operations.	0.10	-
Other Comprehensive Income for the Year (Net of Tax)	**(0.23)**	**(2.81)**
Total Comprehensive Income for the Year	**252.92**	**84.10**
Earnings Per Share (Amount in INR)		
Basic	**11.16**	**4.01**
Diluted	**11.15**	**4.01**

Extracted from audited consolidated financial statements for the Fiscal 2019 prepared in accordance with the Ind AS (including Ind AS 115 'Revenue from contracts with customers')

Consolidated Statement of Cash Flows information for the year ended March 31, 2019

(Currency in INR Crore)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018 (Restated)
Cash Flow from Operating Activities		
Profit before tax	**348.20**	**116.88**
Adjustments for:		
Depreciation and amortisation expense	14.34	16.13
Finance costs	234.03	150.13
Loss /(profit) on sale of property, plant and equipment (net)	7.35	(0.08)
Share of (profit)/loss in joint ventures and associate	(13.95)	36.55
Share based payments to employees	3.55	3.99
Expenses on amalgamation	0.40	1.07
Interest income	(232.40)	(138.74)
Dividend income	(0.00)	-
Profit on sale of investments (net)	(61.44)	(209.44)
Income from Investment measured at FVTPL	(95.63)	(147.71)
Allowance for bad and doubtful debts	20.18	39.95
Liabilities written back	(10.89)	-
Write down of inventories	4.75	100.87

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018 (Restated)
Lease rent from investment property	(0.79)	(0.37)
Operating profit/(loss) before working capital changes	**217.70**	**(30.77)**
Changes in Working Capital:		
(Decrease)/Increase in Non-financial Liabilities	(1,172.67)	187.73
(Decrease) in Financial Liabilities	(71.77)	(79.35)
Decrease in Inventories	1,632.45	1,124.85
(Increase)/Decrease in Non-financial Assets	(0.58)	(51.93)
(Increase) in Financial Assets	(89.01)	72.81
	298.42	**1,254.11**
Taxes Paid (net)	(38.06)	(68.52)
Net Cash Flows generated from operating activities	**478.06**	**1,154.82**
Cash Flow from Investing Activities		
Acquisition of property, plant and equipment, investment property and intangible assets	(74.38)	(150.43)
Proceeds from sale of property, plant and equipment	0.59	0.14
Investment in debentures of joint ventures	(141.33)	(102.77)
(Purchase) of mutual funds (net)	(386.45)	(155.54)
Sale / (Purchase) of investments in fixed deposits (net)	15.81	(161.75)
Investment in joint ventures and associate	(503.93)	(20.16)
Proceeds from sale of investment in joint ventures	0.01	-
Proceeds from sale of investment in subsidiaries	-	201.24
Acquisition of subsidiary, net of cash and cash equivalents	(42.73)	-
Loan refunded by/(given) to joint ventures (net)	29.80	(670.37)
Loan given to others (net)	(8.00)	(0.26)
Expenses on amalgamation	(0.40)	(1.07)
Dividend received	0.00	-
Interest received	129.64	87.17
Lease rent from investment property	0.79	0.37
Net Cash Flows (used in) investing activities	**(980.58)**	**(973.43)**
Cash Flow from financing activities		
Proceeds from issue of equity share capital (net of issue expenses)	999.53	0.06
Proceeds from long-term borrowings	-	500.00
Repayment of long-term borrowings	-	(474.76)
Proceeds from /(Repayment of) short-term borrowings (net)	265.49	(221.68)
Interest paid	(294.97)	(298.42)
Proceeds from sale of treasury shares	-	2.63
Payment of unclaimed dividend	(0.00)	(0.01)
Payment of unclaimed fixed deposits	(0.27)	(0.69)
Net Cash Flows generated from/ (used in) financing activities	**969.78**	**(492.87)**
Net Increase / (Decrease) in Cash and Cash Equivalents	**467.26**	**(311.48)**
Cash and Cash Equivalents - Opening Balance	**(499.99)**	**(188.51)**
Cash and Cash equivalents of subsidiary acquired during the year	**9.21**	**-**
Cash and Cash Equivalents - Closing Balance	**(23.52)**	**(499.99)**

Extracted from audited consolidated financial statements for the Fiscal 2019 prepared in accordance with the Ind AS (including Ind AS 115 'Revenue from contracts with customers')

Reconciliation of Cash and Cash Equivalents as per the Consolidated Statement of Cash Flows

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018 (Restated)
Cash and Cash Equivalents	152.51	126.31
Less: Bank overdrafts repayable on demand	176.03	626.30
Cash and Cash Equivalents as per the Consolidated Statement of Cash Flows	**(23.52)**	**(499.99)**

Extracted from audited consolidated financial statements for the Fiscal 2019 prepared in accordance with the Ind AS (including Ind AS 115 'Revenue from contracts with customers')

Summary of consolidated Balance Sheet information as at March 31, 2018

(Currency in INR Crore)

Particulars	As At March 31, 2018
ASSETS	
Non-Current Assets	
Property, Plant and Equipment	84.82
Capital Work-in-Progress	71.37

Particulars	As At March 31, 2018
Investment Property	2.48
Goodwill	0.04
Other Intangible Assets	25.29
Intangible Assets Under Development	0.12
Investment in Joint Ventures and Associate	290.54
Financial Assets	
Other Investments	686.33
Loans	83.81
Other Non-Current Financial Assets	0.01
Deferred Tax Assets (Net)	160.82
Income Tax Assets (Net)	116.40
Other Non-Current Non Financial Assets	15.28
Total Non-Current Assets	**1,537.31**
Current Assets	
Inventories	2,343.69
Financial Assets	
Investments	543.84
Trade Receivables	192.48
Cash and Cash Equivalents	126.31
Bank Balances other than above	188.42
Loans	1,081.85
Other Current Financial Assets	904.93
Other Current Non Financial Assets	203.36
Total Current Assets	**5,584.88**
TOTAL ASSETS	**7,122.19**
EQUITY AND LIABILITIES	
EQUITY	
Equity Share Capital	108.24
Other Equity	**2,132.05**
Total Equity	**2,240.29**
LIABILITIES	
Non-Current Liabilities	
Financial Liabilities	
Borrowings	500.00
Provisions	11.33
Deferred Tax Liabilities (Net)	0.59
Total Non-Current Liabilities	**511.92**
Current Liabilities	
Financial Liabilities	
Borrowings	3,202.86
Trade Payables	312.63
Other Current Financial Liabilities	226.80
Other Current Non Financial Liabilities	577.74
Provisions	3.46
Current Tax Liabilities (Net)	46.49
Total Current Liabilities	**4,369.98**
TOTAL EQUITY AND LIABILITIES	**7,122.19**

Extracted from audited consolidated financial statements for the Fiscal 2018 prepared in accordance with the Ind AS

Summary of consolidated statement of profit and loss information for the year ended March 31, 2018

(Currency in INR Crore)

Particulars	For the year ended March 31, 2018
INCOME	
Revenue from Operations	1,889.20
Other Income	501.47
Total Income	**2,390.67**
EXPENSES	
Cost of Sales	1,468.66
Employee Benefits Expense	138.42
Finance Costs	150.13
Depreciation and Amortisation Expense	16.13
Other Expenses	286.52
Total Expenses	**2,059.86**
Profit before share of profit in joint ventures and associate and tax	**330.81**

Particulars	For the year ended March 31, 2018
Share of profit of joint ventures and associate (net of tax)	6.02
Profit before tax	**336.83**
Current Tax	101.47
Deferred Tax Charge/(Credit)	0.40
Total Tax Expense	**101.87**
Profit for the Year	**234.96**
Other Comprehensive Income	
Items that will not be subsequently reclassified to profit or loss	
Remeasurements of the defined benefit plan	(4.31)
Tax on above	1.50
Items that will be subsequently reclassified to profit or loss	
Exchange difference in translating the financial statements of a foreign operations.	-
Other Comprehensive Income for the Year (Net of Tax)	**(2.81)**
Total Comprehensive Income for the Year	**232.15**
Earnings Per Share (Amount in INR)	
Basic	**10.86**
Diluted	**10.85**

Extracted from audited consolidated financial statements for the Fiscal 2018 prepared in accordance with the Ind AS

Consolidated Statement of Cash Flows information for the year ended March 31, 2018

(Currency in INR Crore)

Particulars	For the year ended March 31, 2018
Cash Flow from Operating Activities	
Profit before tax	**336.83**
Adjustments for:	
Depreciation and amortisation expense	16.13
Finance costs	150.13
Profit on sale of property, plant and equipment (net)	(0.08)
Share of profit in joint ventures and associate	(6.02)
Share based payments to employees	3.99
Expenses on amalgamation	1.07
Interest income	(141.57)
Profit on sale of investments (net)	(209.44)
Income from Investment measured at FVTPL	(147.71)
Allowance for bad and doubtful debts	39.95
Write down of inventories	100.87
Lease rent from investment property	(0.37)
Operating Profit before working capital changes	**143.78**
Changes in Working Capital:	
Increase/(Decrease) in Non-financial Liabilities	83.87
(Decrease) in Financial Liabilities	(135.98)
Decrease in Inventories	1,248.31
(Increase)/Decrease in Non-financial Assets	(31.68)
(Increase) in Financial Assets	(82.36)
	1,082.16
Taxes Paid (net)	(68.39)
Net Cash Flows generated from/(used in) operating activities	**1,157.55**
Cash Flow from Investing Activities	
Acquisition of property, plant and equipment, investment property and intangible assets	(150.43)
Proceeds from sale of property, plant and equipment	0.14
Investment in debentures of joint ventures	(102.77)
Proceeds from redemption of debentures of joint ventures	-
(Purchase) / Sale of mutual funds (net)	(155.54)
(Purchase) / Sale of investments in fixed deposits (net)	(161.75)
Investment in joint ventures and associate	(20.16)
Proceeds from sale of investment in subsidiaries	201.24
Loan given to joint ventures (net)	(668.08)
Loan given to others (net)	(8.11)
Expenses on amalgamation	(1.07)
Interest Received	90.00
Lease rent from investment property	0.37
Net Cash Flows (used in) investing activities	**(976.16)**
Cash Flow from financing activities	
Proceeds from Issue of equity share capital (net of issue expenses)	0.06
Proceeds from long-term borrowings	500.00

Particulars	For the year ended March 31, 2018
Repayment of long-term borrowings	(474.75)
(Repayment of) / Proceeds from short-term borrowings (net)	(221.68)
Interest paid	(298.43)
Proceeds from sale of treasury shares	2.63
Payment of unclaimed dividend	(0.01)
Payment of unclaimed fixed deposits	(0.69)
Net Cash Flows (used in)/ generated from financing activities	**(492.87)**
Net (Decrease) in Cash and Cash Equivalents	**(311.48)**
Cash and Cash Equivalents - Opening Balance	**(188.51)**
Cash and Cash Equivalents - Closing Balance	**(499.99)**

Extracted from audited consolidated financial statements for the Fiscal 2018 prepared in accordance with the Ind AS

Reconciliation of Cash and Cash Equivalents as per the Consolidated Statement of Cash Flows

Particulars	For the year ended March 31, 2018
Cash and Cash Equivalents	126.31
Less: Bank Overdrafts repayable on Demand	626.30
Cash and Cash Equivalents as per Consolidated Statement of Cash Flows	**(499.99)**

Extracted from audited consolidated financial statements for the Fiscal 2018 prepared in accordance with the Ind AS

Summary of consolidated statement of Balance Sheet information as at March 31, 2017

(Currency in INR Crore)

Particulars	As at March 31, 2017
ASSETS	
Non-Current Assets	
Property, Plant and Equipment	74.79
Capital Work-in-Progress	0.01
Goodwill	0.04
Other Intangible Assets	27.23
Intangible Assets Under Development	0.02
Investment in Joint Ventures And Associate	81.40
Financial Assets	
Investments	312.36
Loans	74.72
Other Non Current Financial Assets	2.01
Deferred Tax Assets (Net)	138.39
Income Tax Assets (Net)	136.32
Other Non Current Non Financial Assets	15.28
Total Non Current Assets	**862.57**
Current Assets	
Inventories	3,966.12
Financial Assets	
Investments	366.26
Trade Receivables	221.82
Cash And Cash Equivalents	73.82
Bank Balances Other Than Above	36.58
Loans	741.67
Other Current Financial Assets	730.41
Other Current Non Financial Assets	179.84
Total Current Assets	**6,316.52**
TOTAL ASSETS	**7,179.09**
EQUITY AND LIABILITIES	
EQUITY	
Equity Share Capital	108.18
Other Equity	1,895.55
Total Equity	**2,003.73**
LIABILITIES	
Non Current Liabilities	
Financial Liabilities	
Borrowings	474.75
Trade Payables	0.52
Deferred Tax Liabilities (Net)	0.20
Provisions	6.71
Total Non Current Liabilities	**482.18**
Current Liabilities	

Particulars	As at March 31, 2017
Financial Liabilities	
Borrowings	3,501.73
Trade Payables	467.89
Other Current Financial Liabilities	200.60
Other Current Non-Financial Liabilities	510.49
Provisions	0.17
Current Tax Liabilities (Net)	12.30
Total Current Liabilities	**4,693.18**
Total Liabilities	**5,175.36**
TOTAL EQUITY AND LIABILITIES	**7,179.09**

Extracted from audited consolidated financial statements for the Fiscal 2017 prepared in accordance with the Ind AS

Summary of consolidated statement of profit and loss information for the year ended March 31, 2017

(Currency in INR Crore)

Particulars	For the year ended March 31, 2017
INCOME	
Revenue from Operations	1,582.93
Other Income	125.42
Total Income	**1,708.35**
EXPENSES	
Cost of Sales	1,080.90
Employee Benefits Expense	47.53
Finance Costs	101.53
Depreciation and Amortisation Expense	14.50
Other Expenses	204.10
Total Expenses	**1,448.56**
Profit before share of profit in joint ventures and associate and tax	**259.79**
Share of profit/(loss) of joint ventures and associate (net of tax)	24.71
Profit before tax	**284.50**
Current Tax	109.77
Deferred Tax	(32.07)
Profit for the Year	**206.80**
Other Comprehensive Income	
Items that will not be subsequently reclassified to profit or loss	
Remeasurements of the defined benefit plan	(0.48)
Tax on above	0.16
Items that will be reclassified to profit or loss	
Exchange difference in translating the financial statements of a foreign operations.	(0.36)
Total Comprehensive Income for the Year	**206.12**
Profit attributable to:	
Equity holders of Parent	**206.80**
Non Controlling Interest	**-**
Total Comprehensive Income attributable to:	
Equity holders of Parent	**206.12**
Non Controlling Interest	**-**
Earnings Per Share (Amount in INR)	
Basic	**9.60**
Diluted	**9.55**

Extracted from audited consolidated financial statements for the Fiscal 2017 prepared in accordance with the Ind AS

Consolidated Statement of Cash Flows information for the year ended March 31, 2017

(Currency in INR Crore)

Particulars	For the Year ended March 31, 2017
Cash Flow from Operating Activities	
Profit before Tax	**284.50**
Adjustment for:	
Depreciation and Amortisation	14.50
Finance Costs	101.53
(Profit)/ Loss on sale of Property, Plant & Equipment and Intangible Assets (Net)	(0.20)
Assets Written Off	0.00
Provision for Doubtful Advances /(written back) (Net)	-
Share of (Profit)/Loss of Joint Ventures (net of tax)	(24.71)
Share Based Payments	2.49
Expenses of Amalgamation	1.35
Diminution in value of investments	-

Particulars	For the Year ended March 31, 2017
Interest Income	(102.39)
Dividend Income	-
Income from Investment measured at FVTPL	(21.77)
Operating Profit before working capital changes	**255.30**
Adjustment for:	
Increase/ (Decrease) in Non financial Liabilities	(151.04)
Increase/ (Decrease) in Financial Liabilities	(356.79)
(Increase)/ Decrease in Inventories	171.61
(Increase)/ Decrease in Non financial Assets	20.28
(Increase)/ Decrease in Financial Assets	(345.33)
	(661.27)
Taxes Paid (Net)	(160.32)
Net Cash Flow from Operating activities	**(566.29)**
Cash Flow from Investing Activities	
Purchase of Property, Plant & Equipment and Intangible Assets	(9.42)
Sale of Property, Plant & Equipment and Intangible Assets	0.29
Sale/(Purchase) of Investments	(48.56)
(Investment in)/Withdrawal from Joint Ventures	1.56
Expenses of Amalgamation	(1.35)
Interest Received	71.59
Dividend Received	-
Net Cash Flow from Investing Activities	**14.11**
Cash Flow from Financing Activities	
Proceeds from Issue of Equity Share Capital (net of issue expenses)	0.05
Proceeds from/ (Repayment of) Long Term Borrowings (net)	(30.73)
Proceeds from/(Repayment of) Short Term Borrowings (net)	642.50
Interest Paid	(311.90)
Proceeds from Sale of Treasury Shares	34.82
Payment of Dividend	(0.00)
Tax on Distributed Profits	-
Net Cash Flow from Financing Activities	**334.74**
Net Increase in Cash & Cash Equivalent	**(217.44)**
Cash & Cash Equivalent -Opening Balance	**36.68**
Acquired Pursuant to the Scheme of Amalgamation	**-**
Cash & Cash Equivalent -Closing Balance	**(180.76)**

Extracted from audited consolidated financial statements for the Fiscal 2017 prepared in accordance with the Ind AS

Reconciliation of Cash and Cash Equivalents as per the Consolidated Statement of Cash Flows

Particulars	For the year ended March 31, 2017
Cash and Cash Equivalents	73.82
Less: Bank Overdrafts repayable on Demand	254.56
Cash and Cash Equivalents as per Consolidated Statement of Cash Flows	**(180.76)**

Extracted from audited consolidated financial statements for the Fiscal 2017 prepared in accordance with the Ind AS

Reservations, qualifications or adverse remarks by Auditor:

There have been no reservations, qualifications and adverse remarks in the statutory auditors' reports on the standalone audited financial statements and the consolidated audited financial statements of the Company for the last five Fiscals immediately preceding the date of this Preliminary Placement Document. The details of emphasis of matters and other matters made by our Statutory Auditors during Fiscals 2019 and 2018, and our statutory auditors for the prior period of Fiscals 2017, 2016 and 2015, are set out below:

Financial Year 2019

Emphasis of matter

We draw attention to note 41 of the consolidated financial statements, relating to remuneration paid to the Executive Chairman and the Managing Director & CEO of the Holding Company for the financial year ended March 31, 2019 being in excess of the limits prescribed under section 197 of the Act by ₹5.81 crores, which is subject to the approval of the Shareholders. Our opinion is not modified in respect of this matter.

Financial Year 2018

Other matters

(a) We did not audit the Ind AS financial information of one subsidiary whose financial information reflect total assets of ₹Nil and net assets of ₹Nil as at March 31, 2018, total revenues of ₹2.28 crore, total profit after tax of ₹1.52 crore and total comprehensive income (comprising of profit and other comprehensive income) of ₹1.52 crores for the period from April 1, 2017 to June 21, 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 related 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 explanation given to us by the Managements 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 the Other 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 associates and its joint ventures for the corresponding year ended March 31, 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 May 4, 2017 expressed an unmodified opinion on those audited consolidated Ind AS financial statements.

Financial Year 2017

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹9.39 crores as at March 31, 2017 and net assets of ₹7.49 crores as at March 31, 2017, total revenue of ₹9.78 crores and net cash inflows amounting to ₹8.23 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by the another auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it related 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 related to the aforesaid subsidiary, is based solely on the reports of the other auditor.

Our opinion above on the consolidated financial statements, and our report on Other and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Financial Year 2016

Emphasis of matter

We draw attention to the following matters in the Notes to the consolidated financial statements

1) Note 28 (A) to the consolidated financial statements, regarding the Scheme of Amalgamation of Godrej Premium Builders Private Limited (GPBPL), a subsidiary of Godrej Projects Development Private Limited (GPDPL) with GPDPL approved by the Honorable High Court of Judicature at Bombay. In accordance with the aforesaid Scheme of Amalgamation, an amount of ₹53.28 crore on account of Goodwill on amalgamation has been adjusted against the Surplus in the Statement of Profit & Loss instead of amortising the same in the Statement of Profit & Loss over a period of five years. The cost and expenses incurred in carrying out and implementing the scheme amounting to ₹0.22 crore has been adjusted against the Surplus in the Statement of Profit & Loss. Had this amount been charged to the Statement of Profit & Loss, the profit for the year would have been lower by ₹10.88 crore, the Goodwill would have been higher by ₹42.62 crore (net written down value) and the Surplus in the Statement of Profit & Loss would have been higher by ₹42.62 crore.

2) We also draw attention to Note 33 (b) to the consolidated financial statements, regarding a loan of ₹43.91 crore to the GPL ESOP Trust for purchase of the Company's shares from Godrej Industries Limited equivalent to the number of options granted under an Employee Stock Option Plan. As at March 31, 2016, the market value of the shares held by the GPL ESOP Trust is lower than the holding cost of the shares by ₹8.81 crore (net of provision of ₹5.89 crore). The repayment of the loans granted to the GPL ESOP Trust is dependent on the exercise of the options by the employees and the market price of the underlying equity shares of the unexercised options at the end of the exercise period. In the opinion of the management, the fall in value of the underlying equity shares is on account of current market volatility and the loss, if any, can be determined only at the end of the exercise period, in view of which provision for the diminution is not considered necessary in the financial statements.

3) We also draw attention to Note 39 regarding managerial remuneration paid during the year which exceeded the permissible limit as prescribed under Schedule V of the Companies Act, 2013 by ₹7.71 crore for which the Shareholders' and the Central Government's approval are required.

Other matter

We did not audit the financial statements of one subsidiary incorporated outside India, whose financial statements reflect total assets of ₹1.13 crore as at March 31, 2016, total revenues of ₹Nil and net cash inflows amounting to ₹1.13 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by another auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal & Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Financial Year 2015

Emphasis of matter

We draw attention to the following matters in the Notes to the consolidated financial statements:

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

2) Note 27 to the consolidated financial statements, regarding the Scheme of Amalgamation of the wholly owned subsidiary of the Company viz. Godrej Buildwell Private Limited (GBPL) with Godrej Projects Development Private Limited (GPDPL) approved by The Honorable High Court of Judicature at Bombay. In accordance with the aforesaid Scheme of Amalgamation, an amount of ₹137.05 crore on account of Goodwill on amalgamation has been adjusted from the General Reserve and Surplus in the Statement of Profit & Loss instead of amortising the same in the Statement of Profit & Loss over a period of five years. The cost and expenses incurred in carrying out and implementing the scheme amounting to ₹0.38 crore have been directly adjusted from the Surplus in the Statement of Profit & Loss of the Transferee Company. Had this amount been charged to the Statement of Profit & Loss, the profit for the year would have been lower by ₹27.79 crore, the Goodwill would have been higher by ₹109.64 crore (net written down value) and the balance in the General Reserve would have been higher by ₹9.80 crore and balance in Surplus would have been higher by ₹99.84 crore.

3) Note 32 (b) to the consolidated financial statements, In accordance with the opinion issued by the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India, on Consolidation of ESOP Trust in the standalone financial statements, the Company had included the financial statements of the ESOP Trust for preparation of the standalone financial statements during the previous year ended March 31, 2014. During the year The Securities and Exchange Board of India (SEBI) has issued the "SEBI Share Based Employee Benefits Regulation 2014 (the Regulation)" which requires the accounting treatment for employee share based payments to be based on the Guidance Note on Accounting for Employee Share-Based Payments issued by the Institute of Chartered Accountants of India (the Guidance Note). Accordingly, based on the requirements of the Guidance Note, the Company has not considered the ESOP Trust for inclusion in the standalone and consolidated financial statements for the year ended March 31, 2015. Consequently, these financial statements do not include the assets and liabilities of the ESOP trust and to that extent, the previous year figures are not comparable.

4) Note 32 (c) to the consolidated financial statements, regarding a loan of ₹44.02 crore to the GPL ESOP Trust for purchase of the Company's shares from Godrej Industries Limited equivalent to the number of options granted under an Employee Stock Option Plan. As at March 31, 2015, the market value of the shares held by the GPL ESOP Trust is lower than the holding cost of the shares by ₹13.33 crore (net of provision of ₹5.89 crore). The repayment of the loans granted to the GPL ESOP Trust is dependent on the exercise of the options by the employees and the market price of the underlying equity shares of the unexercised options at the end of the exercise period. In the opinion of the management, the fall in value of the underlying equity shares is on account of current market volatility and the loss, if any, can be determined only at the end of the exercise period, in view of which provision for the diminution is not considered necessary in the financial statements.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during (i) Fiscal 2019; (ii) Fiscal 2018; and (iii) Fiscal 2017, as per the requirements under IND AS 24 "Related Party Disclosures", see "***Financial Information - Fiscal 2019 Audited Consolidated Financial Statements – Notes to the consolidated financial statements for the year ended March 31, 2019 – Related Party Transactions***", "***Financial Information - Fiscal 2018 Audited Consolidated Financial Statements – Notes to the consolidated financial statements for the year ended March 31, 2018 – Related Party Transactions***" and "***Financial Information - Fiscal 2017 Audited Consolidated Financial Statements –Notes to consolidated financial statements for the year ended March 31, 2017 – Related Party Disclosures***" on pages 262, 345 and 421, respectively.

RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider each of the following risk factors together with all other information set forth in this Preliminary Placement Document before making an investment in our Equity Shares. The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, prospects, results of operations, cash flows and financial condition.

If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition and results of operations could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved.

Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Preliminary Placement Document also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Preliminary Placement Document. *See "**Forward-Looking Statements**" on page 13.*

Unless otherwise stated, all financial information of our Company used in this section has been derived from the Consolidated Financial Statements for the financial years 2019, 2018 and 2017. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.

Internal Risks

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

   We typically enter into development agreements (which entails entering into an agreement with the owner(s) of the land parcel(s) sought to be developed, with our Company usually being the sole developer), MoUs, limited liability partnership agreements, redevelopment agreements and development management agreements, as the case may be, with third parties prior to the development of the particular parcel of land.

   Certain parties granting development rights to us or to our partners (in case of development management agreements) may not have acquired ownership rights or clear title in respect of land that we have categorized as part of our Saleable Area. In addition, we may face practical difficulties in verifying the title of a prospective seller of property or of the landowner or developer. As each transfer in a chain of title may be subject to defects, our title and agreements we have entered into with land owners for construction on, and development of, land may be subject to various defects which we may not be aware of. Further, parties granting development rights pursuant to the development agreements and development management agreements, may also have litigation, bankruptcy or such other proceedings pending with respect to such land. For example, the agreement we have entered into with respect to our Forthcoming Project, Godrej Kochi, provides that such agreement is subject to the Board for Industrial and Financial Reconstruction ("**BIFR**") granting our joint development partner permission for entering into the development agreement with us, and the satisfaction of all claims of our joint development partner's secured creditors over such land. The BIFR had granted our joint development partner permission to enter into the agreement to develop the land, however this order was challenged by shareholders of the joint development partner before the Appellate Authority for Industrial and Financial Reconstruction ("**AAIFR**") and the matter has since been disposed of by the AAIFR, the High Court of Kerala and the High Court of Delhi.

   Some of the third parties with whom we enter into agreements themselves acquire land from power of attorney holders, who are authorized to transfer land on behalf of the owners of such land. We cannot assure you that such power of attorney that has been granted is valid or entitles such power of attorney holder to exercise the right to transfer or grant development rights over such land. Until ownership rights or clear title has been obtained, litigation is settled, conditions as imposed have been complied with or a judgment has been obtained by a court of competent jurisdiction, we may be unable to utilize such land according to the terms of such agreements, which could adversely affect our business, financial condition and results of operations. Additionally, under certain of our agreements, our development partners are required to aggregate large parcels of land for us to commence developing the project. If these development partners face any difficulties in obtaining or fail to obtain the requisite amount of land, the schedule of development of that project could be substantially disrupted which could have an adverse effect on our business, financial condition and results of operations.

2. ***Our development agreements do not convey any interest in the immovable property to us and only the development right is transferred to us. Further, investments through development agreements involve risks, including the***

possibility that our development partners may fail to meet their obligations under the development agreement, causing the whole project to suffer.

We have sought to develop our projects and certain parts of some of our projects primarily through development agreements with landowners. 29 out of our 43 Ongoing Projects and 23 out of our 30 Forthcoming Projects, as of March 31, 2019, covering an estimated Saleable Area of 112.49 million square feet, are owned through development agreements.

Most of our development agreements confer rights on us to construct, develop, market and eventually sell the Saleable Area to third party buyers. Such agreements do not convey any interest in the title of the immovable property to us and only the development right is transferred to us. Under these agreements, we are typically entitled to a share in the developed property or a share of the revenues or profits generated from the sale of the developed property, or a combination of the above entitlements after adjusting the amount paid earlier, if any.

Investments through development agreements involve risks, including the possibility that our development partners may fail to meet their obligations under the development agreement, causing the whole project to suffer. For instance, the land-owners may be responsible for certain financial obligations towards the development of the project, procuring certain regulatory approvals (such as approvals for change in use of the land for residential/commercial purposes), furnishing documents of title to lenders for securing financing, paying taxes and local levies on the land, curing title defects and settling title litigation within a stipulated period of time.

We cannot assure you that projects that involve collaboration with third parties will be completed as scheduled, or at all, or that our ventures with these parties will be successful. For instance, with respect to one of our projects through development agreement, Godrej Park, Bhandup, we have been served with a termination notice by the land owner citing reasons including, unwillingness on our part to perform the agreement. The matter is currently before an arbitration tribunal. For further details on the arbitration, see "***Legal Proceedings***" on page 185.

Further, our development agreements may permit us only partial control over the operations of the development under certain circumstances. Where we do not hold the entire interest in a development, it may be necessary for us to obtain consent from a development partner before the development partner makes or implements a particular business development decision or distribute profits to us. These and other factors may cause our development partners to act in a way that is contrary to our interests, or otherwise be unwilling to fulfill their obligations under our development arrangements. Disputes that may arise between us and our development partners may cause delay in completion, suspension or complete abandonment of a project, which may adversely affect our business, financial condition and results of operations.

3. ***Some or all of our Ongoing Projects and Forthcoming Projects may be delayed or may not be completed by their expected completion dates or at all. Such delays may adversely affect our reputation, business, results of operations and financial condition.***

Our Ongoing Projects and Forthcoming Projects may be subject to significant changes and modifications from our currently estimated management plans and timelines as a result of factors outside our control, including, among others:

- defects or challenges to land titles;
- failure or delay in securing necessary statutory or regulatory approvals and permits for us to develop our projects;
- inability to complete our projects in agreed time;
- availability of financing;
- occurrence of force majeure events including natural disasters and weather conditions;
- legal proceedings initiated against us, landowners or development partners by individuals or regulatory authorities seeking to restrain development of our projects;
- reliance on third-party contractors and the ability of third parties to complete their services on schedule and in budget; and
- regulatory changes such as changes in development regulations and challenges in interpreting and complying with them.

Such changes and modifications to our timelines may have a significant impact on our Ongoing Projects and Forthcoming Projects, and consequently, we may not develop these projects as contemplated, or at all, which may have an adverse effect on our reputation, business, results of operations and financial condition.

Further, if there are any revisions made to the existing plans, approvals, permits or licenses granted for our Ongoing Projects by relevant authorities, then we may, as a result of such revisions, be required to seek approval from the existing customers, if and to the extent required by law, of such project, undertake unplanned rework, including demolition on such projects or re-apply for and obtain key regulatory approvals. Such an occurrence may result in time and cost overruns, including customer complaints and claims under the evolving regulatory framework of RERA, which may have an adverse effect on our reputation, business, results of operations and financial condition.

The sale agreements into which we enter with our residential and commercial customers contain penalty clauses wherein we are liable to pay a penalty for any delay in the completion and hand over of the units to the customers. In accordance with RERA, the penalty payable for any delay is 2% over SBI's highest marginal cost of lending rate. Further, a buyer of a residential unit may also terminate his arrangements with us if we fail to deliver the unit as per the timelines mentioned under the sale agreement, and we may be liable to refund the amount along with interest.

Under RERA, in case of a delay in completion of units within the stipulated time or delay in handover of possession of units to a buyer under certain specified circumstances, the buyer is granted the right to withdraw from the project, and is entitled to amounts paid, along with interest and specified compensation. Further, in the event a buyer does not withdraw, the promoter is required to pay interest for every month of delay until handover of possession on the amount received by the promoter. The completion date of the units and the rate of interest in case of default has to be compulsorily included in the sale agreement. Further, delays from the timeline specified for the project's RERA registration may result in the revocation of the RERA registration.

Accordingly, in large residential projects, the aggregate of all penalties in the event of delays may adversely affect the overall profitability of the project and therefore adversely affect our business, results of operations and financial condition.

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

For some of our projects we have been appointed as development manager pursuant to the development management agreements. We do not typically own the land, obtain approvals or undertake any construction related activities in the projects in which we act as development manager. We are dependent on the land owner(s) and developer(s) for obtaining certain regulatory approvals. Any failure by the land owner(s) and developer(s) to obtain certain regulatory approvals in a timely manner may delay the launch of our projects and our results of operations could be adversely affected.

Further, in terms of certain development management agreements, if the delay in launching the project is attributable to us, then the developer(s) may have a right to terminate the agreement and we may be required to refund the deposit provided to us by such developers within specified time frames. Additionally, we may be required to assist the developer(s) in obtaining financing for the construction and may also be responsible for additional capital contributions, as and when the need arises.

Additionally, we require completion or occupancy certificates to be delivered to us upon completion of a project or a phase thereof. Any failure or delay in obtaining such completion or occupancy certificates could adversely affect our ability to occupy or handover such projects to the relevant parties in a timely manner or at all. For instance, one of our completed projects pertaining to Grenville Park Cooperative Housing Society has not received an occupancy certificate despite having been completed, due to certain ongoing litigation with the land owner. For further details, see "***Legal Proceedings***" on page 185.

Further, our scope of work for such projects is limited and typically involves providing technical advice on planning, design and architecture, managing, facilitating, assisting and supervising the construction and development, providing marketing and other sales related services, in addition to associating our brand name to such projects. Accordingly, we are substantially dependent on the land owner(s) and developer(s) of such project for the timely completion of such projects and may not be able to effectively perform our services and recognize revenue from such projects in a timely manner or at all, which may also adversely affect our reputation.

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

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

Our ability to identify suitable parcels of land for development or redevelopment and subsequent sale of the constructed area forms an integral part of our business. Our ability to identify land in the right location is critical for a project. Our decision to acquire land or development rights over appropriate land involves taking into account the size and location of the land, tastes of potential residential customers, requirements of potential commercial clients, economic potential of the region, the proximity of the land to civic amenities and urban infrastructure, the willingness of landowners to sell the land to us on terms which are commercially acceptable to us, government directives on land use, the ability to obtain approvals for land acquisition and development and the availability and competence of third parties such as architects, surveyors, engineers and contractors.

Further, our internal assessment process is based on information that is available or accessible to us. We cannot assure you that such information is accurate, complete or current and that our internal assessment criteria will lead to entirely accurate land identification or assessment. Further, any information considered to be accurate, complete or current while doing our internal assessment may not continue to be accurate, complete or current at a future date. Any decision based on inaccurate, incomplete or outdated information may result in certain risks and liabilities associated with the acquisition of such land, which could adversely affect our business and growth prospects.

Any failure to identify and acquire suitable parcels of land for development or redevelopment in a timely manner may reduce the number of projects that can be undertaken by us and thereby adversely affect our business, prospects, financial condition and results of operations. In addition, if demand for a project does not meet our expectations, we may alter certain aspects of the project, provided we receive the requisite approvals, or abandon development of the project, which would adversely affect our business and prospects.

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

As part of our strategy to expand operations in four focus regions, Mumbai, Pune, Bengaluru and the National Capital Region, we have initiated the process of acquiring land parcels in these regions. There is difficulty in obtaining title guarantees in India as title records provide only for presumptive rather than guaranteed title. While title insurance has recently become available in India to guarantee title or development rights in respect of land, it may not be available on commercially acceptable terms. Therefore, we face a risk of loss of lands we believe we own or have development rights over, which would have an adverse effect on our business, financial condition and results of operations.

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

While we appoint legal counsel to conduct due diligence and assessment exercises prior to acquiring land or entering into development agreements with land owners and undertaking a project, we may not be able to assess or identify all risks and liabilities associated with the land, such as non-conversion or improper conversion for the proposed land use, faulty or disputed title, unregistered encumbrances or adverse possession rights, improperly executed, unregistered or insufficiently stamped conveyance instruments in the property's chain of title, ownership claims of family members of prior owners, or other defects that we may not be aware of. As a result, some of the land under the development agreements with land owners and future land may not have marketable title which has been independently verified. As each transfer in a chain of title may be subject to these and other defects, our title and development rights over land may be subject to various defects of which we are not aware. The processes followed by legal counsel who have provided us title reports may be inconsistent in a number of respects, such as non-review of tax paid receipts, not making invitations of claims by issuing public advertisements and non-review of encumbrance certificates. Further, in the past we have received certain objections to the invitations of claims made by us by issuing public advertisements and we cannot assure you that we will not receive similar objections in the future. For instance, in relation to project Sundar Sangam, Mumbai an objection was received from the Metropolitan Municipal Corporation. We have also received objections in relation to projects Godrej Park, Mumbai and Bavdhan, Pune, among others, wherein claims have been made in relation to the rightful title of the property.

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

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

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

We enter into agreements with third party entities to design and construct our projects in accordance with our specifications and quality standards and under the time frames provided by us. We require the services of other third parties, including architects, engineers, contractors and other suppliers of labour and materials. The timing and quality of construction of the projects we develop depends on the availability and skill of these third parties, as well as contingencies affecting them, including equipment, labour and raw material shortages and industrial actions such as strikes and lockouts. We may only have limited control over the timing or quality of services and sophisticated machinery or supplies provided by such third parties. If such contractors are unable to perform their contracts, including completing our developments within the specifications, quality standards and time frames specified by us, at the estimated cost, or at all, we may be required to incur additional cost or time to develop the property to appropriate quality standards in a manner consistent with our development objective, which could result in reduced profits or, in some cases, significant penalties and losses which we may not be able to recover from the relevant contractor. We cannot assure you that the services rendered by any of our contractors will always be satisfactory or match our requirements for quality, which may adversely affect our reputation, business, results of operations and cash flows.

For example, in certain of our developments, we are required to provide warranties for construction defects for the period specified under the applicable law, and may be held liable to rectify such defects without further charges. Even though our contractors provide us with certain warranties, such warranties may not be sufficient to cover our losses, or our contractors could claim defenses not available to us against our customers, which could adversely affect our financial condition and results of operations. Further, we cannot assure you that the services rendered by any of our independent construction contractors will always be satisfactory or match our requirements for quality. While we provide for penalties against our third party contractors for delays in meeting milestones, we cannot assure you that these contractors will pay us those penalties in time, or at all, and we may be obligated to incur the cost of delays of the project, which could adversely affect our business, reputation, financial condition and results of operations. Further, delays and cost overruns may occur for reasons not involving the fault of our contractors and for which they therefore do not bear any responsibility to us.

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

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

Based on the agreements with the land owners, we and our third-party construction contractors procure building materials and other raw materials for our projects, such as steel, cement, flooring products, hardware, bitumen, sand and aggregates, doors and windows, bathroom fixtures and other interior fittings from third party suppliers. In case any of our or our contractor’s regular suppliers curtail or discontinue supply of key raw materials at competitive prices or at all, our business and results of operations could be adversely affected. The prices and supply of such building materials depend on factors not under our control, including cost of the raw materials, increased demand or reduced supply, general economic conditions, competition, production costs and levels, transportation costs, indirect taxes and import duties. Our ability to develop and construct projects profitably is dependent upon our ability and the ability of our construction contractors to source adequate and timely building supplies within our estimated budget. During periods of shortages in building materials, especially cement and steel, we may not be able to complete projects according to our construction schedules, at our estimated cost, or at all, which could adversely affect our results of operations and financial condition. In addition, during periods where the prices of building materials or labour significantly increase, we may not be able to pass these price increases on to our customers, which could reduce or eliminate the profits we intend to attain from our projects our cause us to incur losses. Prices of certain building materials, such as cement and steel, in particular, are susceptible to rapid increases. In addition, our contractors may also revise the agreed contract price in the event the price of certain raw materials increases above an agreed threshold. These factors could adversely affect our business, results of operations and cash flows.

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

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

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

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

Certain of our projects are being built on large contiguous parcels of land. For example, our Portfolio Deal project in Pune has an estimated Saleable Area of approximately 25 million sq. ft. and the counterparty to the development agreement we entered into in order to develop the project, along with certain other individuals, are in the process of aggregating certain land parcels. We cannot assure you that we or our development partners will be able to continue to acquire ownership of or development rights over large contiguous parcels of land on terms that are acceptable to us, or at all. This may prohibit us from developing additional large projects or may cause delays or force us to modify the development of the land at a particular location, which in turn may result in failure to maximize our return or even realize our investments from such parcels of land. Accordingly, our inability to acquire ownership of or development rights over contiguous parcels of land may adversely affect our business and prospects.

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

We are required to make certain payments to the owners of the land when we enter into development agreements. Sometimes, these payments are made even before any requisite approvals are obtained. In such instances, the joint development partner undertakes to obtain such approvals and we may not be able to commence the development of the project until such approval or permission is obtained by the joint development partner. If for any reason, such approvals or permissions do not come through, we may not be able to recover such payments, which could adversely affect our business and financial condition.

Further, in the event of any delay in the completion of the development within the time frame specified, we are required to pay certain penalties or liquidated damages, which are typically capped, as specified in these agreements, which may adversely affect our business, financial condition and results of operations. In certain of our projects, in the event that we fail to pay such liquidated damages within the specified period of such claim to pay these liquidated damages, our joint development partner is entitled to take over our obligations under the development agreement and we would be required to vacate the property and forgo such revenue or profit or area sharing arrangement with respect to that project as may have been agreed to. If we are required to pay penalties or liquidated damages pursuant to such agreements, and we decline to do so, we may not be able to recover the deposits made by us to the owners of the land. In addition, if for any reason, the development agreement is terminated or the development is delayed or cancelled, we may not be able to recover such payments, which could have an adverse effect on our business, financial condition and results of operations.

Further, under the development agreements, if we are unable to acquire certain land or land development rights in accordance with our preferences, we may not be able to recover all or part of the payments paid by us to these third parties. Further, in the event that these agreements are either invalid or have expired, we may lose the right to acquire such land and may also be unable to recover payments made in relation to the land.

11. ***We are undertaking certain land redevelopment projects and may experience challenges in the execution of such projects, which may adversely affect our business, financial condition and results of operations.***

Our ability to pursue such redevelopment projects is contingent on the occupants providing us with peaceful vacant possession of the property. Further, these projects require, among other things, obtaining consent from a majority of the occupants and consensus between various groups of occupants as well as their approval for project plans. While we or the joint developers to such projects have obtained consent from the majority of the occupants for our existing redevelopment projects, as required under the Development Control Rules, 1991, as amended, we cannot assure you that we will not face any delays or be able to obtain the requisite consents from the occupants in our future projects. We are also subject to the risk of litigation in such projects, primarily from one or more disgruntled occupants. Any delay in the construction or prolonged construction period or objections from existing occupants may result in delays and may lead to increased costs and adversely affect our profitability.

Our ability to obtain suitable sites for our redevelopment projects in and around Mumbai and our cost to acquire land development rights over such sites, may be adversely affected by the applicable regulations in such regions. Further, if the current regulations governing redevelopment projects or regulations governing planning and land use in and around Mumbai were to significantly change or be terminated, it may delay the completion of the project and adversely affect our business and operations. Further, we may not be aware of all the risks associated with the redevelopment properties, and in the event any of these risks materialize, we may not be able to develop our project as currently planned, which would have an adverse effect on our business, financial condition and results of operations.

12. ***Certain information contained in this Preliminary Placement Document is based on assumptions and current management plans and estimates which may change, and we cannot assure you of the completeness or the accuracy of other statistical and financial data contained in this Preliminary Placement Document.***

Certain information contained in this Preliminary Placement Document, such as development rights owned by us, type of project, estimated construction commencement and completion dates, our funding requirements and the Saleable Area presented herein with regard to Ongoing Projects and Forthcoming Projects are based on management plans and estimates and are subject to regulatory approvals. The square footage that we may develop in the future with regards to a particular property may differ from what is presented herein based on various factors such as prevailing market conditions, current management plans, change in laws and regulations, competition, title defects, an inability to obtain the required regulatory approvals such as zone conversion, approvals under the local township policy, changes or modifications in the development norms (such as floor space index and zoning, including the Coastal Regulatory Zone), approval of incentive FSI under various regulations, transferable development rights or our understanding of development norms. For instance, our Saleable Area for Project Devanhalli 2, Bengaluru reduced on account of increase in corridor width requirements as per the norms set by Bangalore International Airport Planning Authority.

The actual timing of the completion of a project may be different from its forecasted schedule. We may also have to revise our assumptions, estimates, development plans (including the type of proposed development) and the estimated construction commencement and completion dates of our projects depending on future contingencies and events, including, changes in our business plans due to prevailing economic and market conditions; changes in laws and regulations; and changes in political scenario of the states where our projects are located.

We may also change our management plans and timelines for strategic, marketing, internal planning and other reasons. Such changes and modifications may have a significant effect on our Ongoing Projects and Forthcoming Projects, and consequently, we may not develop these projects as contemplated, or at all, which may have an adverse effect on our business, results of operations and financial condition.

13. ***We benefit from our relationship with the Promoters and the Godrej group and the "Godrej" brand, the dilution of which could adversely affect our business, financial condition and results of operations.***

We benefit from our relationship with the Promoters and the Godrej group in many ways, such as their reputation, experience and knowledge of the real estate and property development industry. We believe that our customers, vendors and members of the financial community perceive the "Godrej" brand to be that of a trusted provider of quality products and services. Our growth and future success is influenced, in part, by our continued relationship with our Promoters and the Godrej group. Consequently, any adverse publicity involving the 'Godrej' brand, our Company or our products may impair our reputation, dilute the impact of our branding and marketing initiatives and adversely affect our business and our prospects.

Our Company and Godrej Industries Limited have entered into a deed of assignment dated June 28, 2013 (the "**Deed of Assignment**") for an assignment of the trademark and logo "Godrej" from Godrej Industries Limited to our Company, with effect from May 27, 2013. Further, we have also entered into an agreement with one of the Promoters, Godrej & Boyce, to act as the development manager for some of its lands and have entered into a limited liability partnership agreement with Godrej & Boyce for the development of certain real estate projects. Apart from Godrej & Boyce, we have also entered into a development management agreement with Godrej Agrovet Limited for the development of a land parcel in Bengaluru.

While we believe that all of the above transactions and other transactions with related parties are made on an arm's length basis on no less favourable terms than if such transactions were carried out with unaffiliated third parties, these transactions in the present and future may potentially involve a conflict of interest which may adversely affect our business or harm our reputation. For further details on related party transactions, see "***Financial Information***" on page 196.

14. ***Our Company and certain of its Subsidiaries are involved in certain legal proceedings in India which, if determined against us or them, may materially and adversely affect our business, reputation, financial condition, results of operations and cash flows.***

Our Company and certain of its Subsidiaries are involved in certain legal proceedings from time to time, mostly arising in the ordinary course of business, which are primarily in the nature of civil suits, title and land disputes, criminal complaints, tax disputes and other legal proceedings. These proceedings are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals. We have disclosed details of the outstanding material litigation pending against our Company and its Subsidiaries in "***Legal Proceedings***" at page 185. In relation to such outstanding material litigation involving our Company and its Subsidiaries, while the amounts and interests levied thereon to the extent ascertainable and involved in these matters have been mentioned therein, the amounts and interests involved in many pending litigations are not ascertainable or quantifiable and are hence not disclosed. Further, our Company does not consider the entire amount involved or unquantifiable amount in respect of outstanding material litigations to be a present or a potential liability and hence contingency for the entire amount has not been provided for in the books of our Company.

Such proceedings could divert management time and attention, and consume financial resources in their defense or prosecution. Should any new developments arise, such as any rulings against us by appellate courts or tribunals, we may be required to make payments to third parties or make provisions in our financial statements that could increase expenses and current liabilities. Further, an adverse outcome in any of these proceedings may affect our reputation, standing and future business, and could have an adverse effect on our business, prospects, financial condition and results of operations. We cannot assure you that any of these proceedings will be decided in favour of our Company or its Subsidiaries, or that no further liability will arise out of these proceedings.

Further, in the recent past, one of the stock exchange had imposed fine on our Company for delay of one day in filing the shareholding pattern with the concerned stock exchange. We may remain subject to similar inspections, investigations and fines in the future as well and the same would affect or business and operations.

15. ***We depend significantly on our residential development business, the success of which is dependent on our ability to anticipate and respond to customer requirements. If we fail to anticipate and respond to customers' residential and commercial requirements, our business and prospects could be adversely affected.***

As of March 31, 2019, approximately 94% of our total estimated Saleable Area comprise residential projects. We rely on our ability to understand the preferences of our customers and to accordingly develop projects that suit their tastes and preferences.

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

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

16. ***We have entered into certain arrangements with our Promoter for development of land and while we have entered into certain agreements pursuant to such arrangements, we cannot assure you that we will enter into similar agreements in the future.***

We have entered into memoranda of understanding with Godrej & Boyce including for developing land owned by them in various regions across India. Pursuant to such memoranda of understanding, while we have entered into certain agreements in the past with Godrej & Boyce, we cannot assure you that we will be able to enter into similar agreements in future on terms acceptable to us, or at all. Further, agreements entered into pursuant to such memoranda of understanding may be adversely affected in the event Godrej & Boyce ceases to be a part of the Godrej group.

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

We have entered into shareholders agreements pursuant to equity contributions by certain long-term investors, typically for a period ranging from five to seven years, (the "**Equity Investors**") in certain project-specific companies incorporated for the development of some of our projects. Certain business decisions and some of the operations of the project-specific companies involved with these projects will require the prior consent of the relevant Equity Investor, such as in the case of, among other things, acquiring land, changing certain aspects of the project, commencing new business operations, incurring indebtedness beyond certain levels or restrictions on the amount of interest payable to our Company. We cannot assure you that such Equity Investors or their board nominees in the relevant project-specific companies will vote in favour of our interests and the project-specific companies may be prevented from implementing decisions which could be beneficial to our business, financial condition and results of operations. In addition, there could be delays in making such business decisions which could adversely affect our business, financial condition and results of operations.

Further, under these agreements, the Equity Investor has the right to sell their shares subject to right of first offer to our Company. If we acquire such shares, we will face greater financial risk and capital expenditure with regard to the relevant project(s), which may have an adverse effect on our business, financial condition and results of operations. In the event we do not purchase the Equity Investor's shares within the required period of time, all of the Equity Investor's shares will be transferred to a third party subject to certain conditions.

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

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

We have also entered into several limited liability partnership agreements with our Promoters and certain other parties for the development of our various real estate projects including in Pune, Thane, Bengaluru and the National Capital Region. Under the terms of these agreements, we are required to contribute a certain amount as initial capital contribution to the partnership and we are entitled to a percentage of the profits that is generated by the partnership. Additionally, we are required to assist the limited liability partnership in obtaining financing for the construction and development of the project and may also be responsible for additional capital contributions, as and when the need arises. Further, we are required to obtain the consent of our partners before transferring our ownership interests, transfer or purchase of assets above certain thresholds and making material changes to the businesses. In addition, pursuant to our limited liability partnership agreements, we are required to indemnify our partners for any losses that may arise as a result of our acts in breach of the agreement. If we are required to bear losses under these limited liability partnership agreements, our financial condition and results of operations may be adversely affected.

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

As of March 31, 2019, our total outstanding indebtedness, on a consolidated basis, was ₹ 3,535.98 crore. There are certain restrictive covenants in the arrangements we have entered into with the lenders. Under the terms of some of our Company's debt agreements, our Company is required to send an intimation to its lenders for creating, assuming or incurring any additional long-term indebtedness. Additional restrictive covenants require us, among other things, to ensure that the loan is utilized for the purpose they have been sanctioned as specified in the facility documents, to maintain security cover and/or receivable cover as the lender may stipulate from time to time, and to keep the mortgaged properties fully insured against certain risks. Furthermore, some of our arrangements with the lenders permit them to withdraw or recall their loans with prior notice to us and the lender may impose overdue interest at the specified rates in the event of any default or may vary the interest rates, without giving prior notice to us. Further, any prepayment of our loans may require us to receive consents from our lenders, and may be subject to prepayment charges, as applicable. We also require prior consent of certain of our lenders for effecting transfer of controlling interest or making any drastic change in the management. Further, the loan agreements provide that we cannot create any further charges or encumbrances over mortgaged property and that we may not part with hypothecated property or any part thereof without the prior written consent of the lender. Further, under some of our project specific loan agreements, our project-specific entities are restricted from re-paying the promoters/partners their contributions, until such loans are outstanding.

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

20. ***It is difficult to compare our performance between periods, as our revenues and expenses fluctuate significantly from period to period.***

Our income may fluctuate significantly due to a variety of factors including size of our developments and general market conditions.

Until March 31, 2018, Ind AS 18, related interpretations and the Guidance Note on "Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable)" issued by the ICAI in May 2016 was applicable (the "**Ind AS 18**"). On March 28, 2018, the MCA notified Ind AS 115, Revenue from Contracts with Customers, applicable from April 1, 2018. This standard specifies the accounting for an individual contract and establishes a five-step model to account for revenue arising from contracts with customers, which includes, the following judgments: satisfaction of performance obligations; determination of transaction prices; transfer of control in contracts with customers; and estimation process based on allocation of transaction price to performance obligation in contracts with customers. For details, see "*Financial Information – Fiscal 2019 Audited Consolidated Financial Statements – Notes forming part of Consolidated Financial Statements - Significant Accounting Policies – Revenue Recognition*" on page 222.

In accordance with Ind AS 115, revenue is recognized upon determination of the satisfaction of performance obligations at a point in time and upon transfer of control of promised products to customer in an amount that reflects the consideration which the company expects to receive in exchange for those products. In applying the input method, we estimate the cost to complete the projects in order to determine the amount of revenue to be recognized. These estimates include the cost of providing infrastructure, approval cost, construction cost, cost of land and development right and the cost of meeting other contractual obligations to the customers. The revenues and profit recognized are potentially subject to adjustments in subsequent periods based on refinements in estimated costs of project completion that could affect our future revenues and profit. In addition, our revenues and costs may fluctuate from period to period due to a combination of other factors beyond our control, including completion of the project or receipt of approvals on completion from relevant authorities in a particular period, volatility in expenses such as costs to acquire land or development rights and construction costs.

We have adopted Ind AS 115, retrospectively from April 1, 2017 for all contracts other than the completed ones. The financial statements for the financial year 2019 (and the comparable financial year 2018 included therein) beginning on page 197 in this Preliminary Placement Document are prepared in accordance with Ind AS using Ind AS 115 for revenue recognition. The financial statements for the financial year 2018 (and the comparable financial year 2017 included therein) beginning on page 289 in this Preliminary Placement Document are prepared in accordance with Ind AS using Ind AS 18 for revenue recognition. As such, the financial information for the financial year 2019 is not comparable to the audited financial information for the financial years 2018 and 2017. Also, two sets of financial information for the financial year 2018 has been included in this Preliminary Placement Document.

The revenues and profit recognized are potentially subject to adjustments in subsequent periods based on refinements in estimated costs of project completion that could affect our future revenues and profit.

As a result of one or more of these factors, we may record significant revenue or profits during one accounting period and significantly lower revenue or profits during prior or subsequent accounting periods. Further, the periods discussed in our financial statements included in this Preliminary Placement Document may not be comparable to future periods, and our results of operations and cash flows may vary significantly from period to period, year to year and over time. Therefore, we believe that period-to-period comparisons of our results of operations may not be indicative of our future performance.

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

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

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

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

Further, intensified competition between property developers may result in increased land prices, oversupply of properties, lower real estate prices, and lower sales at our properties, all of which may adversely affect our business. Further, our development management business may be subject to increased competition from other real estate development companies, as it requires lower up front capital investment. We cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that increased competition will not have an adverse effect on our profitability.

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

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

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

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

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

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

Our operations are dependent on our ability to attract and retain qualified personnel. While we believe that we currently have adequate qualified personnel, we may not be able to continuously attract or retain such personnel, or retain them on acceptable terms, given the demand for such personnel. Across our operations, we experienced attrition of 16%, 14% and 15% for the financial years 2019, 2018 and 2017, respectively. The loss of the services of our qualified personnel may adversely affect our business, results of operations and financial condition. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting the qualified employees that our business requires.

Further, our senior management and key personnel team is integral to the success of our business. The collective experience of our key management personnel in managing our business is difficult to replace. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. We cannot assure you that we will continue to retain any or all of the key members of our management. The loss of the services of any such key members of our management team could have an adverse effect on our business and the results of our operations. Any loss of our senior managers or other key personnel or the inability to recruit further senior managers or other key personnel or our inability to manage attrition levels could adversely affect our business by impairing our day-to-day operations, hindering our development of new projects and harming our ability to maintain or expand our operations.

In addition, we cannot assure you that our relations with our employees shall remain cordial at all times and that employees will not undertake or participate in strikes, work stoppages or other industrial actions in the future. Any labor disruptions may affect our operations, thereby adversely affecting our business, financial condition and results of operations.

24. ***Our Company and our Subsidiaries have availed unsecured loans that may be recalled by the lenders at any time.***

Our Company and our Subsidiaries have currently availed unsecured loans in the nature of overdraft and cash credit facilities which may be recalled by the respective lenders at any time. In the event that any lender seeks a repayment of any such loan, our Company and our Subsidiaries would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Our Company and our Subsidiaries may not have adequate working capital to undertake new projects or complete the ongoing projects. As a result, any such demand may affect our business, cash flows, financial condition and results of operations.

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

The real estate sector in India is heavily regulated by the central, state and local governments. Real estate developers are required to comply with a number of requirements mandated by Indian laws and regulations, including policies and procedures established and implemented by local authorities in relation to land acquisition, transfer of property, registration and use of land. Certain of these laws vary from state to state. For example, the procedure for obtaining a certificate for change of land use varies from state to state. Although we believe that our projects materially comply with applicable laws and regulations, regulatory authorities may allege non-compliance and may subject us to regulatory action in the future, including penalties, seizure of land and other civil or criminal proceedings which may affect the development of our projects, and as a result, adversely affect our business, financial condition and results of operations.

Our business is governed by various laws and regulations including the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, the RERA and the rules made thereunder, the Indian Registration Act, 1908, the Environment (Protection) Act, 1986, the Consumer Protection Act, 1986, the Indian Stamp Act, 1899, including state specific rules. Our business could be adversely affected by any change in laws, municipal plans or interpretation of existing laws, or promulgation of new laws, rules and regulations applicable to us. In addition, such laws and regulations may change in the future, requiring the expenditure of resources and changes in development plans, among other things, which would adversely affect our business, financial condition and results of operations.

For instance, determining the Saleable Area of a particular project are subject to municipal planning and land use regulations in effect in the regions in which we operate. These regulations limit the maximum square footage of completed buildings on plots to specified amounts, calculated based on a ratio of maximum floor space of completed buildings to the surface area of each plot of land. For instance, our Saleable Area for Project Devanhalli 2, Bengaluru has reduced on account of increase in corridor width requirements as per the norms set by Bangalore International Airport Planning Authority. Certain other municipal corporations require developers to reserve portions of their projects for economically weaker sections and any such imposition on us could adversely affect our business and prospects. For instance, the state of Maharashtra has, by a notification dated November 8, 2013, modified the development control regulations of the Mumbai Municipal Corporation, which, among other things, provide for reservation of certain portions of real estate project areas for economically weaker sections.

Certain of these regulations are new and are subject to regulatory interpretation, which is evolving. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect our business, prospects and results of operations.

26. ***Our business is subject to the RERA, a fairly recent legislation which is subject to regulatory interpretation and the rules under it are evolving. Accordingly, we may require more time and cost to comply with these regulations and we may face challenges in interpreting and complying with them due to limited jurisprudence.***

The Government notified RERA on May 1, 2016, and RERA was subsequently effective from May 1, 2017. RERA is intended to regulate the real estate industry and to ensure, among others, imposition of certain responsibilities on real estate developers and accountability towards customers and protection of their interest. The RERA established a real estate regulatory authority for regulation and planned development in the real estate sector and to protect the interest of consumers in the real estate sector. The RERA obliges real estate developers, including us, to mandatorily register real estate projects, not issue any advertisements or accept advances unless real estate projects are registered, maintain a separate account for amounts realized from each real estate project and restrict withdrawal of amounts from such accounts.

The RERA also requires real estate developers to disclose certain information on their proposed projects on the web portal of the relevant authorities, incorporate certain details in the letters of allotment issued to their customers, specify the responsibilities of customers until conveyance of residential units, adhere to sanctioned plans and project specifications, obtain prior consent from allottees in the event of any deviations from the sanctioned plans, obtain insurance for, among other things, title and construction of the real estate project, and return amounts collected from allottees (with interest) if they are unable to grant possession of a residential unit in accordance with the terms of the underlying agreement for sale or due to discontinuation of their business as developers.

In addition, we will have to comply with state-specific rules and regulations which will be enacted by the relevant state government where our Ongoing Projects are or our Forthcoming Projects may be located, due to the introduction of RERA. While most of the state governments have notified rules in relation to RERA, other states are in the process of doing so.

To ensure compliance with the requirements of the RERA, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. Further, we may face challenges in interpreting and complying with the provisions of the RERA due to limited jurisprudence on them. Any non-compliance of the provisions of RERA or such state-specific legislations may result in litigation or fines or penalties and revocation of registration of our Ongoing Projects, which may have an adverse effect on our business, operations and financial condition.

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

As of March 31, 2019, we have a portfolio of 43 Ongoing Projects and 30 Forthcoming Projects. In order for us to successfully execute all our projects, we or the land owners of the project land, depending upon the agreement entered into between the parties, are required to obtain various approvals, permits and licences from the relevant administrative authorities at various stages of project development, and developments may have to qualify for inclusion in local "master plans". For example, we or the land owners are required to obtain the approval of building plans and layout plans, and approvals for commencement of construction from municipal authorities, no-objection certificates for construction of high-rise projects from the Airports Authority of India, environmental consents and fire safety clearances. We may encounter major problems in obtaining the requisite approvals or licences, may experience delays in fulfilling the conditions precedent to any required approvals and we may not be able to adapt ourselves to new laws, regulations or policies that may come into effect from time to time with respect to the construction and development sector. Some of our approvals have expired and we have applied to renew such approvals which are currently pending and we may need to apply for renewal of approvals which may expire from time to time, in the ordinary course of our business. Further, under certain of our approvals, we are required to obtain fresh permits if the construction is not completed within a stipulated period. In addition, we or the land owners are required to obtain a certificate of change of land use from agricultural to residential or commercial use, depending on the purpose of the project. We may not have such certificates in place for certain parcels of some of our projects and we may be subject to future penalties from various government authorities which could adversely affect our financial condition.

For instance, development activity at our Project Bavdhan, Pune has been suspended as a significant portion of the property for this project falls under a restricted area for the purposes of such construction and a no-objection certification is required from the Government to resume the development of the project. Also, development activity at our project Godrej Anandam Phase 2 in Nagpur has been suspended for a period of three years on account of delay in obtaining approval for project layout. If we experience difficulties in obtaining or fail to obtain the requisite governmental approvals, the schedule of development and sale or letting of our projects could be substantially disrupted.

Additionally, certain approvals in relation to our projects have been taken in the name of our joint venture entities. Any future disputes with our joint venture partners, may delay the development of our projects, as we may be required to obtain all such approvals in the name of our Company, which in turn could have an adverse effect on our business and results of operations.

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

28. ***We may be subject to third-party indemnification and liability claims, which may adversely affect our business, cash flows, results of operations and reputation.***

Some of the agreements that we have entered into with land owners and partners (in terms of the development agreements and the limited liability partnership agreements) place indemnity obligations on us that require us to compensate such land owners and partners for loss or damage suffered by them on account of a default or breach by us. In the event that such land owners and partners successfully invoke these indemnity clauses under their respective agreements, we may be liable to compensate them for loss or damage suffered in respect of such agreements, which may adversely affect our financial condition. We may be subject to claims resulting from defects in our developments, including claims brought under the RERA and such claims shall continue even after the conveyance deed of all apartments, plots or buildings, are executed. We may also be exposed to third-party liability claims for injury or damage sustained on our properties. These liabilities and costs could have an adverse effect on our business, cash flows, results of operations and reputation.

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

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

The Government of India has also implemented a comprehensive national goods and services tax ("**GST**") regime with effect from July 1, 2017 that combines multiple taxes and levies by the Central and State Governments into a unified tax structure. While the Government of India and certain state governments have announced that all committed incentives will be protected following the implementation of the GST, given that the various rules and regulations regarding the new regime are being evaluated in terms of various implications concerning the GST, we cannot assure you as to this or as to any other aspect of the tax regime following implementation of the GST including anti-profiteering regulations of the new tax regime and availability of input tax credit. The implementation of this rationalized tax structure may be affected by any disagreement between certain state governments, which may create uncertainty. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

Further, the General Anti-Avoidance Rules ("**GAAR**") became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in the denial of tax benefits to an arrangement, among other consequences. In the absence of any such precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

30. ***Changing laws, rules and regulations and legal uncertainties may adversely affect our business, results of operations and prospects.***

The Government of India has announced the interim union budget for the Fiscal 2020. Further, the Finance Act, 2019 (the "**Finance Act**"), passed by the Parliament and has received the assent of the President of India, has proposed various amendments. As such, there is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. Further, the budget which has been currently proposed for the Fiscal 2020, is merely an interim budget. The full union budget is to be announced by the Government may introduce additional tax proposals. We cannot predict whether any tax laws or regulations impacting our business will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition and results of operations.

Further, on March 28, 2018, the MCA notified Ind AS 115, Revenue from Contracts with Customers, to be applicable from April 1, 2018. For details, see "***Risk Factors – Internal Risk Factors - It is difficult to compare our performance between periods, as our revenues and expenses fluctuate significantly from period to period***" on page 52.

We have not determined the impact of such legislations on our business. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

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

Compliance with, and changes in, safety, health and environmental laws and various labour, workplace and related laws and regulations may increase our compliance costs and as a result adversely affect our financial condition and results of operations. We are subject to a broad range of safety, health and environmental laws and various labour, workplace and related laws and regulations in the jurisdictions in which we operate, which impose controls on noise emissions, air and water discharges, on the storage, handling, discharge and disposal of chemicals, employee exposure to hazardous substances and other aspects of our operations. In addition, we are required to conduct an environmental assessment of our projects before receiving regulatory approval for these projects. These environmental assessments may reveal material environmental problems, which could result in our not obtaining the required approvals. If environmental problems are discovered during or after the development of a property, we may incur substantial liabilities relating to cleanup and other remedial measures and the value of the relevant projects could be adversely affected. For instance, we have been impleaded as a party in a matter before the National Green Tribunal, Principal Bench at New Delhi in relation to our residential project at a site in Kasavanhalli, Bengaluru. For details, see "***Legal Proceedings***" on page 185. While we believe we are in compliance in all material respects with all applicable safety, health and environmental laws and regulations, the discharge of raw materials that are chemical in nature or of other hazardous substances or other pollutants into the air, soil or water may nevertheless cause us to be liable to the Government of India or to third parties. In addition, we may be required to incur costs to remedy the damage caused by such discharges, pay fines or other penalties for non-compliance, which may adversely affect our financial condition and results of operations.

Further, environmental reports that we may request a third party to prepare with respect to any of our properties may not reveal (i) all environmental liabilities, (ii) that any prior owner or operator of our properties did not create any material environmental condition not known to us or (iii) that a material environmental condition does not otherwise exist as to any one or more of our properties. There also exists the risk that material environmental conditions, liabilities or compliance concerns may have arisen after the review was completed or may arise in the future. Finally, future laws, ordinances or regulations and future interpretations of existing laws, ordinances or regulations may impose additional environmental liability. We may be subject to liabilities or penalties relating to environmental matters, which could adversely affect the development of our projects and our financial condition.

32. ***We may experience challenges expanding our business in four focus regions, which may adversely affect our business, financial condition and results of operations.***

While we may pursue suitable opportunities in other regions, as a part of our strategy, we are focused on developing properties in four regions, Mumbai, Pune, Bengaluru and the National Capital Region. While expanding, our business will be exposed to various challenges, including seeking governmental approvals, identifying and collaborating with local business partners, contractors and suppliers, identifying and obtaining development rights over suitable properties, and attracting potential customers. We cannot assure you that we will be successful in expanding our business in these four regions. Any failure by us to successfully carry out our plan to expand our business in these four regions could have an adverse effect on our business, financial condition and results of operations.

33. ***Restrictions on foreign investment and financing in the construction and development sector may hamper our ability to raise additional capital.***

While foreign direct investment of up to 100% without prior regulatory approval is permitted in the development of townships and in the construction of residential or commercial premises, roads or bridges, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure and townships, the regulations in India impose certain restrictions and pre-conditions on such investments. Investments by specific classes of investors such as FPIs are similarly subject to ceilings prescribed under the extant foreign exchange regulations, and limits approved by our Company and the shareholders of our Company. For further details, see "***Issue Procedure***" on page 139. Further, under the applicable external commercial borrowings regime notified by the RBI, bank loans and other commercial borrowings from non-resident entities cannot be obtained or utilized for investment in real estate or purchase of land subject to certain exceptions (including construction or development of industrial parks/integrated townships/SEZ). Our Company's inability to raise additional capital as a result of these and other restrictions may adversely affect our business and prospects.

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

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

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

The right to own property in India is subject to restrictions that may be imposed by the Government. In particular, the Government, under the provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (the "**Land Acquisition Act**") has the right to compulsorily acquire any land if such acquisition is for a "public purpose," after providing compensation to the owner. However, the compensation paid pursuant to such acquisition may not be adequate to compensate the owner for the loss of such property. The likelihood of such acquisitions may increase as central and state governments seek to acquire land for the development of infrastructure projects such as roads, railways, airports and townships. In relation to our project Godrej Platinum, Bengaluru, a notice had been issued by the National Highways Authority of India towards acquisition of a portion of the land to widen a national highway and, subsequently, such land was handed over to the National Highways Authority of India.

Additionally, we may face difficulties in interpreting and complying with the provisions of the Land Acquisition Act due to limited jurisprudence on them or if our interpretation differs from or contradicts any judicial pronouncements or clarifications issued by the government. In the future, we may face regulatory actions or we may be required to undertake remedial steps. Any such action in respect of any of the projects in which we are investing or may invest in the future may adversely affect our business, financial condition or results of operations.

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

36. ***The independent auditor's report of our Statutory Auditors relating to the Consolidated Financial Statements for the financial year 2019 contains an emphasis of matter that our Company has paid remuneration to the Executive Chairman, Managing Director and CEO of our Company in excess of the limits prescribed under the Companies Act, 2013.***

The remuneration paid to the Executive Chairman, Managing Director and CEO of our Company for the financial year 2019 is in excess of the limits, prescribed under section 197 of the Companies Act, 2013, by ₹ 5.81 crore. Our Company is in the process of obtaining approval from its shareholders at the forthcoming annual general meeting for such excess remuneration paid. The Statutory Auditors have included an emphasis of matter in their independent auditor's report in this regard. For further information, see "***Financial Information***" on page 196.

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

Our information technology systems are important to our business. We utilise information technology systems in connection with overall project management, human resources and accounting. We have adopted an online information management system for garnering competitive advantages and reducing risks associated with communication. We have agreements to establish a communication and collaboration platform for all our projects. We use building information model systems for our complex projects. These technologies help us address execution-related risks with greater precision. We have also implemented the Sales Force CRM system for managing leads and tracking customer interactions for all of our projects.

These systems may be susceptible to outages due to fire, floods, power loss, telecommunications failures, natural disasters, break-ins and similar events. Any delay in implementation or any disruption in the functioning of our IT systems could have a material adverse effect on our business if it causes loss of data or affects our ability to track, record and analyse the progress of our projects, process financial information, manage our creditors and debtors, or engage in normal business activities. In addition, our systems and proprietary data stored electronically may be vulnerable to computer viruses, cybercrime, computer hacking and similar disruptions from unauthorized tampering. If such unauthorized use of our systems were to occur, data related to our projects, customers and other proprietary information could be compromised. The occurrence of any of these events could adversely affect our reputation and business, weaken our competitive position, interrupt our operations, subject us to increased operating costs and expose us to litigation, which in turn could have an adverse effect on our financial condition and results of operations.

38. ***Our Company will continue to be controlled by our Promoters and certain Promoter Group entities after the completion of the Issue.***

Our Promoters and Promoter Group collectively held 70.81% of our outstanding equity share capital as of June 21, 2019. After the completion of the Issue, the Promoters will continue to exercise significant control over our Company, including being able to control the composition of the Board and determine matters requiring shareholder approval or approval of the Board. The Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of the minority shareholders of our Company. By exercising their control, the Promoters could delay, defer or cause a change of control or a change in capital structure of our Company, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us.

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

Although we maintain insurance for a variety of risks, including, among others, for risks relating to fire, burglary, Directors and Officers liability and certain other losses and damages and employee related risks, not all such risks may be insured or may be possible to insure at commercially acceptable terms. In addition, there are certain types of losses, such as those due to earthquakes, floods, other natural disasters, terrorism or acts of war, which may be uninsurable or are not insurable at a reasonable premium. We may also be subject to claims resulting from defects. While we believe that the insurance coverage which we maintain directly or through our contractors for our business would be reasonably adequate to cover the normal risks associated with the operation of such business, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, nor that we have taken out sufficient insurance to cover all material losses as policies contain certain exclusions and limitations of coverage. Further, few of our insurance policies have expired in normal course of time and we have not renewed them. We cannot assure you that we will be able to benefit from claims arising during the period our insurance policies are not renewed or under renewal process. Should an uninsured loss or a loss in excess of insured limits occur, we could incur liabilities or losses or lose capital invested in that property, while remaining obligated for any indebtedness or other financial obligations related to our business. Any such loss could result in substantial liabilities to us or adversely affect our ability to replace property that is destroyed or damaged, and could adversely affect our financial condition.

40. ***Our management has discretion in how it may use the proceeds of the Issue.***

Our use of the proceeds of the Issue is at the discretion of the management of our Company. As described in "***Use of Proceeds***" on page 69, we intend to use the Net Proceeds for various purposes, including but not limited to, (i) to invest in our Subsidiaries, Joint Ventures, Associate and affiliates (either through debt or equity); (ii) capital expenditure including acquisition of land, land development rights or development rights (directly or indirectly); (iii) working capital requirements of our Company; (iv) repayment of debt; and (v) general corporate purposes. However, we have not entered into any definitive agreements and do not have any definite and specific commitments towards the aforementioned purposes for which our Company intends to use the Net Proceeds. The planned use of the Net Proceeds is based on current conditions and is subject to changes in external circumstances, costs, other financial conditions or business strategies. Our management will have broad discretion in how our Company applies the proceeds and we cannot assure you that we will use the proceeds of the Issue in ways with which you agree.

41. ***We cannot assure you that we will not be a PFIC for U.S. federal income tax purposes, which could result in adverse U.S. federal income tax consequences to U.S. investors in the Equity Shares.***

For U.S. federal income tax purposes, we will be a passive foreign investment company ("**PFIC**") for any taxable year in which, after the application of certain look-through rules with respect to subsidiaries, either (i) at least 75% of our gross income consists of passive income or (ii) at least 50% of the average quarterly value of our assets consists of assets that produce, or are held for the production of, passive income. Passive income generally includes dividends, interest, rents, royalties, and certain capital gains. Based on the current and projected composition of our income and assets, and the valuation of our assets, including goodwill, we do not expect to be a PFIC for the current taxable year or the foreseeable future. However, because PFIC status is determined on an annual basis, and therefore our PFIC status for the current taxable year and any future taxable year will depend upon the future composition of our income and assets, we cannot assure you that we will not be a PFIC for any taxable year.

If we are a PFIC for any taxable year during which a U.S. investor holds Equity Shares, we generally would continue to be treated as a PFIC with respect to that U.S. investor for all succeeding years during which the U.S. investor holds such Equity Shares, even if we ceased to meet the threshold requirements for PFIC status. Such a U.S. investor may be subject to adverse U.S. federal income tax consequences, including (i) the treatment of all or a portion of any gain on disposition as ordinary income, (ii) the application of a deferred interest charge on such gain and the receipt of certain dividends and (iii) compliance with certain reporting requirements. We do not intend to provide the information that would enable investors to make a qualified electing fund election that could mitigate the adverse U.S. federal income tax consequences should we be classified as a PFIC. You are urged to consult your tax advisor concerning the U.S. federal income tax consequences of owning and disposing of Equity Shares if we are to become classified as a PFIC.

For further details, see "***Certain U.S. Federal Income Tax Considerations***" on page 181.

External Risks

42. ***Our business is dependent on the performance of, and the conditions affecting, the real estate market in India. Fluctuations in market conditions may affect our ability to sell our projects at expected prices, which may adversely affect our revenues and earnings.***

We believe that the success of our projects depends on the general economic, demographic and political conditions in India, as well as the performance of the real estate market generally in India, and particularly in and around Mumbai, Pune, Bengaluru and the National Capital Region, where majority of our projects are located, and could be adversely affected if market conditions deteriorate.

Further, the real estate market, both for land and developed properties, is relatively illiquid, which may limit our ability to respond promptly to market events. The real estate market may, in the locations in which we operate, perform differently from, and be subject to market and regulatory developments different from, real estate markets in other parts of India. We cannot assure you that the demand for our projects will grow, or will not decrease, in the future. Real estate projects take a substantial amount of time to develop and we could incur losses if we acquire land or land development rights during periods when land prices are high, and we have to sell or lease our developed projects when land prices are relatively lower.

The real estate market may be affected by various factors beyond our control, including prevailing local and economic conditions, change in demographic trends, employment and income levels, rising interest rates, changes in supply and demand for projects comparable to those we develop, availability of consumer financing, changes in applicable governmental schemes decrease in or restrictions on foreign currency remittances, regional natural disasters, performance of key industrial sectors, or the public perception that any of these events may occur. These and other factors may negatively contribute to fluctuations in real estate prices or the demand for and valuation of our Ongoing Projects and Forthcoming Projects, may restrict the availability of land, and may adversely affect our business, financial condition and results of operations. Our business may also be adversely affected by regulatory developments in the sector, including the interpretation and implementation of RERA. Any such risk may be further exacerbated by the illiquid nature of real estate investments generally.

43. ***Our business is capital intensive and significantly dependent on the availability of financing in India.***

Our business is cyclical and highly capital-intensive, requiring substantial capital to develop and market our projects. We expect that we will require additional funding to meet our capital expenditure needs, which could result in incurrence of indebtedness and leverage and therefore, borrowing costs.

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

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

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

44. ***Our business is substantially affected by prevailing economic conditions in India.***

We are incorporated in and all our operations are located in India. As a result, our performance and growth are dependent on the health of the Indian economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalisation policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices, changes in India's tax, trade, fiscal or monetary policies and various other factors. Any slowdown in the Indian economy may adversely affect our business and financial performance and the price of our Equity Shares.

Moreover, a fall in the purchasing power of our customers, for any reason whatsoever, including rising consumer inflation, availability of financing to our customers, changing governmental policies and a slowdown in economic growth may have an adverse effect on our customers' revenues, savings and could in turn negatively affect their demand for our products. For instance, on November 8, 2016, the Reserve Bank of India and the Ministry of Finance of the Government of India withdrew the legal tender status of ₹ 500 and ₹ 1,000 currency notes. Despite ₹ 500 and ₹ 2,000 notes being introduced since such demonetization on November 8, 2016, the effect of these developments has been, among other things, a decrease in liquidity of cash in India, which has in turn negatively affected consumer spending.

In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

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

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

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

46. ***Our Company's business is substantially affected by prevailing economic, political and others prevailing conditions in India.***

The majority of our Company's business, assets and employees are located in India. As a result, our Company is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy include:

- global slowdown of the financial market and economies contributing to weakness in the Indian financial and economic environment;
- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- regulatory changes in the banking sector in India;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- occurrence of natural or man-made disasters or natural calamities;
- prevailing regional or global economic conditions;
- delinquent loans and low credit growth, deterioration in asset quality having resulting in an adverse effect on the Indian economy;
- increased volatility of commodity prices;
- financial difficulties faced by certain financial institutions / intermediaries such as clearing agencies, banks, securities firms and exchanges;
- increase in India's trade deficit;
- downgrading of rating of India, the Indian real estate sector rating agencies; and
- other significant regulatory or economic developments in or affecting India or its construction and development sector.

An adverse impact on the Indian economy due to any of the above-mentioned factors, could adversely impact our Company's business, results of operations and financial condition and the price of the Equity Shares.

47. ***Corrupt practices or fraud or improper conduct may delay the development of a project and adversely affect our business and results of operations.***

The real estate development and construction industries in India and elsewhere are not immune to the risks of corrupt practices or fraud or improper practices. Large construction projects provide opportunities for corruption, fraud or improper conduct, including bribery, deliberate poor workmanship, theft or embezzlement by employees, contractors or customers or the deliberate supply of low quality materials. If any persons involved in any of the projects are the victim of or involved in any such practices, our reputation or our ability to complete the relevant projects as contemplated may be disrupted, thereby adversely affecting our business and results of operations.

48. ***We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business.***

The Competition Act, 2002, as amended (the "**Competition Act**"), was enacted for the purpose of preventing practices that have or are likely to have an appreciable adverse effect on competition in India, and has mandated the Competition Commission of India (the "**CCI**") to regulate such anti-competitive practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and may result in substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, shares the market by way of geographical area or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition in the relevant market in India and is considered void. The Competition Act prohibits the abuse of dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the contravention and may be punished. If we or any of our employees is penalised under the Competition Act, our business may be adversely affected.

On March 4, 2011, the Government of India notified and brought into force the provisions under the Competition Act in relation to combinations (the "**Combination Regulation Provisions**") with effect from June 1, 2011. The Combination Regulation Provisions require that acquisition of shares, voting rights, assets or control or mergers or amalgamations, which cross the prescribed asset and turnover based thresholds, shall be mandatorily notified to and pre-approved by the CCI. In addition, on May 11, 2011, the CCI issued the final Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, which sets out the mechanism for implementation of the Combination Regulation Provisions under the Competition Act. The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We do not have any outstanding notices in relation to non-compliance with the Competition Act or the agreements entered into by us.

However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business.

49. ***We may be affected by the insolvency law in India and any adverse application or interpretation of the Insolvency and Bankruptcy Code, 2016, as amended could in turn adversely affect our business.***

The Insolvency and Bankruptcy Code (Second Amendment) Act, 2018 ("**IBC Amendment**") which came into effect on June 6, 2018, amended the Insolvency and Bankruptcy Code, 2016 ("**IBC**") thereby granting homebuyers a status of 'financial creditor'. Prior to the IBC Amendment, allottees were treated as an 'unsecured creditors' and they were not regarded as 'financial creditors' or as 'operational creditors', due to which, the allottees were not capable of initiating insolvency proceedings against a defaulting builder or real estate developer. The allottees after attaining the status of financial creditor further to the IBC Amendment have the right to invoke Section 7 of the IBC for initiating corporate insolvency resolution against defaulting builders or real estate developers. While no such proceeding further to the IBC Amendment has been initiated against us, there is no guarantee that similar proceeding will not be initiated against us or our partners, in cases where development of projects is undertaken by our partners, thereby adversely affecting our business and results of operations.

50. ***Significant differences exist between Ind AS used to prepare our Consolidated Financial Statements and other accounting principles, such as Indian GAAP and IFRS, with which investors may be more familiar.***

We have prepared the Consolidated Financial Statements in accordance with Ind AS. India has adopted the IFRS-converged or IFRS synchronized accounting standards and not IFRS. Ind AS, therefore, differs in certain significant respects from IFRS and other accounting principles and standards with which investors may be more familiar. We have not attempted to quantify the impact of IFRS on the financial data included in this Preliminary Placement Document, nor do we provide a reconciliation of our financial statements to those of IFRS. If we were to prepare our financial statements in accordance with such other accounting principles, our results of operations, financial condition and cash flows may be substantially different. Accordingly, the degree to which our financial statements included in this Preliminary Placement Document will provide meaningful information is entirely dependent on your level of familiarity with Indian accounting practices under Ind AS. Any reliance by persons not familiar with these accounting practices on our financial disclosures presented in this Preliminary Placement Document should accordingly be limited.

51. ***Any adverse change in India's sovereign credit rating by an international rating agency could adversely affect our business, results of operations and cash flows.***

In November 2016, Standard & Poor's, an international rating agency, reiterated its negative outlook on India's credit rating. It identified India's high fiscal deficit and heavy debt burden as the most significant constraints on its rating, and recommended the implementation of reforms and containment of deficits. Standard & Poor's affirmed its outlook on India's sovereign debt rating to "stable", while reaffirming its "BBB-" rating. In May 2017, Fitch, another international rating agency, affirmed India's sovereign outlook to "stable" and affirmed its rating as "BBB-". While in November 2017 Moody's Investors Service upgraded the Sovereign Credit Rating of India to Baa2 from Baa3, upgraded the Government of India's local and foreign currency issuer ratings to Baa2 from Baa3 and changed the outlook on the rating to stable from positive, going forward, the sovereign ratings outlook will remain dependent on whether the government is able to transition the economy into a high-growth environment, as well as exercise adequate fiscal restraint. In May 2019, Fitch, retained India's sovereign outlook to "stable" and its rating as "BBB-". Any adverse change in India's credit ratings by international rating agencies may adversely impact the Indian economy and consequently our business.

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

According to a report released by RBI, India's foreign exchange reserves totaled over US$ 412,871 million as of March 2019. Any declines in foreign exchange reserves could adversely impact the valuation of the Rupee and could result in reduced liquidity and higher interest rates that could adversely affect our future financial performance and the market price of the Equity Shares.

53. ***Investors may have difficulty enforcing foreign judgments in India against us or our management.***

Our Company is a limited liability company incorporated under the laws of India. All the Directors and Key Managerial Personnel of our Company named herein are resident citizens of India and a substantial portion of the assets of our Company and of such persons are located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside of India, or to enforce against them, judgments obtained in courts outside of India predicated upon civil liabilities of our Company or such directors and executive officers under laws other than Indian Law.

In addition, India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Civil Procedure Code. For details, see "***Enforcement of Civil Liabilities***" on page 15. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian public policy.

Further, a party seeking to enforce a foreign judgment in India is required to obtain approval from RBI to repatriate outside India any amount recovered pursuant to execution. Any judgment in a foreign currency would be converted into Indian rupees on the date of the judgment and not on the date of the payment. We cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

Risks Related to the Equity Shares and this Issue

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

The Indian securities markets are smaller and more volatile than securities markets in more developed economies. The Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Prices of securities listed on Indian exchanges display signs of volatility linked among other factors to the uncertainty in the global markets and the inflationary and interest rate movements domestically. The governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Future fluctuations or trading restrictions could have a material adverse effect on the price of the Equity Shares.

55. *Fluctuations in the exchange rate between the Rupee and the U.S. dollar could have an adverse effect on the value of the Equity Shares, independent of our operating results.*

The Equity Shares are quoted in Rupees on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in Rupees and subsequently converted into U.S. dollars for repatriation. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders. The exchange rate between the Rupee and the U.S. dollar has changed substantially in the last two decades and could fluctuate substantially in the future, which may have an adverse effect on the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

56. *There is no guarantee that the Equity Shares will be listed, or continue to be listed, on the Indian stock exchanges in a timely manner, or at all, and prospective investors will not be able to immediately sell the Equity Shares held by them on the Stock Exchange.*

In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of the Equity Shares. Accordingly, there could be a failure or delay in listing the Equity Shares on NSE and BSE, which would adversely affect your ability to sell the Equity Shares.

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

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

58. *Our Company's ability to pay dividends in the future will depend upon its future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in the financing arrangements.*

Our Company has not paid dividends for the last three financial years, and we cannot assure you that dividends will be paid in the future and, if so, the level of such future dividends. The declaration, payment and amount of any future dividends is subject to the discretion of the Board, and will depend on a number of factors including, our earnings, availability of profits, capital requirements and overall financial condition, as well as the provisions of relevant laws in India from time to time.

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

Any future issuances of the Equity Shares by our Company may lead to the dilution of your shareholding in our Company. Any future issuances of the Equity Shares by our Company or sales of the Equity Shares by the Promoters or other major shareholders may adversely affect the trading price of the Equity Shares, and could affect our Company's ability to raise capital through an offering of its securities. We cannot assure you that our Company will not issue further Equity Shares or that its shareholders will not dispose of, pledge or otherwise encumber the Equity Shares held by them. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

60. ***Investors can be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares. Recently, the Finance Act, 2018 levied taxes on such long term capital gains exceeding ₹ 100,000 arising from sale of Equity Shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such Equity Shares.***

Under current Indian tax laws, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. However, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months will not be subject to long term capital gains tax in India if Securities Transaction Tax ("**STT**") is paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of equity shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, has now levied taxes on such long term capital gains exceeding ₹ 100,000 arising from sale of Equity Shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

61. ***An investor will not be able to sell any of the Equity Shares subscribed in the Issue other than on a recognized Indian stock exchange for a period of one year from the date of allotment of such Equity Shares.***

Pursuant to the SEBI ICDR Regulations, for a period of one year from the date of the allotment of the Equity Shares in the Issue, investors subscribing the Equity Shares in the Issue may only sell such Equity Shares on NSE or BSE and may not enter into any off-market trading in respect of such Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. Further, allotments made to venture capital funds and alternative investment funds in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. This may affect the liquidity of the Equity Shares subscribed by investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares subscribed by investors.

MARKET PRICE INFORMATION

As on the date of this Preliminary Placement Document, 229,394,076 Equity Shares are issued, subscribed and fully paid up. The Equity Shares have been listed and are available for trading on BSE and NSE.

On June 24, 2019 the closing price of the Equity Shares on BSE and NSE was ₹ 960.75 and ₹ 960.45 per Equity Share, respectively. Since the Equity Shares are available for trading on BSE and NSE, the market price and other information for each of BSE and NSE has been given separately.

A. The following tables set out the reported high, low and average of the closing prices of our Equity Shares on the NSE and the BSE and number of Equity Shares traded on the days on which such high and low prices were recorded for, and the volume of Equity Shares traded in, the Fiscals 2019, 2018 and 2017:

NSE

Year ending	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low (₹ in million)	Average price for the year (₹)	Total volume of Equity Shares traded in the fiscals (in number)	Total turnover of Equity Shares traded in the fiscals (₹ in million)
Fiscal 2019	880.70	May 8, 2018	1,097,315	977.99	460.40	October 09, 2018	571,485	272.65	699.75	55,102,836	39,315.47
Fiscal 2018	882.05	January 22, 2018	525,210	451.11	403.05	April 03, 2017	443,364	176.62	626.93	71,038,835	42,559.18
Fiscal 2017	400.10	March 24, 2017	177,320	71.12	293.60	December 26, 2016	56,599	16.71	342.41	48,496,744	16,938.79

(Source: www.nseindia.com*)*

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

BSE

Year ending	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low (₹ in million)	Average price for the year (₹)	Total volume of Equity Shares traded in the fiscals (in number)	Total turnover of Equity Shares traded in the fiscals (₹ in million)
Fiscal 2019	879.65	May 08, 2018	149,025	132.37	467.60	October 09, 2018	35,701	17.03	699.43	8,192,319	5779.75
Fiscal 2018	880.95	January 22, 2018	621,054	517.54	401.95	April 03, 2017	47,960	19.08	627.00	1,444,0301	9,161.32
Fiscal 2017	399.85	March 24, 2017	21,274	8.54	292.85	November 21, 2016	10,584	3.11	342.51	11,065,953	3,915.02

(Source: www.bseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

B. The following tables set out the reported high and low and average of the closing prices of our Equity Shares recorded on the NSE and the BSE and the number of Equity Shares traded on the days on which such high and low prices were recorded and the volume of Equity Shares traded in each of the last six months:

NSE

Month	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low (₹ in million)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in million)
May, 2019	928.75	May 28, 2019	360,444	332.85	757.20	May 13, 2019	223,964	171.84	836.33	7,283,365	6,108.52
April, 2019	976.15	April 05, 2019	2,649,040	2,555.99	814.70	April 01, 2019	232,628	191.13	902.94	18,665,875	17,045.97
March, 2019	867.90	March 28, 2019	585,307	510.80	694.45	March 15, 2019	263,606	183.61	754.25	8,107,123	6,384.34
February, 2019	764.70	February 04, 2019	182,127	138.71	703.25	February 26, 2019	358,686	256.13	725.56	311,0576	2,271.86
January, 2019	759.95	January 17, 2019	341,351	254.52	660.30	January 01, 2019	288,266	191.92	726.58	7,306,285	5,273.20
December, 2018	697.80	December 03, 2018	419,844	290.78	625.45	December 11, 2018	242,829	151.31	670.60	7,049,220	4,757.15

(Source: www.nseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each month presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

BSE

Month	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low (₹ in million)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in million)
May, 2019	923.80	May 28, 2019	27,650	25.49	757.60	May 13, 2019	15,978	12.27	836.21	1,032,951	866.17
April, 2019	978.45	April 05, 2019	233,513	225.06	813.30	April 01, 2019	25,677	21.09	902.65	1639510	1,494.74
March, 2019	866.60	March 28, 2019	45,198	39.42	693.55	March 15, 2019	15,242	10.58	754.01	598155	478.35
February, 2019	763.15	February 04, 2019	9,284	7.03	703.65	February 18, 2019	3,534	2.51	725.49	197719	145.02
January, 2019	764.70	January 17, 2019	26,649	20.20	661.60	January 01, 2019	21,367	14.19	726.63	830030	613.24
December, 2018	698.45	December 03, 2018	49,184	33.98	627.70	December 11, 2018	12,307	7.69	670.69	512153	349.16

(Source: www.bseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each month presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

C. The following table sets forth the market price on the Stock Exchanges on May 2, 2019, the first working day following the approval of our Board for the Issue:

BSE						NSE					
Open	High	Low	Close	Number of Equity Shares traded	Volume (₹)	Open	High	Low	Close	Number of Equity Shares traded	Volume (₹)
835.00	849.45	816.65	820.75	34,524	28,901,215.00	834.90	850.00	815.10	820.40	540,719	452,527,640.15

(Source: www.bseindia.com and www.nseindia.com)

USE OF PROCEEDS

The gross proceeds from the Issue shall be approximately ₹ [●] million. The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue amount to approximately ₹ [●] million, will be approximately ₹ [●] million (the "**Net Proceeds**").

We require additional funding, *inter alia*, to augment our long term resources including for investment in our Subsidiaries/ Joint Ventures/ Associate and to meet the funding requirements for existing and new development projects, to fund our business growth, business purposes, capital expenditure and general corporate purposes as per our growth and business related plans. We also require funding for servicing, repaying, prepaying and refinancing our loans to reduce our cost of indebtedness.

In this regard, subject to compliance with applicable laws and regulations, our Company intends to use the Net Proceeds for various purposes, including but not limited to, (i) to invest in our Subsidiaries, Joint Ventures, Associate and affiliates (either through debt or equity); (ii) capital expenditure including acquisition of land, land development rights or development rights (directly or indirectly); (iii) working capital requirements of our Company; (iv) repayment of debt; and (v) general corporate purposes.

Our management will have flexibility in deploying the Net Proceeds received by our Company from the Issue in accordance with applicable laws. Pending utilisation for the purposes described above, our Company intends to temporarily invest funds in creditworthy instruments, including money market mutual funds and deposits with banks. Such investments would be in accordance with the investment policies as approved by our Board from time to time and applicable laws.

Our Board shall determine the quantum of Net Proceeds to be deployed by our Company from the Issue, depending on business opportunities or requirements of our Company from time to time.

Since the Net Proceeds of the Issue are proposed to be utilized towards the purposes set forth above, and not for implementing any specific project, the following disclosure requirements under the SEBI ICDR Regulations are not applicable: (i) break-up of cost of the project; (ii) means of financing such project; and (iii) proposed deployment status of the proceeds at each stage of the project.

Neither the Promoters nor the Directors are making any contribution either as part of the Issue or separately in furtherance of the objects of the Issue.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation statement as at March 31, 2019 on a consolidated basis derived from the Fiscal 2019 Audited Consolidated Financial Statements and as adjusted for Equity Shares issued on exercise of the stock grants under the ESGS and the Issue. This table should be read in conjunction with "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and "***Financial Information***" on pages 76 and 196, respectively:

(in ₹ crore)

Particulars	As of March 31, 2019	As adjusted for the Issue
Short term debt:		
Secured	912.30	[●]
Unsecured	2,103.54	[●]
Long term debt:		
Secured	-	[●]
Unsecured	500.00	[●]
Current Maturities of Long Term Debt	20.14	[●]
Total debt (A)	3,535.98	[●]
Shareholders' funds:		
Share capital	114.66	[●]
Other equity	2,354.35	[●]
Total shareholders' funds (B)	2,469.01	[●]
Total capitalization (A+B)	6,004.99	[●]

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Preliminary Placement Document is set forth below:

(In ₹ crore, except share data)

Particulars		Aggregate value at face value (except for securities premium account)
A	**AUTHORIZED SHARE CAPITAL**	
	1,338,000,000 Equity Shares (of face value of ₹ 5 each)	669.00
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**	
	229,394,076 Equity Shares (of face value of ₹ 5 each)	114.70
C	**PRESENT ISSUE IN TERMS OF THIS PRELIMINARY PLACEMENT DOCUMENT**	
	Up to [●] Equity Shares aggregating up to ₹ [●] million(1)(2)	[●]
D	**PAID-UP SHARE CAPITAL AFTER THE ISSUE**	
	[●] Equity Shares(2)	[●]
E	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue(3)	2,699.03
	After the Issue(2)	[●]

(1) *The Issue has been authorised by the Board pursuant to a resolution dated April 30, 2019 and by the shareholders of our Company pursuant to a special resolution dated June 8, 2019, passed through a postal ballot.*

(2) *To be determined upon finalisation of the Issue Price.*

(3) *As on June 21, 2019.*

Equity Share Capital History of our Company

The history of the Equity Share capital of our Company is set forth below:

Date of allotment	Nature of allotment	No. of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration
March 15, 1985	Subscribers to the MoA	20	100	100	Cash
December 2, 1992	Allotment of equity shares pursuant to split in face value of the equity shares from Rs. 100 to Rs. 10 per equity share	200	10	-	Consideration other than cash
February 17, 1993	Further issue of equity shares	125	10	80,000	Cash
February 19, 1994	Bonus issue (3.075 equity shares for every equity share held)	999,375	10	N.A.	Consideration other than cash
March 28, 1994	Rights issue (one equity share for every equity share held)	123,040	10	160	Cash
February 18, 1995	Bonus issue (three equity shares for every two equity shares held)	1,684,110	10	N.A.	Consideration other than cash
February 18, 1995	Allotment of equity shares pursuant to conversion of fully convertible bonds into equity shares	300,000	10	100	Cash
March 29, 1995	Rights issue (135 equity shares for every 100 equity shares held)	1,258,133	10	75	Cash
December 4, 1995	Rights issue (one equity share for every equity share held)	2,000,000	10	75	Cash
October 28, 1999	Rights issue (one equity share for every 80 equity shares held)	79,562	10	70	Cash
November 29, 2007	Bonus issue (eight equity shares for every equity share held)	51,556,360	10	N.A.	Consideration other than cash
December 17, 2007	Rights issue (one equity share for every 19.58 equity shares held)	2,419,354	10	620	Cash
December 23, 2009	Allotment of equity shares pursuant to the initial public offering	9,429,750	10	490*	Cash
March 27, 2012	Allotment of equity shares pursuant to the institutional placement programme	8,186,810	10	575	Cash
June 7, 2012	Allotment pursuant to ESGS	8,658	10	10	Cash
November 1, 2012	Allotment pursuant to ESGS	626	10	10	Cash
June 7, 2013	Allotment pursuant to ESGS	7,464	10	10	Cash
July 2, 2013	Allotment pursuant to ESGS	23,090	10	10	Cash

Date of allotment	Nature of allotment	No. of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration
September 2, 2013	Allotment pursuant to ESGS	1,109	10	10	Cash
September 19, 2013	Rights issue (eight equity shares for every 29 equity shares held)	21,538,388	10	325	Cash
November 1, 2013	Allotment pursuant to ESGS	626	10	10	Cash
November 11, 2013	Allotment of equity shares pursuant to split of each equity share of Rs. 10 each into 2 Equity Shares of Rs. 5 each	199,233,560	5	-	Consideration other than cash
December 3, 2013	Allotment pursuant to ESGS	230	5	5	Cash
March 5, 2014	Allotment pursuant to ESGS scheme	240	5	5	Cash
June 9, 2014	Allotment pursuant to ESGS	14,928	5	5	Cash
July 3, 2014	Allotment pursuant to ESGS	98,264	5	5	Cash
November 4, 2014	Allotment pursuant to ESGS	1,252	5	5	Cash
December 3, 2014	Allotment pursuant to ESGS	230	5	5	Cash
March 20, 2015	Allotment pursuant to ESGS	9,084	5	5	Cash
July 9, 2015	Allotment pursuant to ESGS	155,578	5	5	Cash
November 30, 2015	Allotment pursuant to ESGS	998	5	5	Cash
March 1, 2016	Allotment pursuant to ESGS	240	5	5	Cash
March 22, 2016	Allotment pursuant to scheme of amalgamation of GIL Vikhroli Real Estate Limited with our Company (13 equity shares for every 118 equity shares of GIL Vikhroli Real Estate Limited)	16,745,762	5	5	Consideration other than cash
July 4, 2016	Allotment pursuant to ESGS	101,815	5	5	Cash
October 4, 2016	Allotment pursuant to ESGS	1,036	5	5	Cash
December 8, 2016	Allotment pursuant to ESGS	768	5	5	Cash
March 3, 2017	Allotment pursuant to ESGS	707	5	5	Cash
June 22, 2017	Allotment pursuant to ESGS	5,579	5	5	Cash
July 17, 2017	Allotment pursuant to ESGS	100,175	5	5	Cash
August 24, 2017	Allotment pursuant to ESGS	6,095	5	5	Cash
October 9, 2017	Allotment pursuant to ESGS	1,036	5	5	Cash
November 14, 2017	Allotment pursuant to ESGS	769	5	5	Cash
January 31, 2018	Allotment pursuant to ESGS	871	5	5	Cash
February 26, 2018	Allotment pursuant to ESGS	707	5	5	Cash
March 14, 2018	Allotment pursuant to ESGS	204	5	5	Cash
June 4, 2018	Allotment pursuant to ESGS	75,827	5	5	Cash
June 8, 2018	Preferential allotment	12,765,000	5	783.50	Cash
Allotments of Equity Shares in the last one year preceding the date of this Preliminary Placement Document					
July 4, 2018	Allotment pursuant to ESGS	977	5	5	Cash
January 29, 2019	Allotment pursuant to ESGS	871	5	5	Cash
March 11, 2019	Allotment pursuant to ESGS	910	5	5	Cash
June 17, 2019	Allotment pursuant to ESGS	70,363	5	5	Cash

** Allotment to anchor investors was undertaken at a price of ₹ 530 per equity share*

Our Company has not made any allotment of its Equity Shares in the last one year preceding the date of this Preliminary Placement Document for consideration other than cash.

Employee Stock Grant Scheme (ESGS)

Our Company instituted the ESGS, pursuant to the approval of the Nomination and Remuneration Committee on January 28, 2011, our Board of Directors by way of a resolution dated January 31, 2011 and the shareholders of our Company through a postal ballot, the results of which were announced on March 18, 2011. The ESGS was subsequently amended pursuant to a special resolution passed by the shareholders of our Company through postal ballot, the results of which were announced on April 6, 2015. Under the ESGS, the Nomination and Remuneration Committee of our Company is empowered to identify the eligible employees out of the permanent employees and directors of our Company, its Subsidiaries and its holding company, based on the eligibility criteria in accordance with a pre-determined process. The total number of stock grants available under the ESGS are such as would be convertible into 1,500,000 Equity Shares, and the maximum aggregate number of Equity Shares to be allotted in any year to an eligible employee under the ESGS is not permitted to exceed 1% of the issued Equity Shares of our Company at that time. The ESGS provides for a staggered vesting mechanism over a three year period, and the exercise price per Equity Share is the face value of the Equity Shares.

The following table sets forth details in respect of the ESGS as on June 25, 2019:

S. No.	Particulars	Number
1.	Total number of options	15,00,000
2.	Total number of options granted	10,49,882
3.	Options vested	7,41,908
4.	Options exercised	7,32,900
5.	Options lapsed or forfeited	2,06,108
6.	Total number of options outstanding	1,10,874

Proposed Allottees in the Issue

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Book Running Lead Managers, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees and the percentage of post-Issue capital that may be held by them is set forth below. These details of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, will be included in the Placement Document to be sent to such proposed Allottees.

S. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital held (%)^
1.	[●]	[●]
2.	[●]	[●]
3.	[●]	[●]

^ *Based on beneficiary position as on [●], 2019.*

Pre-Issue and post-Issue shareholding pattern

The pre-Issue and post-Issue shareholding pattern of our Company is set forth below.

S. No.	Category	Pre-Issue (as of June 21, 2019)#		Post-Issue (as of [●])*	
		No. of Equity Shares held	% of shareholding	No. of Equity Shares held	% of shareholding
A.	**Promoters' holding****				
1.	Indian				
	Individual	156	0.00	[●]	[●]
	Bodies corporate	142,501,370	62.12	[●]	[●]
	Others (Promoter Trust and HUF)	19,755,379	8.61	[●]	[●]
	Sub-total	**162,256,905**	**70.73**	[●]	[●]
2.	Foreign promoters	176,628	0.08	[●]	[●]
	Sub-total (A)	**162,433,533**	**70.81**	[●]	[●]
B.	**Non – Promoters' holding**				
1.	Institutional Investors	31,518,466	13.74	[●]	[●]
2.	Non-Institutional Investors	5,219	0.00	[●]	[●]
	Private corporate bodies	3,772,438	1.64	[●]	[●]
	Directors and relatives	72,975	0.03	[●]	[●]
	Indian public	23,575,390	10.28	[●]	[●]
	Others including Non-resident Indians (NRIs)	8,016,055	3.49	[●]	[●]

S. No.	Category	Pre-Issue (as of June 21, 2019)#		Post-Issue (as of [●])*	
		No. of Equity Shares held	**% of shareholding**	**No. of Equity Shares held**	**% of shareholding**
	Sub-total (B)	**66,960,543**	**29.19**	[●]	[●]
	Grand Total (A+B)	**229,394,076**	**100**	[●]	[●]

This shareholding data is based on the beneficiary position data of our Company as of June 21, 2019

****Note***: *The post-Issue shareholding pattern shall be filled-in before filing of the Placement Document with the Stock Exchanges*.

***This includes shareholding of the members of the Promoter Group.*

DIVIDENDS

The declaration and payment of dividends by our Company is governed by applicable provisions of the Companies Act and the Articles of Association. The Board has approved and adopted a formal dividend distribution policy on November 9, 2016 in terms of Regulation 43A of the SEBI Listing Regulations. For further information, see "***Description of the Equity Shares***" on page 165.

Our Company has not declared any dividend during the Fiscals 2019, 2018 and 2017.

The amounts paid as dividends in the past are not necessarily indicative of the dividend distribution policy of our Company or dividend amounts, if any, in the future. The form, frequency and amount of future dividends declared by our Company will depend on a number of internal and external factors, including, but not limited to, distributable surplus available with our Company as per the Companies Act, 2013, the liquidity position and future cash flow needs of our Company, track record of dividends distributed by our Company, payout ratios of comparable companies, capital expenditure requirements considering expansion and acquisition opportunities, stipulations/ covenants of loan agreements, macroeconomic and business conditions in general and any other relevant factors that the Board may deem fit to consider before declaring dividend.

The Equity Shares to be issued in connection with this Issue shall qualify for all dividends, including interim dividend, if any, that is declared in respect of the fiscal in which they have been allotted.

Also see "***Taxation***" and "***Risk Factors***" on pages 169 and 43, respectively.

Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our consolidated financial statements as of and for the Financial Years 2019, 2018 and 2017, including the schedules and notes thereto and the respective audit reports thereon, included elsewhere in this Preliminary Placement Document, which are prepared in accordance with Ind AS ("**Ind AS Financial Statements**"). Ind AS differs in certain material respects from Indian GAAP, US GAAP and International Financial Reporting Standards.*

*This discussion contains certain forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward- looking statements as a result of certain factors such as those set forth in "**Risk Factors**" and "**Forward Looking Statements**" included in this Preliminary Placement Document.*

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 month period ended March 31 of that year.

*Indian Accounting Standard (Ind AS) - 115 Revenue from Contracts with Customers ("**Ind AS 115**") was notified by the Ministry of Corporate Affairs ("**MCA**") on March 28, 2018 and was effective from the accounting period beginning on or after April 1, 2018. Therefore, our financial statements for the Financial Year 2019 (and the comparable Financial Year 2018 included therein) beginning on page 197 in this Preliminary Placement Document are prepared using Ind AS 115 following full retrospective approach. Our financial statements for the Financial Year 2018 (and the prior Financial Year 2017 included therein) beginning on page 289 in this Preliminary Placement Document are prepared using applicable Ind AS during the Financial Year 2018 and do not show the impact of Ind AS 115. As such, the financial information for the Financial Year 2019 is not comparable to the audited financial information for the Financial Years 2018 and 2017. Also, two sets of financial information for the Financial Year 2018 are included in this Preliminary Placement Document. As the financial statements for Financial Year 2019 are the first set of the consolidated financial statements prepared in accordance with Ind AS 115, an explanation of how the transition to Ind AS 115 has affected the previously reported financial position, financial performance and cash flows have been elaborated under "**– First time adoption of Ind AS 115**" on page 86 of this Preliminary Placement Document.*

Further, in our financial statements for the Financial Year 2018 beginning on page 289, we regrouped/ reclassified certain line items for the prior Financial Year 2017 to correspond with classification/ disclosure in the Financial Year 2018 that include changes consequent to the issuance of 'Guidance Note on Division II – Ind AS Schedule III to the Companies Act, 2013'. As such, two sets of financial information for the Financial Year 2017 are included in this Preliminary Placement Document.

Overview

We are one of the leading real estate development companies in India, with a focus on developing residential projects. We currently have real estate development projects in 11 cities in India. We undertake our projects through our in-house team of professionals and by collaborating with entities with domestic and international operations. Our consolidated total income for the financial years 2019 and 2018 (restated) was ₹ 3,221.98 crore and ₹ 2,102.36 crore, respectively. Our consolidated profit after tax for financial years 2019 and 2018 (restated) was ₹ 253.15 crore and ₹ 86.91 crore, respectively. During the financial year 2019, our projects had a booking value of ₹ 5,316 crore and we had 16 new project and phase launches.

Our Promoters and Promoter Group collectively held 70.81% of our outstanding equity share capital as of June 21, 2019. We are a part of the Godrej group and the real estate business is one of the key growth businesses of the group. We believe that the 'Godrej' brand commands a strong resonance among the populace in India and is associated with trust, quality and reliability. The 'Godrej' brand was valued at $2.4 billion in March, 2019 by Interbrand, a London-based brand consultant.

We believe that we have high standards of corporate governance and an eminent Board of Directors. Our Board and management periodically review our internal policies and business practices and have been instrumental in building our reputation in the real estate sector in India. Being part of the Godrej group and our strong business practices and reputation in the real estate sector in India have enabled us to scale up and become India's largest publicly-listed real estate developer by booking value during the financial years 2015 to 2019 *(Source: PropEquity)*.

We are present in 11 cities (the National Capital Region, Pune, Mumbai, Bengaluru, Kolkata, Ahmedabad, Chandigarh, Chennai, Mangalore, Nagpur and Kochi). We focus primarily on residential projects. Residential projects constituted approximately 94% of our total estimated Saleable Area as of March 31, 2019. In addition, we also have certain commercial projects at various stages of development, which constituted approximately 6% of our total estimated Saleable Area as of March 31, 2019.

The table below provides our estimated Saleable Area for our Ongoing Projects and Forthcoming Projects by city as of March 31, 2019:

City	Estimated Saleable Area* (in million sq. ft)	Number of Projects
NCR	21.40	13
Pune	47.93	13
Mumbai	19.22	21
Bengaluru	25.13	16
Kolkata	4.26	3
Ahmedabad	17.20	1
Others	8.34	6
Total	**143.48**	**73**

**Total estimated Saleable Area, irrespective of the revenue, profit or area sharing arrangement. Saleable Area is management estimates based on initial plans and architectural drawings.*

We have entered into a memorandum of understanding (the "**MoU**"), dated October 4, 2011, with Godrej & Boyce for developing lands owned by them in various regions across India. Under the MoU, for their land in Vikhroli, Mumbai, we are entitled to receive 10.0% of the money received from the sales of units as a development manager fee, while we are required to bear all costs related to the project management, sales and marketing, with the total area of land to be developed pursuant to the MoU not yet determined. Under the MoU, we are the Development Manager for Godrej Platinum, G&B Vikhroli (Residential) and G&B Vikhroli (Mixed-use), all located in Vikhroli, Mumbai.

We have also entered into a limited liability partnership agreement (the "**LLP Agreement**"), dated July 18, 2011, with Godrej & Boyce for the joint development of Godrej Lawkim, a real estate project in Thane Mumbai. Under the terms of the LLP Agreement, we and the counterparties are required to contribute certain amounts as fixed capital and we are entitled to a 32% share of the partnership profits.

Apart from Godrej & Boyce, we have also entered into a Development Management agreement (the "**DMA**"), dated June 23, 2016, with Godrej Agrovet Limited for the development of a land parcel of approximate 100 acres in Sarjapur, Bengaluru**.** Under the terms of the DMA, we are responsible for providing development management services of managing the execution of the project. Godrej Agrovet Limited is required to pay to us 12.0% of the money received for the sales of units as a development management fee.

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

In some projects, we offer and sell equity interests in project-specific companies to long-term investors. This business model enables us to hold fewer assets, be more capital efficient, achieve higher returns on our investments in the projects and undertake more projects without investing large amounts of capital towards the purchase of land. We are thereby able to limit our risk through project diversification while maintaining significant management control over these projects. As of March 31, 2019, 10 of our projects were being undertaken with long-term equity partners who have invested in project-specific companies. On some of these projects, we have partnered with a residential development financing platform managed by one of our group companies, Godrej Fund Management for third party equity investments in such projects.

Significant Factors Affecting Our Results of Operations and Financial Condition

Our results of operations and financial condition are affected by a number of factors, including the following, which are of particular importance:

General Economic Condition and the Condition and Performance of the Real Estate Market in India

The economic condition of India, particularly the performance of the real estate market in the markets where a majority of our projects are located, namely, NCR, Mumbai, Bengaluru and Pune, has a significant impact on our results of operations. The performance of real estate markets are affected by prevailing market conditions and prices in the real estate sector in India generally (including market forces of supply and demand), the nature and location of our projects, and other factors such as our brand and reputation. Supply and demand market conditions are also affected by various factors outside our control, including:

- prevailing local economic, income and demographic conditions, including employment and disposable income;
- availability of consumer financing (interest rates and eligibility criteria for loans) that affect the ability of our customers to obtain financing for their purchase of our developments, and consequently their purchasing power, as well as the affordability of our projects;
- availability of and demand for projects comparable to those we develop;

- changes in, and manner of implementation of governmental policies;
- changes in applicable regulatory schemes;
- competition from other real estate developers; and
- stamp duties levied on instruments evidencing transactions, which impact our acquisition cost and sale values of our properties.

See "***Risk Factors – External Risks – Our business is dependent on the performance of, and the conditions affecting, the real estate market in India. Fluctuations in market conditions may affect our ability to sell our projects at expected prices, which may adversely affect our revenues and earnings***" on page 60.

Sales Volume and Recognition of Revenues and Costs

We derive a significant majority of our revenues from sale of real estate development. The volume of sales depends on various factors including our ability to design projects that will meet customer preferences and market trends, to timely market our projects, the willingness of customers to pay for the projects or enter into sale agreements well in advance of receiving possession of the projects and general market conditions. We market and pre-sell our projects in phases from the date of launch of the project after receiving requisite approvals, including those required under the RERA, which is typically after acquisition of the land or land development rights, conversion of the use of land to residential/commercial (wherever required) and during the process of planning and designing the project, up until the time we complete our project.

On March 28, 2018, the MCA notified Ind AS 115, Revenue from Contracts with Customers, applicable from April 1, 2018. We have applied Ind AS 115 Revenue from contracts with customers using the full retrospective approach (for all contracts other than completed contracts) i.e. by recognizing the cumulative effect of initially applying Ind AS 115 as an adjustment to the opening balance of equity as at April 1, 2017. On account of the transition method chosen by us in applying this accounting standard, comparative information throughout our financial statements for the Financial Year 2019 have been restated to reflect the requirements of the new standard.

Ind AS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. Under Ind AS 115, with effect from April 1, 2017, revenue is recognized when the performance obligations are satisfied and the customer obtains control of the goods or services as compared to earlier percentage of completion method as per the Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable).

Further, our revenue and costs may fluctuate from period to period due to a combination of other factors beyond our control, including completion of the project or receipt of approvals on completion from relevant authorities in a particular period, volatility in expenses such as costs to acquire land or development rights and construction costs. Therefore, as a result of the factors mentioned above and the nature of our business and operations, we may have certain projects that contribute significantly to our revenue in a particular period on account of completion of the said projects, including obtaining the necessary approvals from relevant authorities for the same.

See "***Risk Factors – Internal Risks – It is difficult to compare our performance between periods, as our revenues and expenses fluctuate significantly from period to period***" on page 52.

Supply of Land and Cost of Acquisition of Development Rights

Our operations and growth are dependent on the availability of land at appropriate locations for our developments, the terms of sharing of revenues, profits or Developable Areas for our joint development arrangements, and, in some cases, the cost of acquisition of land.

The effective cost of development rights in the case of joint developments and the cost of acquisition of freehold or leasehold land are significant factors for real estate developers, including us. Our practice has typically been to enter into development agreements instead of acquiring freehold or leasehold interests in land. However, on occasion we acquire the land we intend to develop. Entering into development agreements eliminates the large upfront costs of acquiring land and also reduces our financing costs. Typically, such agreements require us to make certain payments to the joint development partner prior to the commencement of the project and we obtain the right to construct and develop the property from the owner of land in exchange for the land-owner either sharing a pre-determined portion of developed property, revenues or profits generated from such development. For such developments, we generally incur all of the construction and development costs. Additionally, in some projects, we offer and sell equity interests in project-specific companies to long-term investors. This enables us to undertake more projects with lesser financial investment while maintaining significant management control. As of March 31, 2019, 10 of our projects were being undertaken with long-term equity partners who have invested in project-specific companies.

Additionally, any government regulations, policies or other developments that restrict the acquisition of land or increase competition for land will affect our operations. The cost of acquiring land, which includes the amounts paid for freehold rights, leasehold rights, the cost of registration and stamp duty, represents a substantial part of our project cost, and may sometimes determine whether we acquire certain parcels of land at all. Delays in acquiring clean title, conversion of land for development purposes and other requisite approvals may delay the project development schedule and associated costs and affect our operations. Land used in a specific project is assigned to such project and is included in the cost of construction and development of such project. Such costs of land, together with costs of construction and development, are expensed for projects as and when the project is completed or receipt of approvals on completion from relevant authorities or intimation to the customer of the completion of the project.

Costs of Construction and Development

Our cost of construction includes the cost of raw materials such as steel, cement, wood, flooring and other building materials, labour costs and cost of design and technical assistance which is directly related to the project. Raw material prices, particularly those of steel and cement, may be affected by price volatility caused by various factors that affect the Indian and international commodity markets. If there are significant price increases in construction materials, or shortages in supply, the contractors we hire for construction or development work may increase their contract prices or be unable to fulfil their contractual obligations. Increases in costs for any construction materials may affect our construction costs, and consequently the sales prices for our projects. Further, we are subject to the property tax regime and if the property taxes and stamp duties increase, the cost of buying and selling properties may rise.

In addition, the timing and quality of construction of the projects we develop depends on the availability and skill of our contractors and consultants, as well as contingencies affecting them, including labour and industrial actions, such as strikes and lockouts. Such labour and industrial actions may cause significant delays to the construction timetables for our projects and we may therefore be required to find replacement contractors and consultants at higher cost. As a result, any increase in prices resulting from higher construction costs could adversely affect demand for our projects and our profit margins. See "***Risk Factors – Internal Risks – Increase in prices of, shortages of, or delays or disruptions in the supply of building materials or labour could adversely affect our business, financial condition and results of operations.***" on page 47.

Cost of Financing and Changes in Interest Rates

We fund our real estate development activities through a mix of medium and long-term debt and internal accruals. Accordingly, our ability to obtain financing, as well as the cost of such financing, affects our business. Our total outstanding indebtedness, on a consolidated basis, was ₹ 3,535.98 crore and ₹ 3,723.00 crore as of March 31, 2019 and 2018 (restated), respectively, and our finance costs debited to the statement of profit and loss were ₹ 234.03 crore and ₹ 150.13 crore for the financial years 2019 and 2018 (restated), respectively.

One of the major drivers behind the growth of demand for housing units is rising disposable income and availability of housing loans at relatively affordable interest rates. Changes in interest rates also affect the ability and willingness of our prospective real estate customers, particularly customers for our residential properties, to obtain financing for their purchase of our developments. The interest rate at which our real estate customers may borrow funds for the purchase of our properties affects the affordability and purchasing power of, and hence the market demand for, our residential real estate developments.

Regulatory Framework

The Indian real estate sector is heavily regulated by central, state and local governmental authorities. Regulations applicable to our operations include standards regarding land acquisition, the ratio of built-up area to land area, land usage, the suitability of building sites, road access, necessary community facilities, open spaces, water supply, sewage disposal systems, electricity supply, environmental suitability and size of the project. Approval of development plans is conditioned on, among other things, completion of the acquisition of the project site and compliance with relevant conditions. Approvals must be obtained at both the national and local levels, and our results of operations are expected to continue to be affected by the nature and extent of the regulation of our business, including the relative time and cost involved in procuring approvals for each new project, which can vary from project to project.

For example, the RERA, which was notified in March 2016, has imposed certain obligations on real estate developers, including us, such as mandatory registration of real estate projects, not issuing any advertisements or accepting advances unless real estate projects are registered under RERA, escrow of project revenues, restrictions on use of funds received from customers prior to project completion and taking customer approval for major changes in sanctioned plans. See "***Risk Factors – Internal Risks – Our business is subject to the RERA, a fairly recent legislation which is subject to regulatory interpretation and the rules under it are evolving. Accordingly, we may require more time and cost to comply with these regulations and we may face challenges in interpreting and complying with them due to limited jurisprudence***" on page 55. The GST regime which took effect from July 1, 2017 and any new rules or regulations thereunder may also affect our results of operations. See "***Risk Factors – Internal Risks – Our business is subject to extensive government regulation with respect to land development, which may become more stringent in the future.***" on page 54.

Significant Accounting Policies

The critical accounting policies followed by us in the preparation of our Ind AS Financial Statements are set out below. Our accounting policies are fully described in our Ind AS Financial Statements included elsewhere in this Preliminary Placement Document.

Basis of Consolidation

Business combination

We account 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.

We measure goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognized amount of any non-controlling interest in the acquiree, less the net recognized 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 recognized as capital reserve.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by us to the previous owners of the acquiree, and equity interests issued by us. 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 we incur 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, we recognize 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 recognized as a liability and the subsequent changes in the put option are recognized 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.

Subsidiaries

Subsidiaries are all entities (including special purpose entities) that are controlled by us. Control exists when we are exposed to, or have 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. Our Company's and our subsidiaries financial statements have been combined on a line-by-line basis while eliminating the carrying amount of our Company's investment in each subsidiary and our Company's portion of equity of each subsidiary. The financial statements of subsidiaries are included in our consolidated financial statements from the date that control commences until the date that control ceases. For the purpose of preparing our consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by our Company.

Upon loss of control, we derecognize 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 recognized in the consolidated statement of profit and loss. If we retain 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 recognized 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.

Joint Ventures and associate (equity accounted investees)

Our interest in equity accounted investees comprise interests in joint ventures and associate.

An associate is an entity in which we have significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which we have joint control and have 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 recognized at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include our share of profit or loss and other comprehensive income ("**OCI**") of equity accounted investees until the date on which significant influence or joint control ceases.

When our share of losses in an equity accounted investment equals or exceeds our interest in an entity, we do not recognize further losses, unless we have incurred obligations or made payments on behalf of the other entity.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing our consolidated financial statements. Unrealized gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of our 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.

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 us. The associated cash flows are classified as financing activities. No goodwill is recognized as a result of such transactions.

Financial instruments

Financial Assets

Classification

We classify 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.

Initial recognition and measurement

We recognize financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

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, or
- equity investments

Debt instruments at amortised cost

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

- the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest 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 recognized in the consolidated statement of profit and loss.

<u>Debt instruments at Fair Value through Profit or Loss</u>

Debt instruments included within the fair value through profit and loss ("**FVTPL**") category are measured at fair value with all changes recognized in the consolidated statement of profit and loss.

<u>Equity investments</u>

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, we decide to classify the same either as at fair value through other comprehensive income ("**FVTOCI**") or FVTPL. We make such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If we decide to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in 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 recognized in the consolidated statement of profit and loss.

<u>Derecognition</u>

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

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

<u>Impairment of financial assets</u>

We apply 'simplified approach' measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

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

The application of simplified approach does not require us to track changes in credit risk. Rather, we recognize impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

Financial Liabilities

<u>Classification</u>

We classify all financial liabilities as subsequently measured at amortised cost.

<u>Initial recognition and measurement</u>

All financial liabilities are recognized 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 EIR method. Gains and losses are recognized in the consolidated statement of profit and loss when the liabilities are derecognized.

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 derecognized 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 recognized 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 recognized amounts and there is an intention to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

Share Capital

Ordinary equity shares

Incremental costs directly attributable to the issue of ordinary equity shares are recognized as a deduction from equity.

Treasury shares

We have created an Employee Stock Options Trust ("**ESOP**") for providing share-based payment to our employees. We use ESOP as a vehicle for distributing shares to employees under the employee remuneration schemes. The ESOP buys our shares from the market, for giving shares to employees. We treat ESOP as our extension and shares held by ESOP are treated as treasury shares.

Treasury shares are recognized at cost and deducted from equity. No gain or loss is recognized in the consolidated statement of profit and loss on the purchase, sale, issue or cancellation of our own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in capital reserve. Share options exercised during the reporting period are deducted from treasury shares.

Inventories

Inventories comprising of completed flats and construction work-in-progress are valued at lower of cost and 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 us.

Revenue Recognition

Ind AS 115 was notified by the MCA on March 28, 2018 and is effective from accounting period beginning on or after April 1, 2018.

We have applied a full retrospective approach in adopting the new standard (for all contracts other than completed contracts) and accordingly recognized revenue in accordance with Ind AS 115 as compared to earlier Percentage of Completion method as per the Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable) .

As statements for the Financial Year 2019 are the first set of our consolidated financial statements prepared in accordance with Ind AS 115, an explanation of how the transition to Ind AS 115 has affected the previously reported financial position, financial performance and cash flows has been included in "***– First time adoption of Ind AS 115***" on page 86.

We derive revenue primarily from sale of properties comprising of both commercial and residential units.

We recognise revenue when we determine the satisfaction of performance obligations at a point in time. Revenue is recognized upon transfer of control of promised products to customer in an amount that reflects the consideration which we expect to receive in exchange for those products.

In arrangements for sale of units we have applied the guidance in Ind AS 115, Revenue from contracts with customers, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering sale of units as distinct performance obligations. For allocating the transaction price, we have measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

For sale of units we recognise revenue when our performance obligations are satisfied and the customer obtains control of the asset.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liabilities are recognized when there is billing in excess of revenue and advance received from customers.

We enter 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. We receive maintenance amount from the customers and utilize the same towards the maintenance of the respective projects. Revenue is recognized to the extent of maintenance expenses incurred by us 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 profits in LLP is recognized when the right to receive the same is established.

Income Tax

Income tax expense comprises current tax and deferred tax. It is recognized in the consolidated statement of profit and loss except to the extent that it relates to items recognized 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, we:

- have a legally enforceable right to set off the recognized amounts; and
- intend either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognized 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 unrealized profit on inventory.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized 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 we expect, 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:

- we have a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Minimum Alternative Tax

Minimum Alternative Tax ("**MAT**") credit is recognized as a deferred tax asset only when and to the extent there is a convincing evidence that we 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.

Borrowing Costs

Borrowing costs are interest and other costs that we incur 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 till the time all the activities necessary to prepare these projects for its intended use or sale are complete.

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

Components of Revenue and Expenses

Revenue. We are in the business of developing residential real estate properties primarily and commercial properties secondarily. Our revenue from operations comprises income from the sale of residential and commercial properties, sale of services and other income from customers. Our other income includes interest income, income from investment, profit on sale of investments and miscellaneous income.

We account for income from the sale of projects using the point in time (project completion) method. Revenue is recognized upon transfer of control of residential and commercial units to customers for an amount that reflects the consideration which we expect to receive in exchange for those units. The trigger for revenue recognition is normally completion of the project or receipt of approvals on completion from relevant authorities or intimation to the customer of completion. We record revenue over time till the actual possession to the customers or on actual possession to the customers, as determined by the terms of contract with customers.

We typically enter into contracts with our customers while the project is still under development. Customers wishing to buy a property in a development are required to make an initial payment at the time of booking and pay the remaining purchase price either in full or in installments over the period between the date of booking and the date on which the possession of the property is given.

We estimate the total cost of a project, based on similar considerations, prior to its commencement. Our project planning and execution teams have extensive experience of prior projects, which enables them to estimate and monitor project costs. Our project execution teams re-evaluate project costs periodically, particularly when, in their opinion, there have been significant changes in market conditions, cost of labour and materials and other contingencies. Material re-evaluations will affect our income in the relevant financial periods.

Expenditure. Our total expenditure consists of cost of materials consumed, changes in inventories of finished goods and construction work-in-progress, employee benefits expense, finance costs, depreciation and amortisation expenses and other expenses. Our total expenditure as a percentage of our total income was 89.63%, 92.70% and 84.79% for the Financial Years 2019, 2018 (restated) and 2017, respectively. Expenses allocable to a specific project are provided under cost of material consumed of such development. All incurred expenses which are not specific to a particular project are accounted for separately as employee benefits expense, finance costs, depreciation and amortisation or other expenses, as the case may be.

Cost of Materials Consumed. Our cost of materials consumed consists of land/ development rights, construction, material and labour, architect fees, finance costs and other costs. These include expenses towards purchase of steel, cement, flooring products, hardware, lifts, mechanical and electrical equipment, doors and windows, bathroom fixtures and other interior fittings and wood. We expect our cost of materials consumed to continue to be a major portion of our expenditure.

Change in inventories of finished goods and construction work-in-progress. Change in inventories of finished goods and construction work-in-progress comprises of change in properties under development and properties held for sale as adjusted for certain items. The difference between actual costs incurred and the costs recorded in such period, is recognized as a change in inventory.

Employee Benefits Expense. Employee remuneration and benefits consists of salaries and wages including bonuses paid to our officers and employees, training and recruitment expenses, contributions to provident and other funds for the benefit of our officers and employees and other welfare expenses. Employee remuneration and benefits does not include the costs of labour, architects or consultants, which are allocable to specific projects and are provided for under cost of materials consumed. Employee remuneration and benefits accounted for 5.37%, 6.58% and 2.78% of our total income for the Financial Years 2019, 2018 (restated) and 2017, respectively.

Finance Costs. Finance costs consist of interest paid on term loans and other loans obtained from banks, financial institutions and other lenders, as well as the related processing charges. Finance costs debited to statement of profit and loss are net of interest and finance charges capitalized on projects.

Depreciation and amortisation expense. Tangible assets are depreciated and intangible assets are amortized over periods corresponding to their useful lives.

Taxation. We provide for current taxes, comprising of income tax as well as deferred taxes. Tax on income for the current period is determined on the basis of estimated taxable income and tax credit, if any, and computed in accordance with the provisions of applicable law. Deferred tax arises mainly due to the timing differences between accounting income and the estimated taxable income for the period and is quantified using the tax rates and laws enacted or substantially enacted as on the relevant balance sheet date. Our deferred tax assets and liabilities are offset only if: (i) we have a legally enforceable right to set off current tax assets against current tax liabilities; and (ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

For the Financial Year 2019 the total tax rate applicable to us was 34.94%.

First time adoption of Ind AS 115

Ind AS 115 was notified by the MCA on March 28, 2018 and is effective from accounting period beginning on or after April 1, 2018. We have applied full retrospective approach in adopting the new standard (for all contracts other than completed contracts) and accordingly have given a cumulative effect of applying this standard on the opening balance of retained earnings as at April 1, 2017 and also restated the previous period numbers as per point in time (project completion method) of revenue recognition.

<u>Explanation to transition to Ind AS 115</u>

Reconciliation of financial line item as previously reported to post adoption of Ind AS 115:

(*in ₹ crore*)

	As at date of transition April 1, 2017			**As at March 31, 2018**		
	As reported *	**Adjustments on account of adoption of Ind AS 115**	**Post adoption of Ind AS 115**	**As reported ***	**Adjustments on account of adoption of Ind AS 115**	**Post adoption of Ind AS 115**
Assets						
Non-current assets						
Investment in Joint Ventures and Associate	81.40	(62.69)	18.71	290.54	(66.59)	223.95
Deferred tax assets (net)	159.28	407.69	566.97	160.82	479.72	640.54
Current assets						
Inventories	3,966.12	1,196.03	5,162.15	2,343.69	1,389.71	3,733.40
Financial assets:						
Trade receivables	246.63	(35.27)	211.36	224.77	(68.61)	156.16
Loans	703.61	(26.09)	677.52	1,049.59	(54.29)	995.30
Other current non-financial assets	696.36	(412.66)	283.70	864.23	(530.61)	333.62
Equity and liabilities						
Equity						
Other equity						
Retained earnings	53.19	(881.84)	(828.65)	235.34	(1,029.89)	(794.55)
Liabilities						
Current liabilities						
Financial liabilities:						
Other financial liabilities	158.56	(24.69)	133.87	226.80	31.60	258.40
Other current non financial liabilities	498.28	1,973.54	2,471.82	574.81	2,147.62	2,722.43

** The figures as reported have been reclassified to confirm to Financial Year 2019 classification.*

Reconciliation of net-worth:

(*in ₹ crore*)

Particulars	As at April 1, 2017	As at March 31, 2018
Reconciliation of Equity as reported earlier:		
Net worth as reported	2,003.73	2,240.29
Summary of adjustments on account of adoption of Ind AS 115:		
(Decrease) in Profit before tax on account of adoption of Ind AS 115	(1,289.53)	(1,509.61)
Increase in deferred tax (credit) on account of adoption of Ind AS 115	407.69	479.72

Total adjustments on account of adoption of Ind AS 115	**(881.84)**	**(1,029.89)**
Net worth post adoption of Ind AS 115	**1,121.89**	**1,210.40**

Reconciliation of total comprehensive income for the year ended March 31, 2018:

(*in ₹ crore*)

Particulars	Year ended March 31, 2018
Total comprehensive income as reported	232.15
Summary of adjustments on account of adoption of Ind AS 115:	
(Decrease) in Revenue from operations	(285.48)
(Decrease) in Other income	(2.83)
Increase in Cost of materials consumed	(85.99)
(Decrease) in Changes in inventories of finished goods and construction work-in-progress	193.69
(Decrease) in Other expenses	3.23
(Decrease) in Share of profit of joint ventures and associate	(42.57)
Tax effect on Ind AS adjustments	71.90
Total adjustments on account of adoption of Ind AS 115	**(148.05)**
Total comprehensive income post adoption of Ind AS 115	**84.10**

Reconciliation of earnings per share for the year ended March 31, 2018:

(*in ₹ crore, except no. of shares and per share data*)

Particulars	As reported	Adjustments on account of adoption of Ind AS 115	Post adoption of Ind AS 115
Profit after tax	234.96	(148.05)	86.91
Weighted average number of equity shares outstanding (basic)	21,64,44,504		21,64,44,504
Basic Earnings Per Share (₹)	10.86		4.01
Weighted average number of equity shares outstanding (diluted)	21,65,77,427		21,65,77,427
Diluted Earnings Per Share (₹)	10.85		4.01

Notes to reconciliation: Under Ind AS 18, related interpretations and Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable), revenue was recognized based on percentage of completion method. On transition to Ind AS 115, we recognize revenue when we determine the satisfaction of performance obligation at a point in time. Revenue is recognized upon transfer of promised products to customer in an amount that reflects the consideration which we expect to receive in exchange for those products. In determining the transaction price, we have adjusted the promised amount of consideration for the effects of the time value of money where the contracts with customers contains a significant financing component.

The amount of ₹ 1,734.08 crore (previous year 2018: ₹ 962.12 crore) recognized in contract liabilities at the beginning of the year has been recognized as revenue during the year ended March 31, 2019.

Significant changes in contract asset and contract liabilities balances are as follows:

(*in ₹ crore*)

Particulars	March 31, 2018 (Restated)	March 31, 2019
Contract asset		
At the beginning of the reporting period	86.34	89.49
Cumulative catch-up adjustments to revenue affecting contract asset	3.15	(13.66)
Significant change due to business combination	-	-
At the end of the reporting period	89.49	75.83
Contract liability		
At the beginning of the reporting period	2,390.91	2,633.75
Cumulative catch-up adjustments affecting contract liability	172.64	(1,143.89)
Significant financing component	70.20	(40.98)
Significant change due to business combination	-	35.55
At the end of the reporting period	**2,633.75**	**1,484.43**

Performance obligation

We are engaged primarily in the business of real estate construction, development and other related activities.

All the contracts entered with the customers consists of a single performance obligation thereby the consideration allocated to the performance obligation is based on standalone selling prices.

Revenue is recognized upon transfer of control of residential and commercial units to customers for an amount that reflects the consideration which we expect to receive in exchange for those units. The trigger for revenue recognition is normally completion of the project or receipt of approvals on completion from relevant authorities or intimation to the customer of completion, post which the contract becomes non-cancellable by the parties.

The revenue is measured at the transaction price agreed under the contract. In certain cases, we have contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, we adjust the transaction price for the effects of a significant financing component.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from our input method of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, we recognize the entire estimated loss in the period the loss becomes known.

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at March 31, 2019 is ₹ 1,903.21 crore, which will be recognized as revenue over a period of 1 to 3 years and ₹ 280.50 crore which will be recognized over a period of 1 to 4 years.

We have applied practical expedient in paragraph C5(d) of Ind AS 115 and do not disclose information about the amount of the transaction price allocated to the remaining performance obligation and an explanation of when we expect to recognize that amount as revenue for all reporting periods presented before the date of initial application.

Reconciliation of revenue recognized in the consolidated statement of profit and loss

The following table discloses the reconciliation of amount of revenue recognized as at March 31, 2019:

(*in ₹ crore*)

Particulars	March 31, 2018 (restated)	March 31, 2019
Contract price of the revenue recognized	1,398.81	2,546.78
Add: Significant financing component	15.44	141.41
Less: Customer incentive/benefits	-	16.42
Revenue recognized in the Consolidated Statement of Profit and Loss	**1,414.25**	**2,671.77**

Our Results of Operations

The following table sets forth the breakdown of our results of operations for the periods indicated, the components of which are also expressed as a percentage of total income for such period:

Financial Year 2019 compared to Financial Year 2018 (restated)

Our consolidated financial information for the Financial Year 2019 and the Financial Year 2018 included in the table and the discussion below is derived from our financial statements as of and for the Financial Year 2019 which were prepared using Ind AS 115. Our financial information for the Financial Year 2018 included in our financial statements as of and for the Financial Year 2019 was extracted from our audited financial statements as of and for the Financial Year 2018 and then restated in accordance with Ind AS 115, hence is different from our financial information for the Financial Year 2018 included under "***– Financial Year 2018 compared to Financial Year 2017***".

	Financial Year			
	2019		2018 (restated)	
	(₹ in crore)	(% of total income)	(₹ in crore)	(% of total income)
INCOME				
Revenue from operations	2,817.40	87.44%	1,603.72	76.28%
Other income	404.58	12.56%	498.64	23.72%
Total Income	**3,221.98**	**100.00%**	**2,102.36**	**100.00%**
EXPENSES				
Cost of materials consumed	565.11	17.54%	1,111.23	52.86%
Change in inventories of finished goods and construction work-in-progress	1,628.75	50.55%	249.73	11.88%

	Financial Year			
	2019		2018 (restated)	
	(₹ in crore)	**(% of total income)**	**(₹ in crore)**	**(% of total income)**
Employee benefits expense	173.04	5.37%	138.42	6.58%
Finance costs	234.03	7.26%	150.13	7.14%
Depreciation and amortisation expense	14.34	0.45%	16.13	0.77%
Other expenses	272.46	8.46%	283.29	13.47%
Total expenses	**2,887.73**	**89.63%**	**1,948.93**	**92.70%**
Profit before share of profit in joint ventures and associate and tax	**334.25**	**10.37%**	**153.43**	**7.30%**
Share of profit/(loss) of joint ventures and associate (net of tax)	13.95	0.43%	(36.55)	(1.74%)
Profit before tax	**348.20**	**10.81%**	**116.88**	**5.56%**
Total Tax Expense	**95.05**	**2.95%**	**29.97**	**1.43%**
Profit for the year	**253.15**	**7.86%**	**86.91**	**4.13%**

Income

Total income: Our total income increased by ₹ 1,119.62 crore, or 53.26%, from ₹ 2,102.36 crore in the Financial Year 2018 to ₹ 3,221.98 crore in the Financial Year 2019. This was primarily due to an increase in our sales of real estate development and interest income.

Revenue from Operations: Our revenue from operations increased by ₹ 1,213.68 crore, or 75.68%, from ₹ 1,603.72 crore in the Financial Year 2018 to ₹ 2,817.40 crore in the Financial Year 2019. The increase in revenue from operations was primarily attributable to the increase in sale of real estate development by ₹ 1,257.52 crore, or 88.92% to ₹ 2,671.77 crore for the Financial Year 2019 from ₹ 1,414.25 crore for the Financial Year 2018, primarily due to revenue recognized from Godrej BKC and The Trees projects, which was partially offset by a decrease in sale of services by ₹ 40.16 crore, or 38.65% to ₹ 63.75 crore for the Financial Year 2019 from ₹ 103.91 crore for the Financial Year 2018 on account of a decline in development management fees and decrease in other operating revenues by 4.30% to ₹ 81.88 crore for the Financial Year 2019 from ₹ 85.56 crore for the Financial Year 2018.

Other Income: Other income decreased by ₹ 94.06 crore, or 18.86%, from ₹ 498.64 crore for the Financial Year 2018 to ₹ 404.58 crore for the Financial Year 2019. This decrease was primarily on account of a decrease in profit on sale of investments (net) from ₹ 209.44 crore for the Financial Year 2018 to ₹ 61.44 crore for the Financial Year 2019; during the Financial Year 2018, we had recognized profit on sale of our 50% equity shareholding in Godrej Green Homes Limited and sale of our entire equity shareholding in Godrej Investment Advisors Private Limited. The decrease in other income was partially offset by an increase in interest income from ₹ 138.74 crore for the Financial Year 2018 to ₹ 232.40 crore for the Financial Year 2019 on account of interest received from joint venture projects and interest on fixed deposits.

Expenses

Total expenses: Our total expenses increased by ₹ 938.80 crore, or 48.17%, from ₹ 1,948.93 crore in the Financial Year 2018 to ₹ 2,887.73 crore in the Financial Year 2019 primarily as a result of an increase in sales revenue resulting in corresponding increase in completion cost of projects.

Cost of materials consumed: Cost of materials consumed decreased by ₹ 546.12 crore, or 49.15% from ₹ 1,111.23 crore in the Financial Year 2018 to ₹ 565.11 crore in the Financial Year 2019. This was primarily since majority of projects for which revenue was recognized during the Financial Year 2019 were nearing completion, which consequently resulted in a reduction in construction, material and labour costs in comparison to Financial Year 2018. Further, since the projects were nearing completion, no significant payments were made for land or development rights.

Change in inventories of finished goods and construction work-in-progress: Change in inventories of finished goods and construction work-in-progress increased by ₹ 1,379.02 crore from ₹ 249.73 crore in Financial Year 2018 to ₹ 1,628.75 crore in the Financial Year 2019. This increase was on account of an increase in the recognition of sales of units.

Employee benefits expense: Employee benefits expense increased by ₹ 34.62 crore, or 25.01%, from ₹ 138.42 crore in Financial Year 2018 to ₹ 173.04 crore in the Financial Year 2019. The increase in employee benefits expense was primarily due to an increase in salaries and wages to ₹ 161.60 crore for Financial Year 2019 from ₹ 126.71 crore for Financial Year 2018, which was in line with an increase in our number of employees as a result of growth in our business and annual compensation increments given to our employees, including an additional provision of variable component of bonus linked to performance for Financial Year 2019. Our employee headcount increased to 1,424 as of March 31, 2019 from 1,174 as of March 31, 2018.

Finance costs: Our finance costs increased by ₹ 83.90 crore, or 55.88%, from ₹ 150.13 crore in the Financial Year 2018 to ₹ 234.03 crore in the Financial Year 2019. This increase was on account of interest expensed out pertaining to completed projects and increase in interest on joint venture projects.

Depreciation and Amortisation expense: Depreciation and amortisation expenses decreased by ₹ 1.79 crore or 11.10% from ₹ 16.13 crore for Financial Year 2018 to ₹ 14.34 crore for Financial Year 2019. This decrease was primarily due to a decrease in the asset base of buildings, disposal of furniture and fixtures, computers and vehicles.

Other expenses: Our other expenses decreased by ₹ 10.83 crore, or 3.82%, from ₹ 283.29 crore in Financial Year 2018 to ₹ 272.46 crore in Financial Year 2019. The overall decrease was due to a reduction in rates and taxes and provision for doubtful receivables.

Profit before tax: Our profit before tax increased by ₹ 231.32 crore, from ₹ 116.88 crore in Financial Year 2018 to ₹ 348.20 crore in Financial Year 2019 primarily for the reasons mentioned above. Profit before tax represented 5.56% and 10.81% of our total income for the Financial Year 2018 and 2019, respectively.

Tax Expense: Our total tax expenses increased by ₹ 65.08 crore to ₹ 95.05 crore for Financial Year 2019 comprising deferred tax charge of ₹ 126.64 crore and a current tax credit of ₹ 31.59 crore from ₹ 29.97 crore for Financial Year 2018 comprising deferred tax credit of ₹ 71.50 crore and current tax charge of ₹ 101.47 crore.

Profit for the Year: Our profit for the year increased by ₹ 166.24 crore from ₹ 86.91 crore in Financial Year 2018 to ₹ 253.15 crore in Financial Year 2019.

Financial Year 2018 compared to Financial Year 2017

As discussed under " ***– Financial Year 2019 compared to Financial Year 2018***", our financial information for the Financial Year 2018 included in our financial statements as of and for the Financial Year 2019 was extracted from our audited financial statements as of and for the Financial Year 2018 and then restated in accordance with Ind AS 115, hence is different from our financial information for the Financial Year 2018 included in the table and the discussion below which is extracted from our audited financial statements as of and for the Financial Year 2018. Further, in accordance with the amendment to Schedule III of the Companies Act, our financial information for the Financial Year 2017 was regrouped/ reclassified in our financial statements as of and for the Financial Year 2018. Such regrouped/ reclassified financial information for the Financial Year 2017 is not included in the table and the discussion below but the financial information from our audited financial statements for the Financial Year 2017 is included below. For an understanding of the difference in line items (Other Income, Employee Benefits Expense, Finance Costs, Other Expenses and Total Expenses, among others) and amounts, see financial statements as of and for the Financial Years 2018 and 2017, beginning on pages 289 and 364, respectively.

	Financial Year			
	2018		**2017**	
	(₹ in crore)	**(% of total income)**	**(₹ in crore)**	**(% of total income)**
INCOME				
Revenue from operations	1,889.20	79.02%	1,582.93	92.66%
Other income	501.47	20.98%	125.42	7.34%
Total Income	**2,390.67**	**100.00%**	**1,708.35**	**100.00%**
EXPENSES				
Cost of sales	1,468.66	61.43%	1,080.90	63.27%
Employee benefits expense	138.42	5.79%	47.53	2.78%
Finance costs	150.13	6.28%	101.53	5.94%
Depreciation and amortisation expense	16.13	0.67%	14.50	0.85%
Other expenses	286.52	11.98%	204.10	11.95%
Total expenses	**2,059.86**	**86.16%**	**1,448.56**	**84.79%**
Profit before share of profit in joint ventures and associate and tax	**330.81**	**13.84%**	**259.79**	**15.21%**
Share of profit of joint ventures and associate (net of tax)	6.02	0.25%	24.71	1.45%
Profit before tax	**336.83**	**14.09%**	**284.50**	**16.65%**
Total Tax Expense	**101.87**	**4.26%**	**77.70**	**4.55%**
Profit for the Year	**234.96**	**9.83%**	**206.80**	**12.11%**

Income

Total income: Our total income increased by ₹ 682.32 crore, or 39.94%, from ₹ 1,708.35 crore in the Financial Year 2017 to ₹ 2,390.67 crore in the Financial Year 2018. This was primarily due to an increase in our sales of real estate development and other income.

Revenue from Operations: Our revenue from operations increased by ₹ 306.27 crore, or 19.35%, from ₹ 1,582.93 crore in the Financial Year 2017 to ₹ 1,889.20 crore in the Financial Year 2018. Revenue from operations consisted of (a) sale of real estate development, which increased by ₹ 272.41 crore, or 19.09%, to ₹ 1,699.73 crore for the Financial Year 2018 from ₹ 1,427.32 crore for the Financial Year 2017, primarily due to revenue recognized as a result of sale of units in Godrej BKC, which was partially offset due to a decline in sales in our Godrej Summit project; and (b) sale of service and other operating revenues which increased by 21.76% to ₹ 189.47 crore for the Financial Year 2018 from ₹ 155.61 crore for the Financial Year 2017 primarily due to an increase in project maintenance income from customers.

Other Income: Other income increased by ₹ 376.05 crore, from ₹ 125.42 crore for the Financial Year 2017 to ₹ 501.47 crore for the Financial Year 2018. This increase was primarily due to an increase in profit on sale of our 50% equity shareholding in Godrej Green Homes Limited and sale of our entire equity shareholding in Godrej Investment Advisors Private Limited in Financial Year 2018. This was also supplemented by an increase in interest income from ₹ 102.39 crore in Financial Year 2017 to ₹ 141.57 crore in Financial Year 2018.

Expenses

Total expenses: Our total expenses increased by ₹ 611.3 crore, or 42.20%, from ₹ 1,448.56 crore in the Financial Year 2017 to ₹ 2,059.86 crore in the Financial Year 2018 primarily as a result of an increase in sales revenue resulting in corresponding increase in cost of sales to ₹ 1,468.66 crore in the Financial Year 2018 from ₹ 1,080.90 crore in the Financial Year 2017.

Cost of Sales: Cost of sales increased by ₹ 387.76 crore, or 35.87% from ₹ 1,080.90 crore in the Financial Year 2017 to ₹ 1,468.66 crore in the Financial Year 2018. Cost of sales increased on account of an increase in the recognition of sale of units.

Employee benefits expense: Employee benefits expense increased by ₹ 90.89 crore, from ₹ 47.53 crore in Financial Year 2017 to ₹ 138.42 crore in the Financial Year 2018. The increase in employee benefits expense was primarily due to an increase in salaries, bonus, gratuity and allowances to ₹ 126.71 crore for Financial Year 2018 from ₹ 40.62 crore for Financial Year 2017, which was in line with an increase in our number of employees as a result of growth in our business and annual compensation increments given to our employees. Our employee headcount increased to 1,174 as of March 31, 2018 from 1,004 as of March 31, 2017.

Finance costs: Our finance costs increased by ₹ 48.60 crore, or 47.87%, from ₹ 101.53 crore in the Financial Year 2017 to ₹ 150.13 crore in the Financial Year 2018. This increase was on account of interest expensed out pertaining to completed projects and increase in interest on joint venture projects.

Depreciation and Amortisation expense: Depreciation and amortisation expenses increased by ₹ 1.63 crore or 11.24% from ₹ 14.50 crore for Financial Year 2017 to ₹ 16.13 crore for Financial Year 2018. This increase was primarily due to depreciation on addition to fixed assets of ₹ 23.05 crore during the Financial Year 2018 which primarily includes buildings, furniture and fixtures and computers.

Other expenses: Our other expenses increased by ₹ 82.42 crore, or 40.38%, from ₹ 204.10 crore in Financial Year 2017 to ₹ 286.52 crore in Financial Year 2018. The overall increase was due to an increase in (i) other expenses from ₹ 132.03 crore in Financial Year 2017 to ₹ 172.22 crore in Financial Year 2018 due to increase in project maintenance expense, provision for doubtful receivables and other administrative expenses; (ii) rates and taxes from ₹ 0.23 crore in Financial Year 2017 to ₹ 9.50 crore in Financial Year 2018; (iii) consultancy charges from ₹ 18.41 crore in Financial Year 2017 to ₹ 30.40 crore in Financial Year 2018; and (iv) advertising and marketing expenses increasing from ₹ 43.59 crore in Financial Year 2017 to ₹ 64.10 crore in Financial Year 2018.

Profit before tax: Our profit before tax increased by ₹ 52.33 crore, from ₹ 284.50 crore in Financial Year 2017 to ₹ 336.83 crore in Financial Year 2018 primarily for the reasons mentioned above. Profit before tax represented 16.65% and 14.09% of our total income for the Financial Year 2017 and 2018, respectively.

Tax Expense: Our total tax expenses increased by ₹ 24.17 crore from ₹ 77.70 crore for Financial Year 2017 comprising deferred tax credit of ₹ 32.07 crore and current tax charge of ₹ 109.77 crore to ₹ 101.87 crore for Financial Year 2018 comprising deferred tax charge of ₹ 0.40 crore and current tax charge of ₹ 101.47 crore.

Profit for the Year: Our profit for the year increased by ₹ 28.16 crore from ₹ 206.80 crore in Financial Year 2017 to ₹ 234.96 crore in Financial Year 2018.

Financial Condition, Liquidity and Capital Resources

We broadly define liquidity as our ability to generate sufficient funds from both internal and external sources to meet our obligations and commitments. In addition, liquidity includes the ability to obtain appropriate equity and debt financing and loans and to convert into cash those assets that are no longer required to meet existing strategic and financial objectives. Therefore, liquidity cannot be considered separately from capital resources that consist of current or potentially available funds for use in achieving long-range business objectives and meeting debt service and other commitments.

We have historically financed our capital requirements primarily through funds generated from our operations and financing from banks and other financial institutions in the form of term loans. Our primary capital requirements have been to finance development of our properties, working capital requirements and the acquisition of land and land development rights. We believe that we will have sufficient capital resources from our operations, net proceeds of this offering of equity shares and other financings from banks, financial institutions and other lenders to meet our capital requirements for at least the next 12 months.

Cash Flows

The following table sets forth certain information relating to our cash flows on a consolidated basis for the periods indicated:

(in ₹crore)

	Financial Year		
	2019	**2018**	**2017**
Net cash generated from/(used in) operating activities	478.06	1,157.55	(566.29)
Net cash generated from/(used in) investing activities	(980.58)	(976.16)	14.11
Net cash generated from/(used in) financing activities	969.78	(492.87)	334.74
Net increase/ (decrease) in cash and cash equivalents	**467.26**	**(311.48)**	**(217.44)**

Operating Activities

Net cash generated from operating activities for the Financial Year 2019 was ₹ 478.06 crore. While our profit before tax was ₹ 348.20 crore, we had an operating profit before working capital changes of ₹ 217.70 crore, primarily due to finance costs of ₹ 234.03 crore, partially offset by interest income of ₹ 232.40 crore. Our changes in working capital of ₹ 298.42 crore, primarily consisted of a decrease in inventories of ₹ 1,632.45 crore due to revenue recognition for Godrej BKC and the Trees Project, partially offset by a decrease in non-financial liabilities of ₹ 1,172.67 crore due to decrease in advance from customers on account of revenue recognition of Godrej BKC and the Trees.

Net cash generated from operating activities for the Financial Year 2018 was ₹ 1,157.55 crore. While our profit before tax was ₹ 336.83 crore, we had an operating profit before working capital changes of ₹ 143.78 crore, primarily due to finance costs of ₹ 150.13 crore, partially offset by a net profit on sale of investments of ₹ 209.44 crore. Our changes in working capital of ₹ 1,082.16 crore, primarily consisted of a decrease in inventories of ₹ 1,248.31 crore due to revenue recognition of Godrej BKC project, partially offset by a decrease in financial liabilities of ₹ 135.98 crore on account of advance received from customers.

Net cash used in operating activities for the Financial Year 2017 was ₹ 566.29 crore. While our profit before tax was ₹ 284.50 crore, we had an operating profit before working capital changes of ₹ 255.30 crore, primarily due to finance costs of ₹ 101.53 crore partially offset by interest income of ₹ 102.39 crore. Our changes in working capital of ₹ (661.27) crore, primarily consisted of an increase in financial assets of ₹ 345.33 crore, partially offset by a decrease in inventories of ₹ 171.61 crore.

Investing Activities

Net cash used in investing activities for the Financial Year 2019 was ₹ 980.58 crore, primarily consisting of investment in joint ventures and associate of ₹ 503.93 crore for acquiring new projects in Pune, purchases of mutual funds (net) of ₹ 386.45 crore and investment in debentures of joint ventures of ₹ 141.33 crore, which was partially offset by interest received from fixed deposits and joint venture projects of ₹ 129.64 crore.

Net cash used in investing activities for the Financial Year 2018 was ₹ 976.16 crore, primarily due to loan given to joint ventures (net) of ₹ 668.08 crore, purchases of mutual funds (net) of ₹ 155.54 crore which was partially offset by interest received of ₹ 90.00 crore from fixed deposits and joint venture projects.

Net cash generated in investing activities for the Financial Year 2017 was ₹ 14.11 crore, primarily due to interest received of ₹ 71.59 crore which was partially offset by purchase of investments (net) of ₹ 48.56 crore.

Financing Activities

Net cash generated from financing activities for the Financial Year 2019 was ₹ 969.78 crore, primarily as a result of proceeds from issue of equity share capital of ₹ 999.53 crore and short-term borrowings (net) of ₹ 265.49 crore which was partially offset by interest paid of ₹ 294.97 crore towards borrowings.

Net cash used in financing activities for the Financial Year 2018 was ₹ 492.87 crore, primarily as a result of repayment of long-term borrowings of ₹ 474.75 crore, repayment of short-term borrowings (net) of ₹ 221.68 crore and interest payment of ₹ 298.43 crore to banks and financial institutions which was partially offset by proceeds from long-term borrowings of ₹ 500.00 crore from issuance of 5,000, 7.82% redeemable non-convertible debentures.

Net cash generated from financing activities for the Financial Year 2017 was ₹ 334.74 crore, primarily as a result of proceeds from short-term borrowings (net) of ₹ 642.50 crore which was partially offset by interest paid of ₹ 311.90 crore to banks and financial institutions.

Borrowings

The details of our borrowings as of March 31, 2019 are set forth below:

(in ₹crore)

Particulars	As at March 31, 2019
Secured loans	
From Banks	
- Working Capital Demand Loans	803.84
- Cash Credit Loans	108.46
Total Secured loans	**912.30**
Unsecured loans	
From Banks	
- Overdraft Facilities	176.03
- Other Loans	1,271.51
From Others	
- Commercial Papers	656.00
Unsecured Debentures	
From Others	500.00
Total Unsecured loans and debentures	**2,603.54**
Current maturities of long term debt	**20.14**
Total Borrowings	**3,535.98**

Our interest coverage ratio for the years ended March 31, 2019, 2018 and 2017, was 2.55, 1.89 and 3.94, respectively. (Interest coverage ratio = earnings before interest, tax, depreciation and amortisation expense/finance costs)

Capital and Other Commitments

As of March 31, 2019, our estimated amount of contracts remaining to be executed on capital account and not provided for was ₹ 49.88 crore.

Capital Expenditure

For Financial Year 2019, we made additions to property, plant and equipment of ₹ 6.01 crore primarily for purchase of computers and furniture and fixtures. For Financial Year 2018, we added fixed assets of property, plant and equipment of ₹ 23.05 crore, primarily for building, furniture and fixtures and computers. For Financial Year 2017, we made additions to property, plant and equipment of ₹ 8.66 crore, primarily for vehicles and computers.

Contingent Liabilities

(in ₹crore)

Matters		March 31, 2019
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 us as advised by our advocates. In the opinion of the management the claims are not sustainable	179.82
ii)	Claims under Income Tax Act, Appeal preferred to The Deputy Commissioner/ Commissioner of Income Tax (Appeals)	50.06
iii)	Claims under MVAT, Appeal preferred to The Deputy Commissioner/Joint Commissioner of Sales Taxes ((Appeals) IV/V), Mumbai	3.34
iv)	Appeal preferred to Customs, Excise and Service Tax Appellate Tribunal at Bengaluru and others	74.36
v)	Appeal preferred to The Joint Commissioner of Sales Tax (Appeal -4) at Maharashtra under Entry of Goods Into Local Areas Act, 2002	0.77
Guarantees:		
i)	Guarantees given by bank, counter guaranteed by us	32.17
ii)	Guarantees given by us relating to joint ventures	66.31

Non GAAP Measures

EBITDA, Adjusted EBITDA, EBITDA Margin, Adjusted EBITA Margin, PBT Margin and Net Profit Margin

The following table sets forth our earnings before interest, taxes, depreciation and amortisation expenses ("**EBITDA**") and the manner in which it is calculated for the Financial Years 2019 and 2018 (restated). We define our Adjusted EBITDA as EBITDA plus interest included in cost of sale.

(in ₹ crore)

Particulars	Financial Year 2019	Financial Year 2018 (restated)
Profit for the year	253.15	86.91
Add: Finance costs	234.03	150.13
Add: Total tax expense	95.05	29.97
Add: Depreciation and amortisation expense	14.34	16.13
EBITDA	**596.57**	**283.14**
Add: Interest included in cost of sale	406.61	150.51
Adjusted EBITDA	**1,003.18**	**433.65**

We define EBITDA Margin as EBITDA divided by total income plus share of profit/(loss) of joint ventures and associate (net of tax). We define Adjusted EBITDA Margin as Adjusted EBITDA divided by total income plus share of profit/(loss) of joint ventures and associate (net of tax). We define PBT Margin as profit before tax divided by total income plus share of profit/(loss) of joint ventures and associate (net of tax). We define Net Profit Margin as profit after tax divided by total income plus share of profit/(loss) of joint ventures and associate (net of tax).

Particulars	Financial Year 2019	Financial Year 2018 (restated)
Adjusted EBITDA Margin %	31.00%	20.99%
EBITDA Margin %	18.43%	13.71%
PBT Margin %	10.76%	5.66%
Net Profit Margin %	7.82%	4.21%

EBITDA, Adjusted EBITDA, EBITDA Margin, Adjusted EBITDA Margin, PBT Margin, Net Profit Margin, Net Debt and Net Worth are not measurements of financial profitability or liquidity under Ind AS and should not be considered as an alternative to performance measures derived in accordance with Ind AS. We make no representations as to the methodologies used to define or calculate EBITDA, Adjusted EBITDA, EBITDA Margin, Adjusted EBITDA Margin, PBT Margin, Net Profit Margin, Net Debt and Net Worth or whether these reflect an appropriate measure of our operating performance.

In addition, these are not standardized terms, hence a direct comparison between companies using such a term may not be possible. Our use of EBITDA, Adjusted EBITDA, EBITDA Margin, Adjusted EBITDA Margin, PBT Margin, Net Profit Margin, Net Debt and Net Worth thus has limitations as an analytical tool, and you should not consider them either in isolation or as a substitute for analysis of our financial results as reported under Ind AS. Some of the limitations with EBITDA are listed below:

- does not reflect cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- does not reflect changes in, or cash requirements for, working capital needs;
- does not reflect certain tax payments that may represent reductions in cash available;
- does not reflect any cash requirements for the assets being depreciated and amortized that may have to be replaced in the future; and
- does not reflect the significant interest expense or the cash requirements necessary to service interest or principal payments on indebtedness.

Because of these and other limitations, you should consider EBITDA, Adjusted EBITDA, EBITDA Margin, Adjusted EBITDA Margin, PBT Margin, Net Profit Margin, Net Debt and Net Worth along with other Ind AS-based financial performance measures, including various cash flow metrics, profit after tax, and our Ind AS financial results.

Leverage Indicators

Particulars	As of and for the Financial Year 2019	As of and for the Financial Year 2018 (restated)
Net Debt (crore)	2,141.28	2,846.45
Net Worth (crore)	2,469.01	1,210.40
Net Debt / Equity Ratio	0.87	2.35
Average cost of borrowings	7.97%	7.80%

Net Debt = *Non-current financial liabilities – borrowings (including current maturities of long-term debt) plus current financial liabilities – borrowings less cash and bank balance and other current investments*

Net Worth = *Equity share capital plus other equity*.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Quantitative and Qualitative Analysis of Market Risks

Our Board has the overall responsibility for the establishment and oversight of the risk management framework and has established the Risk Management Committee, which is responsible for developing and monitoring our risk management policies. The committee reports regularly to the Board on its activities.

The risk management policies are established to identify and analyze the risks faced by us in the normal course of business, 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 our activities. Through our training and management standards and procedures, we aim to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Our Audit Committee oversees how management monitors compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by us. 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. We have exposure to (i) credit risk; (ii) liquidity risk and (iii) market risk.

Credit Risk

Credit risk is the risk of financial loss to us if a customer or counterparty to a financial instrument fails to meet its obligations and arises principally from our 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.

We manage credit risk by requiring customers to pay advances through billings before transfer of ownership, thereafter substantially eliminating our credit risk in this respect. Further, our 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, we make provision of expected credit losses on trade receivables to mitigate the risk of default payments and make appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

We have investments in compulsorily convertible debentures / optionally convertible debentures, preference shares, loans to related parties and project deposits. The settlement of such instruments is linked to the completion of the respective underlying projects. Lastly, the credit risk from cash and bank balances is managed by our treasury department in accordance with our policy.

Liquidity Risk

Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure, as far as possible, that we have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation.

Our management monitors rolling forecasts of our 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.

Market Risk

Market risk is the risk that changes in market price such as foreign exchange rate and interest rates will affect our income or value of our holdings of financial instrument. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises two types of risks; interest rate risk and currency risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments. Currency risk is not material since our primary business activities are within India and do not have a significant exposure in foreign currency.

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. Our management is responsible for monitoring our interest rate position. Various variables are considered by us in structuring our borrowings to achieve a reasonable and competitive cost of funding.

Commodity Price Risk

As a property developer, we are exposed to the risk that prices for construction materials used to build our properties (including timber, cement and steel) will increase. These materials are global commodities and their prices are cyclical in nature and fluctuate in accordance with global market conditions. We are exposed to the risk that we may not be able to pass increased commodities costs to our customers, which would lower our margins.

Known Trends or Uncertainties

Our business has been affected and we expect that it will continue to be affected by the trends identified above in "***Significant Factors Affecting Our Results of Operations and Financial Condition***" and the uncertainties described in "***Risk Factors***" on pages 77 and 43, respectively. To our knowledge, except as disclosed in this Preliminary Placement Document, there are no known factors which we expect to have a material adverse effect on our income.

Future Relationship between Cost and Revenue

Other than as described in "*Risk Factors*", "*Our Business*" and this section, there are no known factors that might affect the future relationship between cost and revenue.

Competitive Conditions

We expect to continue to compete with existing and potential competitors. See "***Our Business***", "***Industry Overview***" and "***Risk Factors***" on pages 112, 98 and 43, respectively for further information on our industry and competition.

Seasonality of Business

Our operations may be adversely affected by difficult working conditions during monsoons that restrict our ability to carry on construction activities and fully utilize our resources. Our sales may also increase during the festive seasons of Diwali and Ganesh Chaturthi. Otherwise, we generally do not believe that our business is seasonal.

Recent Accounting Pronouncements

There have been no changes in the accounting policies of our Company during the Financial Years 2019, 2018 and 2017, except for the changes as necessitated by applicable laws.

Ind AS 116 - Leases

Ind AS 116 is applicable for financial reporting periods beginning on or after April 1, 2019 and replaces existing lease accounting guidance, Ind AS 17. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use ("**ROU**") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses related to those leases will change as Ind AS 116 replaces the operating lease expense (i.e. rent) with depreciation charge for ROU assets and interest expense on lease liabilities. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard - i.e. lessors continue to classify leases as finance or operating leases.

In addition to the above, the following amendments to existing accounting standards have been issued, however the same are not yet effective

Amendments to Ind AS 103 - Business Combinations and Ind AS 111 – Joint Arrangements

This interpretation clarifies how an entity accounts for increasing its interest in a joint operation that meets the definition of a business

Amendments to Ind AS 109 - Financial Instruments

These amendments relate to the classification of particular pre-payable financial assets.

Amendments to Ind AS 12 - Income Taxes

These amendments clarify that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transactions that generated the distributable profits - i.e. in profit or loss, other comprehensive income or equity. Further Appendix C, uncertainty over income tax treatments has been added to clarify how entities should reflect uncertainties over income tax treatments, in particular when assessing the outcome a tax authority might reach with full knowledge and information if it were to make an examination.

Amendment to Ind AS 19 - Employee Benefits

The amendment to Ind AS 19 clarifies that on amendment, curtailment or settlement of a defined benefit plan, the current service cost and net interest for the remainder of the annual reporting period are calculated using updated actuarial assumptions - i.e. consistent with the calculation of a gain or loss on the plan amendment, curtailment or settlement. This amendment also clarifies that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognized in profit or loss. The entity then determines the effect of the asset ceiling after plan amendment, curtailment or settlement. Any change in that effect is recognized in other comprehensive income (except for amounts included in net interest).

Amendments to Ind AS 23 - Borrowing Costs

These amendments clarify that the general borrowings pool used to calculate eligible borrowing costs excludes only borrowings that specifically finance qualifying assets that are still under development or construction.

Amendments to Ind AS 28 - Investments in Associates and Joint Ventures

When applying the equity method, a non-investment entity that has an interest in an investment entity associate or joint venture can elect to retain the fair value accounting applied by the associate or joint venture to its subsidiaries. Venture capital and other qualifying organizations can elect to measure investments in associates or joint ventures at fair value through profit or loss instead of applying the equity method. The amendments clarify that both these elections apply for each investment entity associate or joint venture separately.

New Products or Business Segments

Other than as disclosed in this section and in "***Our Business***" on page 112, there are no new products or business segments that have or are expected to have a significant impact on our business prospects, results of operations or financial condition.

Significant Developments Occurring after March 31, 2019

On April 4, 2019, our Company increased its equity shareholding in Wonder Space Properties Limited from 25.1% to 96.03% by acquiring equity shares from Shubh Properties Cooperatief U.A.

INDUSTRY OVERVIEW

The information in this section has been derived from publicly available sources, government publications and certain industry sources and has not been prepared or independently verified by the Company, the BRLMs or any of their affiliates or advisers connected with the Issue. Industry sources and publications referred to by us state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information. Statements in this section that are not statements of historical fact constitute "forward-looking statements". Such forward-looking statements are subject to various risks, assumptions and uncertainties and certain factors could cause actual results or outcomes to differ materially.

Overview of the Indian Economy

India is the eighth-largest country by area and the second-most populous country in the world with an estimated population of 1.30 billion people as of July 2018 (*Source: Central Intelligence Agency, The World Factbook*). In 2017 and 2018, India's Gross Domestic Product ("**GDP**") grew by 7.2% and 7.1%, respectively, and is expected to grow by 7.3% in 2019 and 7.5% in 2020. (*Source: World Economic Outlook, International Monetary Fund*).

Overview of the Indian Real Estate Market

Attractive Fundamentals which will Sustain Residential Demand in Urban India

Growing Trend of Urbanization: According to Census 2011, approximately 377.1 million Indians, representing 31.14% of the country's population, lived in urban areas (*Source: Ministry of Urban Development, Handbook of Urban Statistics, 2019*). The urban population is expected to grow to approximately 600 million (representing 40% of the country's population) by 2031 and 850 million (representing 50% of the country's population) by 2051 (*Source: Ministry of Urban Development, Handbook of Urban Statistics, 2016*).

Falling Household Size: Coupled with increasing urbanization, the average Indian household size has been reducing. According to the 2011 census, the average household size was 4.9 in 2011 compared with 5.3 in 2001. Based on the 2011 census, 68.8% of total occupied housing units had one or two rooms, 27.3% had more than two rooms, and 3.9% had no exclusive rooms (*Source: Ministry of Statistics and Programme Implementation, Selected Socio-Economic Statistics, 2017*).

Demographic Benefit and Increase in Working Population: In 2011, India's population between the ages 15 to 64 constituted 63% of its total population (*Source: Ministry of Statistics and Programme Implementation, Selected Socio-Economic Statistics, 2017*). The Indian median population age is projected to rise from 26.4 in 2013 to 36.7 in 2050, signifying a large pool of young people. Increase in income of the working age population would result in an increase in disposable income. This disposable income is expected to give individuals the flexibility to invest in long-term investment options for future savings (*Source: REIT-able Space in India, March 2017 by KPMG, Knight Frank India, Hariani & Co and NAREDCO*). As a percentage of GDP, India's gross savings was 30% in 2017 (*Source: World Bank, World Development Indicators, November 14, 2018*).

Increase in Mid-Income Households: In 2017, India's household final consumption expenditure (at current US$) was US$ 1.56 trillion, growing at a CAGR of 8.7% from US$ 0.68 trillion in 2007, and constituted approximately 70% of India's GDP (*Source: World Bank, World Development Indicators, April 24, 2019*). The middle-class population in India has doubled from 300 million to 600 million between 2004 and 2012, according to data from the World Economic Forum, and is likely to overtake that of the U.S. and China by 2027.

Increasing Penetration of Mortgages: In 2018, India's GDP (at current US$) was US$ 2.61 trillion (*Source: International Monetary Fund*). Outstanding housing loans as a percentage of the GDP increased from 1.8% in the financial year 1997 to 9.7% in the financial year 2017, while outstanding housing loans have grown from less than ₹3 trillion in the financial year 1997 to more than ₹14.5 trillion in the financial year 2017 (*Source: National Housing Bank, Report on Trend and Progress of Housing in India, 2017*). The housing finance market in the country is expected to grow annually at an average of over 18% in the period between 2017 and 2022 (*Source: National Housing Bank, Report on Trend and Progress of Housing in India, 2017*).

Key Structural Reforms in the Indian Real Estate Market

The enactment of the Real Estate (Regulation and Development) Act, 2016, as amended ("**RERA**") was one of India's biggest and most awaited regulatory reforms with a far-reaching impact on the real estate sector (*Source: JLL, Traversing Through the Epic, Predicting the Curve, 2018*). In addition, the Government of India's "Housing for All by 2022" initiative to address the significant shortage in urban housing is also expected to contribute positively to the real estate market in the long term (*Source: Knight Frank, India Real Estate, Residential and Office, July to December 2018*).

Real Estate (Regulation and Development) Act, 2016

The Indian real estate sector has been historically unregulated and has faced delayed project deliveries and difficulties in dispute resolution. To safeguard consumers' interests, the Government of India introduced RERA to regulate the real estate industry and to ensure, among other things, the imposition on real estate developers of certain responsibilities and accountability toward customers, as well as the protection of customer interests (*Source: Real Estate (Regulation and Development) Act, 2016)*. Key aspects of RERA are described below:

- mandatory public disclosure of status of approvals required for the relevant project, construction progress, status of bookings and certain other information, as prescribed, which will increase transparency, bring financial discipline and increase consumer interest;
- a grievance resolution platform;
- penalties for developers for delays in delivering possession of units;
- mandatory registration requirement for the brokers; and
- restrictions on utilization of collection proceeds, including requirements for utilization of project collections to be in proportion to the level of construction completed (*Source: Real Estate (Regulation and Development) Act, 2016)*.

With the implementation of RERA, smaller developers with poor corporate governance and financial management practices are unlikely to thrive in the longer run. Further, the implementation of RERA is likely to lead to consolidation in the real estate market with larger developers tying up with smaller developers through joint developments, development management arrangements or the outright sale of land parcels *(Source: JLL, Traversing Through the Epic, Predicting the Curve, 2018).*

Affordable Housing Growth Trends

The Ministry of Housing and Urban Poverty Alleviation, Government of India, estimated a housing shortage of 18.78 million houses to occur during the 12th Five Year Plan (from January 1, 2012 to December 31, 2017), which is projected to increase to approximately 20 million units by 2022 (*Source: Ministry of Housing and Urban Affairs*). However, with improving affordability (stable property prices, steady income growth, lower mortgage rates and increased avenues for availing housing loans) and Government support (Pradhan Mantri Awas Yojana incentives, the Government's target to build 50 million houses over five years and the use of Employees' Provident Fund Organization corpus for funding the purchase of homes), affordable housing is expected to grow further.

<u>Pradhan Mantri Awas Yojana</u>*:* The Pradhan Mantri Awas Yojana ("**PMAY"**) initiative was launched with the objective to promote affordable housing for all. It is being implemented between January 1, 2015 and December 31, 2022 and is providing central assistance to urban local bodies and other implementing agencies through states and union territories. The key features of the scheme are:

Increasing Land Availability: The scheme envisages using land as a resource with private participation. Additional floor space index, floor area ratio and transfer of developments rights will be provided to developers in order to make the project financially viable.

Incentives to Developers: The Government has launched affordable housing in partnership to provide financial assistance of ₹ 150,000 per economically weaker section ("**EWS"**) house for all EWS houses being built in partnerships with states, union territories and cities, subject to affordable housing projects having at least 250 houses and at least 35% of the houses being for the EWS category. The Government has accorded the 'Infrastructure Status' to affordable housing projects, which is expected to lower cost of funds for developers. In addition, the Finance Bill 2016 introduced Section 80-IBA, which provides a 100% income tax deduction in respect of the profits and gains derived from developing and building housing projects subject to certain conditions (*Source: Finance Bill, 2016*).

Incentives to Customers: The Credit Linked Subsidy Scheme ("**CLSS**") is being implemented as a Central Sector Scheme, which provides interest subsidies on home loans taken by eligible urban poor and middle-income group ("**MIG**") households for the acquisition or construction of a house. CLSS also supports the acquisition and construction of houses (including repurchase) with certain caps on carpet areas under each category of beneficiary (*Source: Ministry of Housing and Urban Affairs*). The Government has reduced the GST rate on affordable housing projects to 1% (without input tax credit) from an effective rate of 8% (with input tax credit) and on housing projects other than affordable housing to 5% (without input tax credit) from an effective rate of 12% (with input tax credit) (*Source: GST Council*). It has also reduced the holding period for computing long term capital gains on the sale of property to two years, from three years (*Source: Finance Bill, 2017*).

Residential Real Estate Market in India

The residential markets in India are slowly witnessing a revival following the slowdown witnessed in 2017 and 2016. This has been on account of the uncertainty regarding implications of the RERA and the GST gradually settling. The Government's policy push to affordable housing is helping this segment gain traction (*Source: JLL – Future of India Real Estate - Deciphering the mid-term perspective (September 2018*)).

During the last four years, the relatively low growth in residential prices compared to retail inflation growth has significantly improved home affordability. Average ticket sizes of housing units in most cities (other than Mumbai) are now closer to or below the Knight Frank Affordability Benchmark of 4.5 times the annual household income of the city (*Source: Knight Frank, India Real Estate, Residential and Office, July to December 2018*).

The following table shows the ratio of house prices to income in certain cities:

Affordability Matrix - House Price to Income Ratio		
City	**2010**	**2018**
Mumbai	11.0	7.2
NCR	6.0	5.0
Bengaluru	5.6	4.0
Pune	4.6	2.6
Chennai	5.4	4.1
Hyderabad	5.7	4.9
Kolkata	5.7	3.0
Ahmedabad	4.3	3.3

Note: Knight Frank Affordability Benchmark is 4.5 times household income

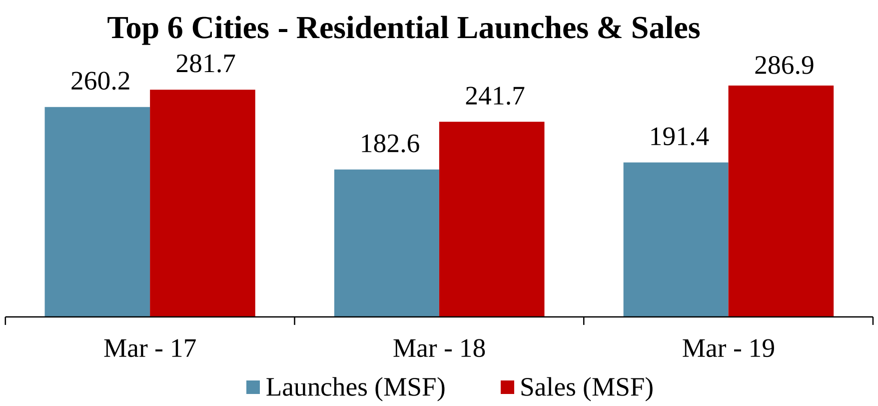
(Source: Knight Frank, India Real Estate, Residential and Office, July to December 2018)

Along with other measures such as reduction in unit sizes across cities, the improvement in affordability is expected to improve demand of the residential real estate in India (*Source: Knight Frank, India Real Estate, Residential and Office, July to December 2018*).

Supply and Absorption Trends

The residential real estate sector has seen higher sales as compared to launches in the financial years 2017, 2018 and 2019 (*Source: PropEquity*).

The following chart shows the new launches and the absorption trend in the Indian residential real estate sector for the top six cities of MMR, NCR, Bengaluru, Chennai, Pune and Kolkata:

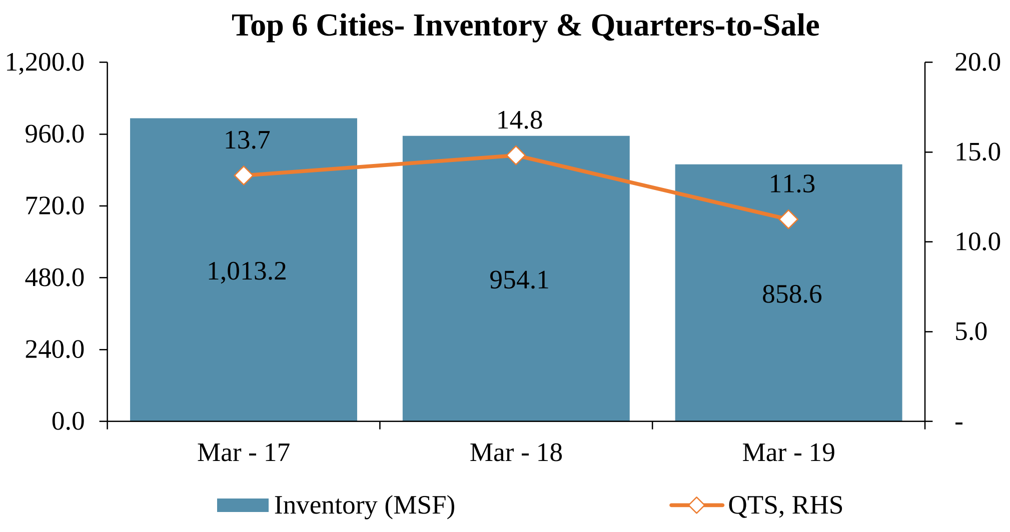


(*Source: PropEquity)*

Unsold Inventory

Demonetization, followed by the introduction of RERA and the implementation of GST, led to a reduction in new launches in the financial years 2017, 2018 and 2019. However, as a result of higher absorption, the inventory level in the top six cities has reduced from 1,013.2 million square feet ("**msf**") as of March 31, 2017 to 954.1 msf as of March 31, 2018 and further to 858.6 msf as of March 31, 2019 (*Source: PropEquity*).

The following chart shows the inventory level and the inventory (in terms of quarters to sell) in the Indian residential real estate sector for the top six cities of MMR, NCR, Bengaluru, Chennai, Pune and Kolkata:



(Source: PropEquity)

City Wise Overview of the Residential Real Estate Market

Overview of Residential Real Estate Market in Mumbai Metropolitan Region

The MMR is spread over an area of 4,355 sq. km, comprising 458 sq. km of Mumbai City and the rest covering regions in the Thane, Palghar and Raigad districts. The population of Mumbai increased, at a growth rate of 3.9%, from 11.9 million in 2001 to 12.4 million in 2011. However, the growth rate for the MMR was much higher, at 17.8%, taking the population from 19.3 million in 2001 to 22.8 million in 2011 (*Source: Residential Investment Advisory Report, Knight Frank Research Report, 2016 ("**Knight Frank Residential Report**")*).

The MMR witnessed strong growth in launches in 2018, as compared to 2017, on account of temporary lifting of the construction ban in Brihanmumbai Municipal Corporation ("**BMC**") region, low base effect created by the disturbances of demonetization, RERA and GST, launch of smaller units with lower ticket size to cater to market demand and large scale affordable housing projects being undertaken in the peripheral suburbs. The launches grew by 413% year-on-year during the second half of 2018 and by 220% year-on-year in 2018 (*Source: Knight Frank, India Real Estate, Residential and Office, July to December 2018).*

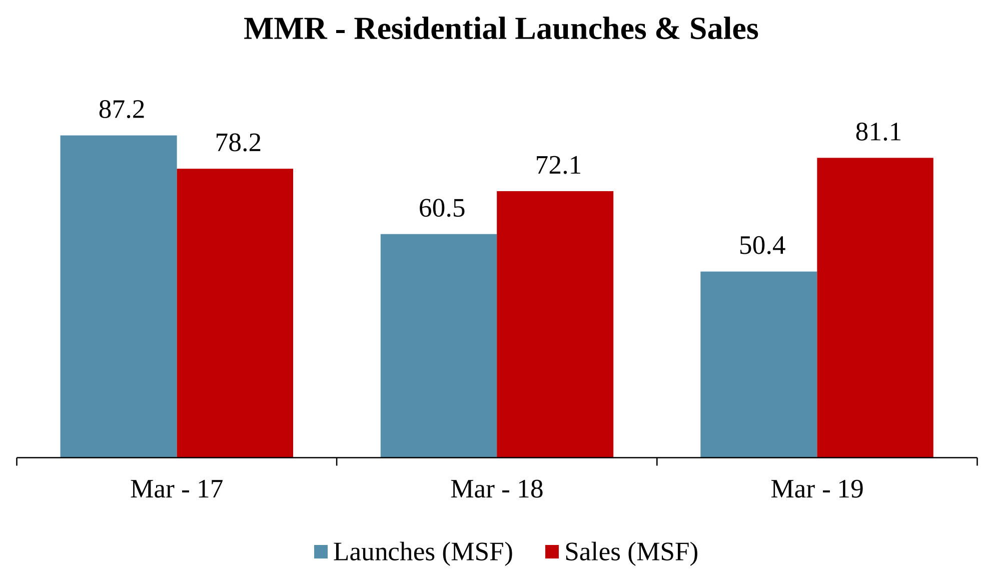
Affordable houses continued to drive sales in MMR. Sales in the relatively affordable markets of MMR – Thane, peripheral central suburbs and peripheral western suburbs grew by 7% year-on-year, 6% year-on-year and 6% year-on-year, respectively during the second half of 2018. However, sales in the pricier BMC markets grew only by 1% year-on-year in the same period. A slew of new launches in these markets at lower ticket sizes, price cuts by developers, the large latent demand and on-going work on infrastructure projects have helped drive sales in this micro-market (*Source: Knight Frank, India Real Estate, Residential and Office, July to December 2018).*

Supply and Absorption Trends

The MMR witnessed strong growth in the number of launches in 2018, as compared to 2017. A strong momentum in launches is expected in the first half of 2019 as well, since a large number of developers are expediting the process of taking approvals of new project launches and are preparing a launch pipeline for the next 6 to 12 months (*Source: Knight Frank, India Real Estate, Residential and Office, July to December 2018)*.

Absorption has continuously been higher than supply during the financial years 2018 and 2019 (*Source: PropEquity*).

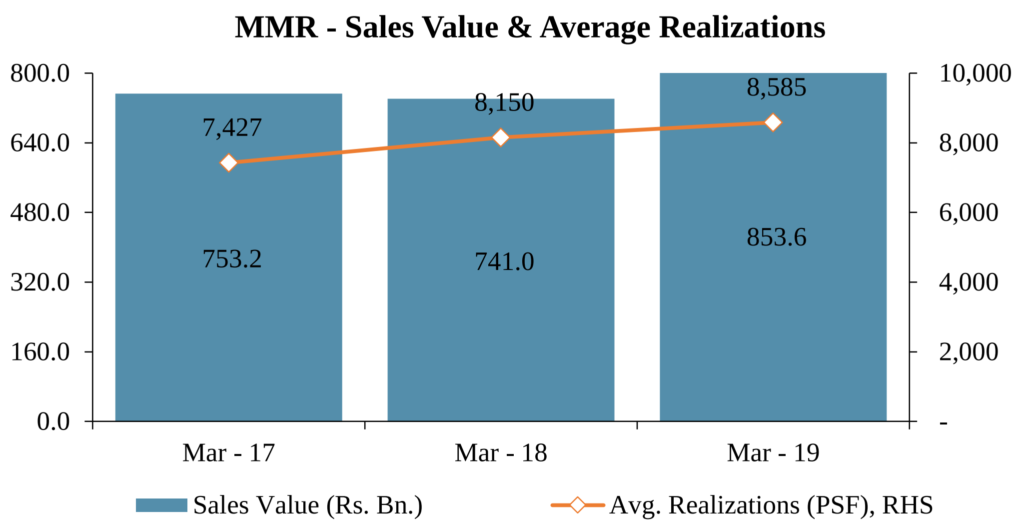
The following chart shows the residential launches and sales in the residential market in the MMR:



(Source: PropEquity)

The average realization has increased from ₹7,427 per square feet ("**psf**") as of March 31, 2017 to ₹8,585 psf as of March 31, 2019 (*Source: PropEquity*).

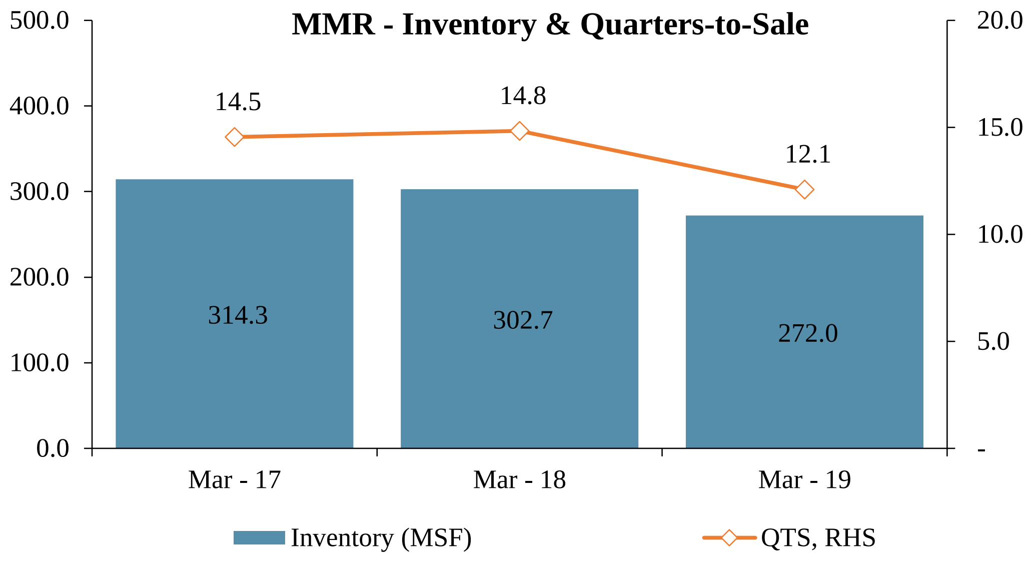
The following chart shows the sale values and average realizations in the residential market in the MMR:



(Source: PropEquity)

The inventory has marginally declined from 314.3 msf as of March 31, 2017 to 302.7 msf as of March 31, 2018 and further to 272.0 msf as of March 31, 2019 on account of high absorption levels. Inventory (in terms of quarters to sell) has also dropped from 14.8 quarters in March 2018 to 12.1 quarters in March 2019 (*Source: PropEquity*).

The following chart shows the inventory (in msf) and quarters to sell in the residential real estate market in the MMR:



(Source: PropEquity)

Overview of Residential Real Estate Market in National Capital Region

The National Capital Region ("**NCR**") is spread over 43,374 sq. km, making it one of the largest urban agglomerations in the world. NCR consists of the entire National Capital Territory ("**NCT**") of Delhi, as well as select districts from the neighboring states of Haryana, Rajasthan and Uttar Pradesh. Over the last few years, peripheral towns such as Gurugram, Noida, Greater Noida, Ghaziabad and Faridabad have emerged as decentralization nodes for economic activities and as residential alternatives for the growing population base (*Source: Knight Frank Residential Report*).

The NCR region witnessed 3.6% annual rise in population during the decade 2001 to 2011, taking the total population to 52.60 million, of which 59% is urban. The prominence of the main urban centres can be derived from the fact that of the total 31 million urban population of NCR, 74% is constituted by urban centres, namely the NCT of Delhi, Gurgaon, Faridabad, Ghaziabad and Gautam Budh Nagar (Noida and Greater Noida) (*Source: Knight Frank Residential Report*).

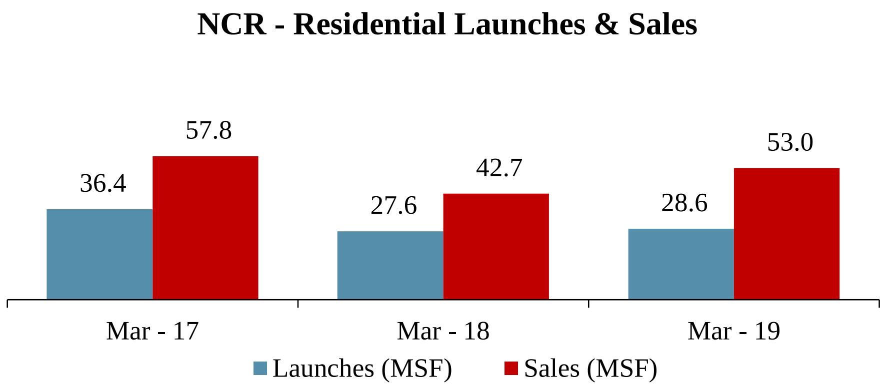
The NCR economy is driven by multiple industries, primarily manufacturing, Information Technology ("**IT**") and Information Technology Enabled Services ("**ITeS**"), small and medium enterprises, banking and financial services, and consulting. As the national capital, Delhi attracts the banking, financial services and insurance sector, while Faridabad and Ghaziabad are perceived to be manufacturing and industrial towns and Noida and Gurugram are driven by the IT and ITeS sector. However, over the last few years, the IT and ITeS and other services sectors have emerged as the largest employers in NCR, thereby evolving into the biggest drivers of the city's real estate market (*Source: Knight Frank Residential Report*).

2018 has brought a welcome change to the staggering NCR residential market. On one hand the market witnessed cautious and strategic new launches under the watchful eye of RERA, while on the other hand there was a revival in customer demand with sales numbers faring well in 2018, indicating a revival of confidence in the market (*Source: Knight Frank, India Real Estate, Residential and Office, July to December 2018).*

Supply and Absorption Trends

Absorption has continuously been higher than supply during the financial years 2017, 2018 and 2019 on account of cautious and strategic new launches by the developers and a revival in consumer demand (*Source: PropEquity*).

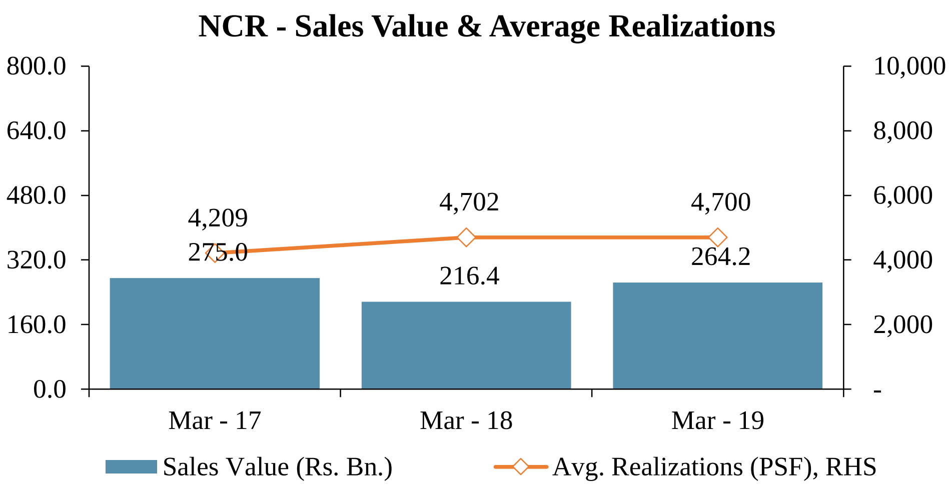
The following chart shows the launches and sales in the residential market in the NCR:



(Source: PropEquity)

The average realization has increased from ₹4,209 psf as of March 31, 2017 to ₹4,700 psf as of March 31, 2019 (*Source: PropEquity*).

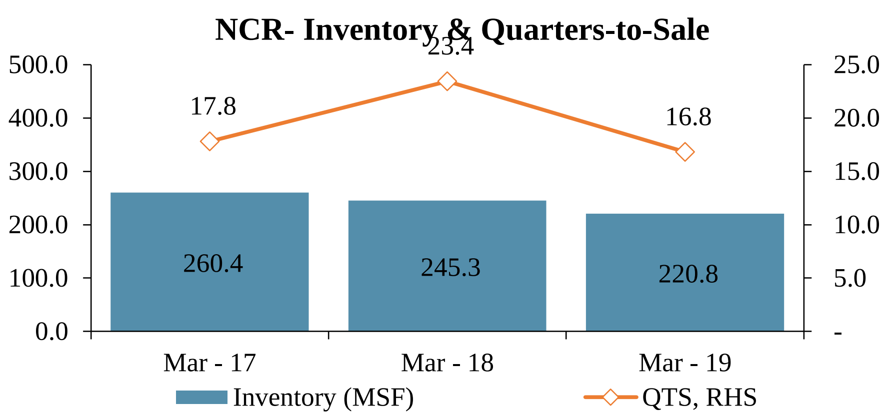
The following chart shows the sale values and average realizations in the residential market in the NCR:



(Source: PropEquity)

The steady pace of sales and cautious new launches have resulted in the marginal decline of inventory from 260.4 msf as of March 31, 2017 to 245.3 msf as of March 31, 2018 and further to 220.8 msf as of March 31, 2019. Inventory (in terms of quarters to sell) has also dropped from 23.4 quarters in March 2018 to 16.8 quarters in March 2019 (*Source: PropEquity*).

The following chart shows the inventory (in msf) and quarters to sell in the residential real estate market in NCR:



(Source: PropEquity)

Overview of Residential Real Estate Market in Bengaluru

Bengaluru is one of the preferred residential destinations in India. With the advent of the IT sector in the region in the recent years, Bengaluru evolved from being a 'Garden City' to the 'Silicon Valley of India'. Presently, it houses the largest number of IT and ITeS companies in the country, as well as numerous Government-promoted public sector companies, including defense, aerospace and biotechnology (*Source: Knight Frank Residential Report*).

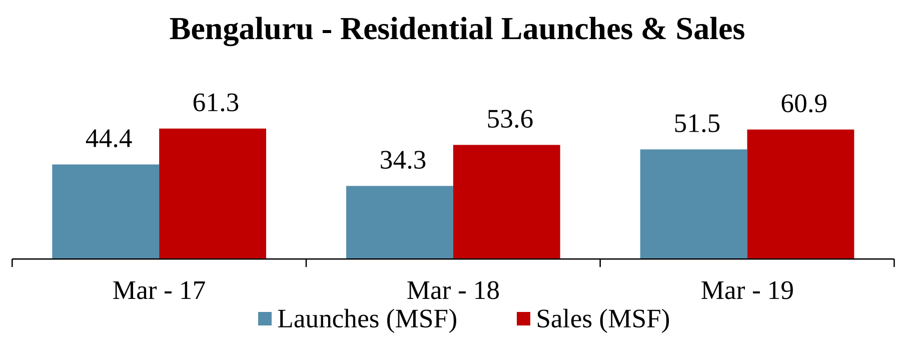
Bengaluru is the third most populous city of India. The Bengaluru urban agglomeration, known as the Bengaluru Metropolitan Region, comprises Bengaluru urban district, Bengaluru rural district and Ramanagara district. During the last decade (2001 to 2011), the population growth has been at an annual rate of 3.9% in the Bengaluru Metropolitan Region, taking it to 9.62 million in 2011, which can be attributed primarily to the influx of IT and ITeS employees in the city (*Source: Knight Frank Residential Report*).

In 2018, Bengaluru's residential real estate market surpassed the short-term challenges associated with the implementation of the Karnataka Real Estate Regulation and Development Act, 2017 and GST and bounced back with vibrancy. The policy changes have resulted in the positive transition of the residential real estate market into a transparent and efficient sector where latent demand has started translating into healthy sales volume (*Source: Knight Frank, India Real Estate, Residential and Office, July to December 2018).*

Supply and Absorption Trends

Absorption has continuously been higher than supply during the financial years 2017, 2018 and 2019 on account of policy changes, including RERA and GST. (*Source: PropEquity*).

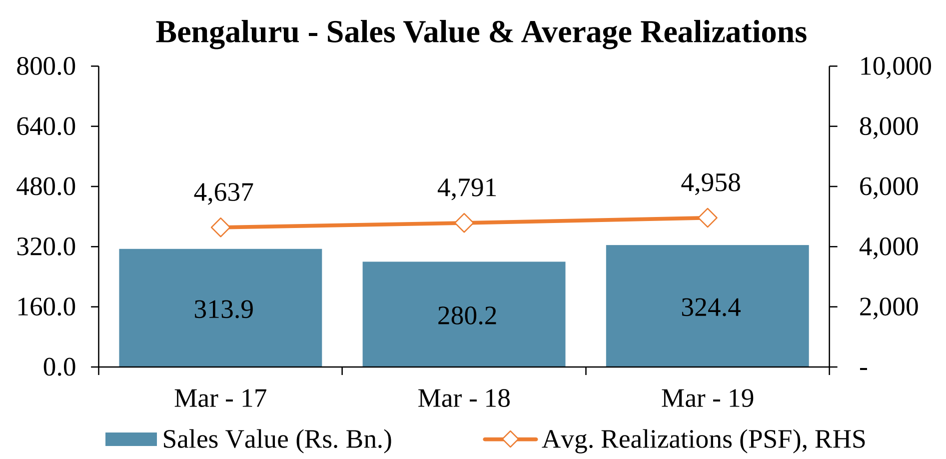
The following chart shows the residential launches and sales in the residential market in Bengaluru:



(Source: PropEquity)

The average realization has increased from ₹4,637 psf as of March 31, 2017 to ₹4,958 psf as of March 31, 2019 (*Source: PropEquity*).

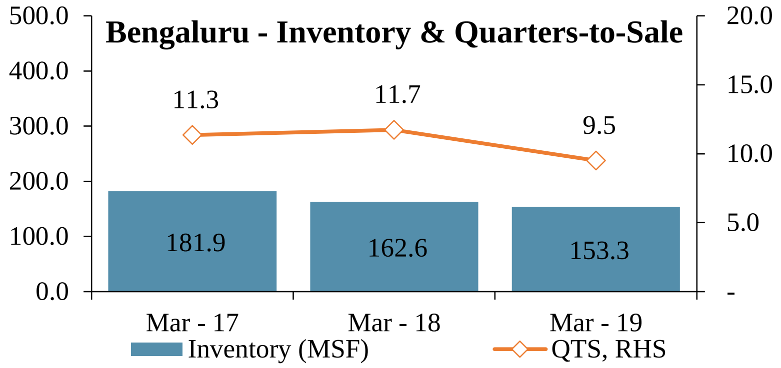
The following chart shows the sale values and average realizations in the residential market in Bengaluru:



(Source: PropEquity)

The inventory has marginally declined from 181.9 msf as of March 31, 2017 to 162.6 msf as of March 31, 2018 and further to 153.3 msf as of March 31, 2019 on account of high absorption level of residential projects. Inventory (in terms of quarters to sell) has also dropped from 11.7 quarters in March 2018 to 9.5 quarters in March 2019 (*Source: PropEquity*).

The following chart shows the inventory (in msf) and quarters to sell in the residential real estate market in Bengaluru:



(Source: PropEquity)

Overview of Residential Real Estate Market in Pune

Pune's urban agglomeration, also known as the Pune Metropolitan Region, is spread over 3,500 sq. km and consists of the Pune Municipal Corporation, Pimpri Chinchwad Municipal Corporation, Pune Cantonment and Kirkee Cantonment. According to Census 2011, the total population of the Pune Metropolitan Region is 5.75 million (*Source: Knight Frank Residential Report*).

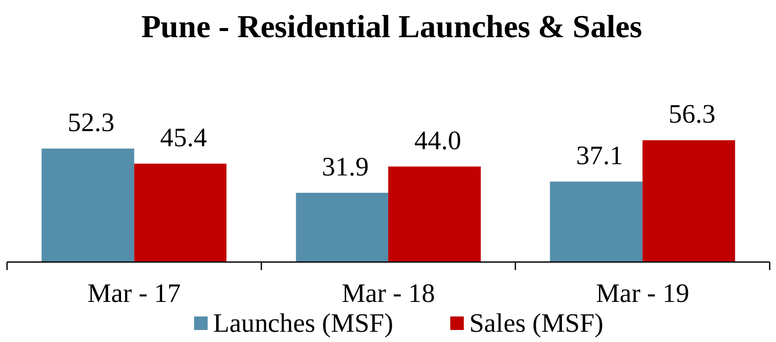
Historically, the manufacturing sector has been the largest contributor to employment generation, with the engineering, automobile and auto ancillary sectors dominating it. However, over the last 15 years, the IT and ITeS sector has emerged as the largest employer in the city, and consequently, emerging as the biggest driver of the city's real estate market. Going forward, the IT and ITeS sector will continue to dominate the office space landscape in Pune. Factors such as affordable office rents, the availability of a talent pool, favourable state government policies and a conducive business environment will continue to attract IT and ITeS sector occupiers to the city (*Source: Knight Frank Residential Report*).

Pune residential real estate market witnessed strong growth in launches in 2019. The launches grew 33.2% year-on-year during the second half of the financial year 2019 and by 10.8% year-on-year in the financial year 2019 (*Source: PropEquity*).

Supply and Absorption Trends

Several policy level changes, including demonetization, RERA and GST, hindered the flow of new supply. Absorption has been higher than supply in the financial years 2018 and 2019 (*Source: PropEquity*).

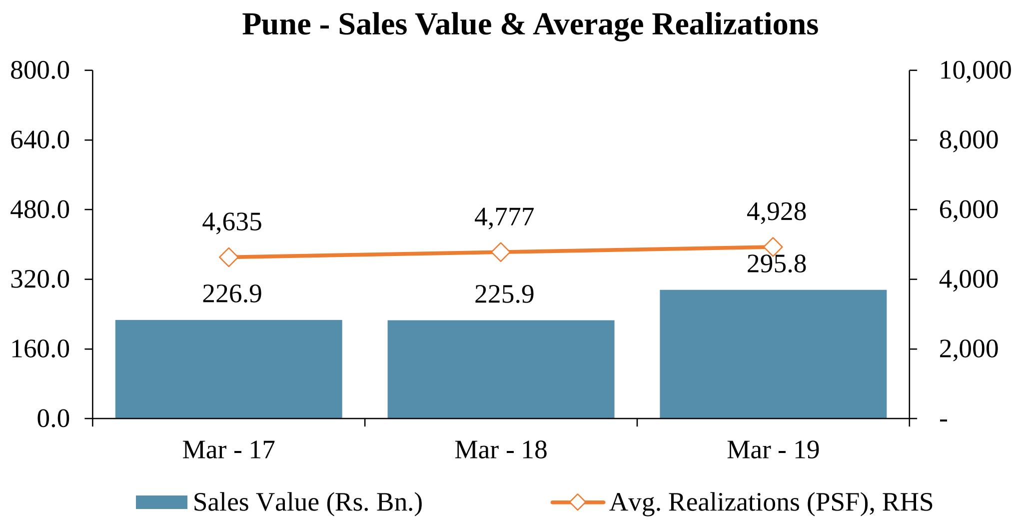
The following chart shows the residential launches and sales in the residential market in Pune:



(Source: PropEquity)

The average realization has increased from ₹4,635 psf as of March 31, 2017 to ₹4,928 psf as of March 31, 2019 (*Source: PropEquity*).

The following chart shows the sale values and average realizations in the residential market in Pune:

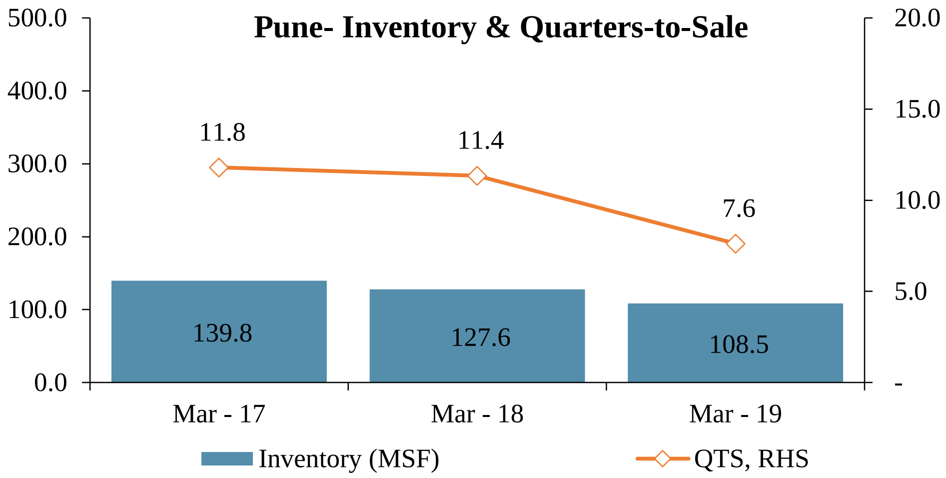


(Source: PropEquity)

Unsold Inventory

Inventory has declined from 139.8 msf as of March 31, 2017 to 127.6 msf as of March 31, 2018 and further to 108.5 msf as of March 31, 2019 on account of delay in launches due to several policy level changes including RERA and GST. Inventory (in terms of quarters to sell) has also dropped from 11.4 quarters in March 2018 to 7.6 quarters in March 2019 (*Source: PropEquity*).

The following chart shows the inventory (in msf) and quarters to sell in the residential real estate market in Pune:



(*Source: PropEquity)*

Overview of Residential Real Estate Market in Chennai

Chennai is the fourth most populous city in India. It is also the most prominent port in South India. Chennai's urban agglomeration, known as the Chennai Metropolitan Region, is spread over 1,189 sq. km and consists of parts of Thiruvallur and Kancheepuram districts, apart from Chennai city. According to Census 2011, the total population of the Chennai Metropolitan Region is 8.7 million. (*Source: Knight Frank Residential Report*).

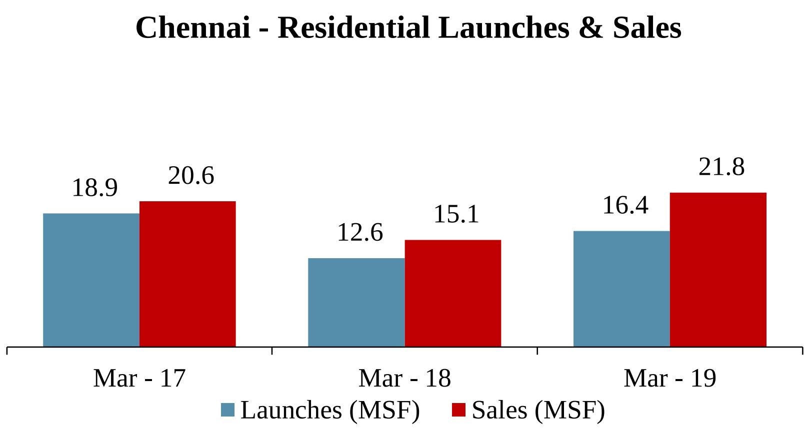
Over the years, a major driver of the Chennai real estate market has been the IT and ITeS and industrial sectors. While in recent times no new businesses are coming to Chennai, the availability of a vast talent pool, favourable state government policies and an improvement in the overall economic landscape are expected to ensure a sustained growth in the IT and ITeS and other services sectors. These sectors are expected to be the largest consumers of office space and the biggest drivers of the Chennai residential real estate market. (*Source: Knight Frank Residential Report*).

2018 has been a year of slow recovery for Chennai residential real estate market. While supply has been low due to the challenges imposed by RERA and GST, there are positive signs of recovery in the near future which come from the large-scale land transactions that happened in 2018 which indicate that developers have already acquired land parcels to launch new projects. On the demand side, there has been a modest growth in sales under two categories, the 3 to 5 million ticket size segment and the ready-to-move-in segment (*Source: Knight Frank, India Real Estate, Residential and Office, July to December 2018).*

Supply and Absorption Trends

While the supply has been low, there is marginal growth in the absorption levels (*Source: PropEquity*).

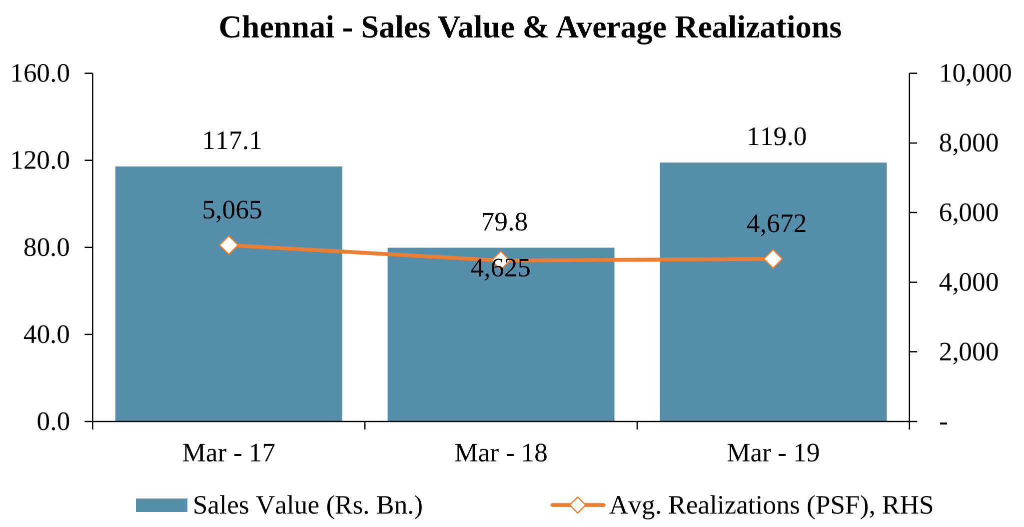
The following chart shows the residential launches and sales in the residential market in Chennai:



(Source: PropEquity)

The average realization has increased from ₹4,625 psf as of March 31, 2018 to ₹4,672 psf as of March 31, 2019 (*Source: PropEquity*).

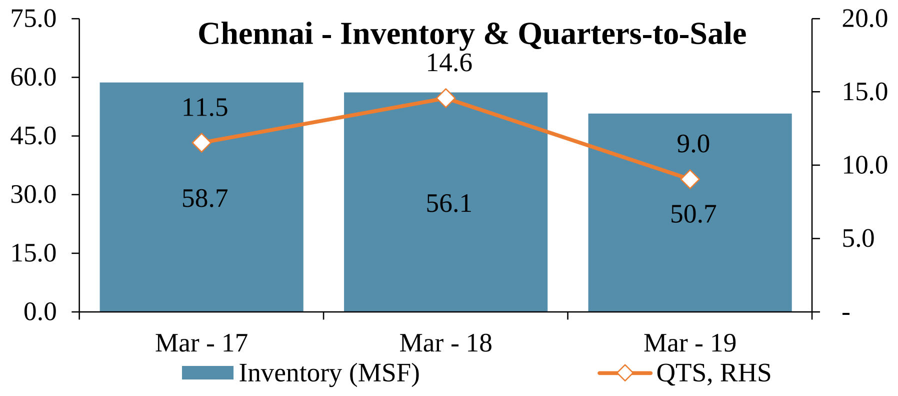
The following chart shows the sale values and average realizations in the residential market in Chennai:



(Source: PropEquity)

The inventory has marginally declined from 58.7 msf as of March 31, 2017 to 56.1 msf as of March 31, 2018 and further to 50.7 msf as of March 31, 2019 on account of slowdown in new launches. Inventory (in terms of quarters to sell) has also dropped from 14.6 quarters as of March 31, 2018 to 9.0 quarters as of March 31, 2019 (*Source: PropEquity*).

The following chart shows the inventory (in msf) and quarters to sell in the residential real estate market in Chennai:



(Source: PropEquity)

Overview of Residential Real Estate Market in Kolkata

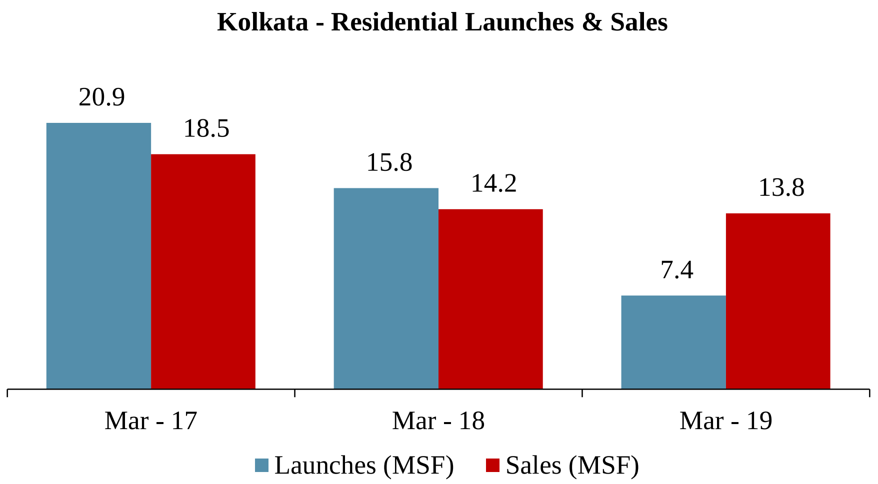
Kolkata is the primary business, commercial and financial hub of eastern India and the primary port of communication for north-east India. It is the third most populous city in India with an estimated population of 14.03 million people in 2019 (*Source: Census of India, 2011*).

2018 witnessed the lowest launches of new residential units over the past three years. In the second half of 2018, residential sales largely remained stagnant with only a 2% increase from the second half of 2017. The primary reason behind low sales velocity is the end-user expectation of price rationalization in quarters to come, so they continue with their 'wait and watch' approach for home buying. Stagnant sales, an oversupplied residential market coupled with a newly set up Housing Industrial Regulatory Authority have forced developers to curtail new launches, which decreased by 9% over the second half of 2017. Absence of a mature office market that can attract service sector occupiers and give a boost to commercial office space consumption is a major factor that has delayed residential sales recovery in Kolkata (*Source: Knight Frank, India Real Estate, Residential and Office, July to December 2018).*

Supply and Absorption Trends

Kolkata has witnessed higher sales as compared to launches in the financial year 2019. (*Source: PropEquity*).

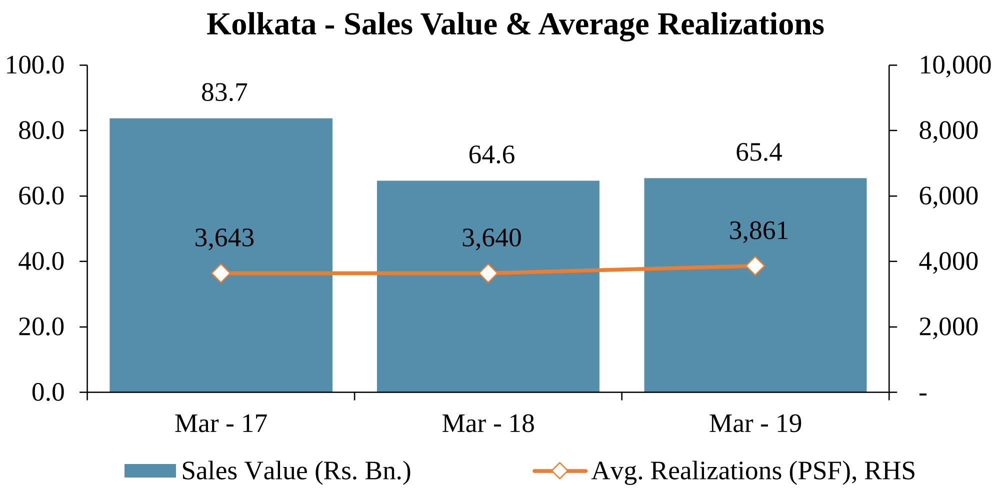
The following chart shows the residential launches and sales in the residential market in Kolkata:



(Source: PropEquity)

The average realization has increased from ₹3,643 psf as of March 31, 2017 to ₹3,861 psf as of March 31, 2019 (*Source: PropEquity*).

The following chart shows the sale values and average realizations in the residential market in Kolkata:

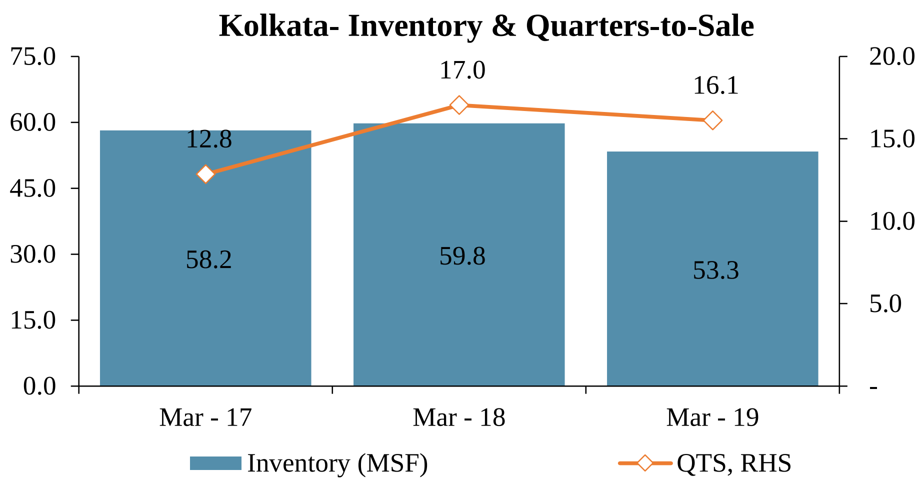


(Source: PropEquity)

Unsold Inventory

Due to the higher number of launches in 2014, inventory overhang has been increasing since then and the prolonged project lifecycle now stands at more than six years (*Source: Knight Frank, India Real Estate, Residential and Office, July to December 2018)*. On the back of curtailed new launches and increased absorption levels, the inventory has marginally declined from 59.8 msf as of March 31, 2018 to 53.3 msf as of March 31, 2019. Inventory (in terms of quarters to sell) has also dropped from 17.0 quarters in March 2018 to 16.1 quarters in March 2019 (*Source: PropEquity*).

The following chart shows the inventory (in msf) and quarters to sell in the residential real estate market in Kolkata:



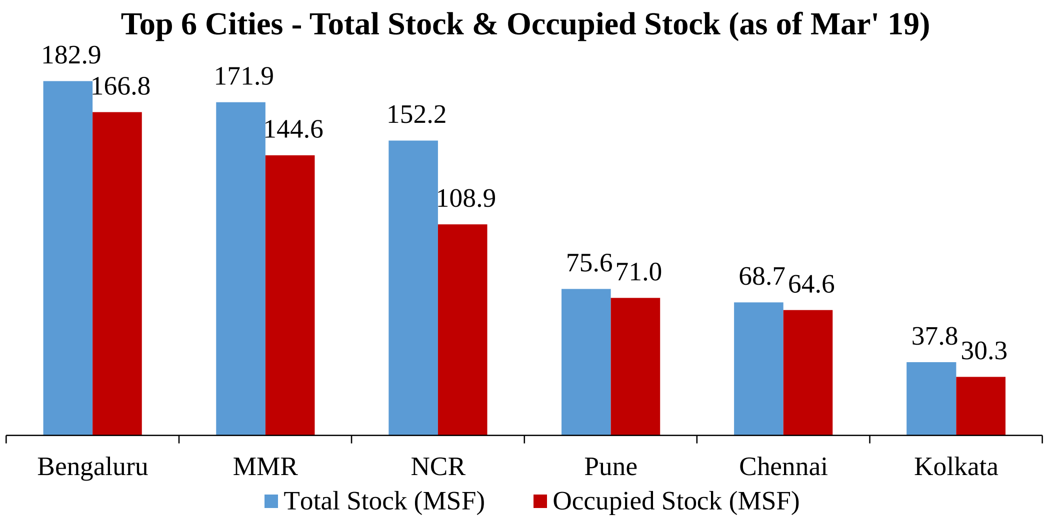
(Source: PropEquity)

Commercial Real Estate Market in India

Indian office markets have shown considerable vibrancy over the past few years and total investments in this asset class have shown an improving trend since 2013. Private equity inflows into commercial and IT real estate during the period between 2014 and September 30, 2018 are 150% higher than the inflows during the previous seven years combined. India's office market is one of the most well-organized office markets in the Asia-Pacific region and the upcoming real estate investment trust structure is likely to help the sector become even more efficient (*Source: JLL – Future of India Real Estate - Deciphering the mid-term perspective (September 2018)*).

The total office stock in India as of March 31, 2019 was approximately 689.1 msf and is primarily concentrated in the top six cities in India.

The following chart shows the city-wise office inventory (in msf) of the top six cities as of March 31, 2019:

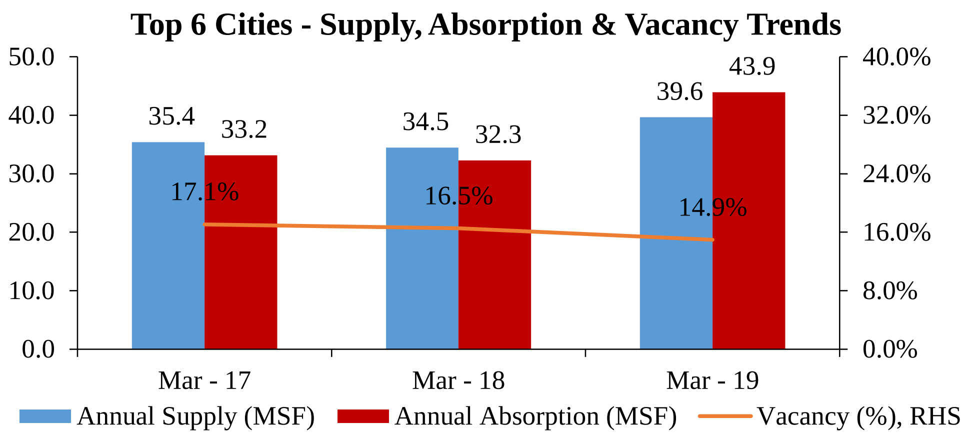


(Source: PropEquity)

The contribution of the IT sector to office absorption was approximately 39% in the first half of the financial year 2018. Large domestic players such as Infosys and TCS, as well as multinationals such as Accenture, Cognizant and IBM, continue to expand across cities. However, flexi space is the need of the hour and many companies prefer this business model as against the traditional offices. Hence, the co-working sector is likely to drive the demand in office markets to a large extent, in the medium term. (*Source: JLL – Future of India Real Estate - Deciphering the mid-term perspective (September 2018)*).

Vacancy has consistently fallen from 17.1% in financial year 2017 to 14.9% in financial year 2019 due to robust absorption.

The following chart shows the supply, absorption and vacancy levels and rates in the Indian office market in the top six cities:



(Source: PropEquity)

Office absorption is likely to rise steadily in the medium term on the back of strong economic fundamentals and positive occupier and investor sentiment. This trend is supported by the healthy levels of pre-commitment of space in under-construction projects during the period between 2018 and 2020. Despite the huge supply that is likely to be delivered during 2018 to 2020, the vacancy rate is anticipated to remain below 15% at a pan-India level (*Source: JLL – Future of India Real Estate - Deciphering the mid-term perspective (September 2018)).*

OUR BUSINESS

Unless otherwise stated, the financial data used in this section has been derived from our audited consolidated financial statements as of and for the financial year ended on March 31, 2019 (including as of and for the financial year ended March 31, 2018 from the restated financial data for such financial year included therein).

Overview

We are one of the leading real estate development companies in India, with a focus on developing residential projects. We currently have real estate development projects in 11 cities in India. We undertake our projects through our in-house team of professionals and by collaborating with entities with domestic and international operations. Our consolidated total income for the financial years 2019 and 2018 (restated) was ₹ 3,221.98 crore and ₹ 2,102.36 crore, respectively. Our consolidated profit after tax for financial years 2019 and 2018 (restated) was ₹ 253.15 crore and ₹ 86.91 crore, respectively. During the financial year 2019, our projects had a booking value of ₹ 5,316 crore and we had 16 new projects and phase launches.

Our Promoters and Promoter Group collectively held 70.81% of our outstanding equity share capital as of June 21, 2019. We are a part of the Godrej group and the real estate business is one of the key growth businesses of the group. We believe that the 'Godrej' brand commands a strong resonance among the populace in India and is associated with trust, quality and reliability. The 'Godrej' brand was valued at $2.4 billion in March, 2019 by Interbrand, a London-based brand consultant.

We believe that we have high standards of corporate governance and an eminent Board of Directors. Our Board and management periodically review our internal policies and business practices and have been instrumental in building our reputation in the real estate sector in India. Being part of the Godrej group and our strong business practices and reputation in the real estate sector in India have enabled us to scale up and become India's largest publicly-listed real estate developer by booking value during the financial years 2015 to 2019 *(Source: PropEquity)*.

We are present in 11 cities (the National Capital Region, Pune, Mumbai, Bengaluru, Kolkata, Ahmedabad, Chandigarh, Chennai, Mangalore, Nagpur and Kochi). We focus primarily on residential projects. Residential projects constituted approximately 94% of our total estimated Saleable Area as of March 31, 2019. In addition, we also have certain commercial projects at various stages of development, which constituted approximately 6% of our total estimated Saleable Area as of March 31, 2019.

The table below provides our estimated Saleable Area for our Ongoing Projects and Forthcoming Projects by city as of March 31, 2019:

City	Estimated Saleable Area* (in million sq. ft)	Number of Projects
NCR	21.40	13
Pune	47.93	13
Mumbai	19.22	21
Bengaluru	25.13	16
Kolkata	4.26	3
Ahmedabad	17.20	1
Others	8.34	6
Total	**143.48**	**73**

**Total estimated Saleable Area, irrespective of the revenue, profit or area sharing arrangement. Saleable Area is management estimates based on initial plans and architectural drawings.*

We have entered into a memorandum of understanding (the "**MoU**"), dated October 4, 2011, with Godrej & Boyce for developing lands owned by them in various regions across India. Under the MoU, for their land in Vikhroli, Mumbai, we are entitled to receive 10.0% of the money received from the sales of units as a development manager fee, while we are required to bear all costs related to the project management, sales and marketing, with the total area of land to be developed pursuant to the MoU not yet determined. Under the MoU, we have been appointed as Development Manager for the projects at land owned by Godrej & Boyce in Vikhroli, Mumbai, such as Godrej Platinum, Godrej G&B Vikhroli (Residential) and G&B Vikhroli (Mixed-use).

We have also entered into a limited liability partnership agreement (the "**LLP Agreement**"), dated July 18, 2011, with Godrej & Boyce for the joint development of Godrej Lawkim, a real estate project in Thane Mumbai. Under the terms of the LLP Agreement, we and the counterparties are required to contribute certain amounts as fixed capital and we are entitled to a 32% share of the partnership profits.

Apart from Godrej & Boyce, we have also entered into a Development Management agreement (the "**DMA**"), dated June 23, 2016, with Godrej Agrovet Limited for the development of a land parcel of approximate 100 acres in Sarjapur, Bengaluru**.** Under the terms of the DMA, we are responsible for providing development management services of managing the execution of the project. Godrej Agrovet Limited is required to pay to us 12.0% of the money received for the sales of units as a development management fee.

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

In some projects, we offer and sell equity interests in project-specific companies to long-term investors. This business model enables us to hold fewer assets, be more capital efficient, achieve higher returns on our investments in the projects and undertake more projects without investing large amounts of capital towards the purchase of land. We are thereby able to limit our risk through project diversification while maintaining significant management control over these projects. As of March 31, 2019, 10 of our projects were being undertaken with long-term equity partners who have invested in project-specific companies. On some of these projects, we have partnered with a residential development financing platform managed by one of our group companies, Godrej Fund Management for third party equity investments in such projects.

Our Strengths

We believe that the following are our principal strengths:

Strong Parentage and Established Brand Name

We are a part of the Godrej group, among India's oldest and most prominent corporate groups. The diversified business interests of the Godrej group includes fast moving consumer goods, advanced engineering, home appliances, furniture, security, agri-care and real estate development, which is one of the key growth businesses of the Godrej group. We believe that the 'Godrej' brand is recognisable in India due to its long established presence in the Indian market, the diversified businesses in which the Godrej group operates and the trust we believe it has developed over the course of its operating history. The 'Godrej' brand has been ranked among the 10 most valuable Indian brands in the Interbrand's Best Indian Brands 2019 study.

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

We are ranked as the most trusted Indian real estate brand by the Brand Trust Report in 2019. In addition, we have received several business awards and recognitions. We won the 'Best Realty Brand 2018-19' by the Economic Times, 'Trusted Real Estate Brand' at the India Best Brand Series and Awards in 2018, 'Builder of the Year' at the CNBC-Awaaz Real Estate Awards in 2018, 'One of India's Top Builders' award at the Construction World Architect and Builder Awards 2018 and 2017, 'Developer of the Year' at the Golden Brick Awards 2018, 'Real Estate Company of the Year' at the Construction Week India Awards in 2018, 'Excellence in Real Estate-India' at Business Excellence Awards 2019 by Corporate Insider and 'India's Greatest Brands 2017-18' in the real estate industry by Asia One – 'Real Estate Industry's Commercial and Residential Properties. In addition, our GPL Design Studio won the 'Best Design Thinking Organization' at the Design Thinking Summit and Awards 2019.

Strong Project Pipeline

As of March 31, 2019, we had a project pipeline of approximately 143.48 million sq. ft. of estimated Saleable Area across 11 cities. As of March 31, 2019, we had 43 Ongoing Projects comprising approximately 71.02 million sq. ft. of estimated Saleable Area and 30 Forthcoming Projects comprising approximately 72.46 million sq. ft. of estimated Saleable Area. During the last three financial years, we added 29 projects with approximately 71.35 million sq. ft. of estimated Saleable Area, of which we added 11 new projects with approximately 30.40 million sq. ft. of estimated Saleable Area during the financial year 2019, including our largest ever deal in the Pune market.

Most of our land parcels are located in four key real estate markets in India, Mumbai, Pune, Bengaluru and the National Capital Region, and include land parcels, which we own directly or indirectly, and land parcels over which we have development rights, either directly or indirectly (through developers in case of development manager agreements), through definitive agreements or memoranda of understanding. These assets provide us with a strong project pipeline to fuel our growth strategy over the next few years.

Track Record of Joint Development Projects

We typically undertake projects through the joint development model and enter into development agreements with land owners to develop their land. These agreements provide us with the development rights to land in exchange for a pre-determined portion of revenues, profits or developable area generated from the project. This model reduces our upfront land-acquisition costs and reduces our risk exposure to the project thereby allowing us to be more capital efficient, achieve higher returns on our investments and expand our project portfolio. We are also able to limit our risk through project diversification while maintaining significant management control over these projects.

As of March 31, 2019, approximately 78% of our total estimated Saleable Area was being undertaken as joint development projects. The scale and number of joint development projects with a number of land owners has strengthened our business development capabilities through our existing relationships with land owners, intermediaries and independent property companies. Our extensive experience entering into innovative deal structures benefitting us as well as the land owners is one of our significant competitive advantages for sourcing land deals in these markets. We intend to continue to build on these strengths to support our growth strategy going forward.

We also undertake the development of projects as a project development manager on a fee basis. In these projects, we have little or no capital investment.

Strong Management, Eminent Board of Directors, Good Corporate Governance Practices and Strong Employee Base

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

We believe that a motivated and empowered employee base is the key to our competitive advantage. Our employee value proposition is based on a strong focus on employee development, an exciting work culture, empowerment and competitive compensation. Continued talent development is a key focus area for us and is implemented through diligently designed talent management processes. We have structured programs for executive education and coaching for senior employees, executive MBA programs, study visits and a variety of customized learning initiatives to support continuous learning and development of our employees. For example, last year, our senior management team, including executive directors, visited China and interacted with some of the leading Chinese developers to understand their growth model, business processes and organization structures that have allowed them to scale up successfully. We believe that the skills and diversity of our employees give us the flexibility and agility to adapt to the future needs of our business. We have been certified by GPTW as "Great Places to Work" in 2019-20, a recognition that reflects the strength of our employee centric culture and human resource practices.

Our Business Strategies

The following are the key elements of our business strategy:

Enhance and Leverage the 'Godrej' Brand and Group Resources

One of our key strengths is our affiliation and relationship with the Godrej group and the strong brand equity generated from the 'Godrej' brand name. We believe that our customers, vendors and members of the financial community perceive the 'Godrej' brand to be that of a trusted provider of quality products and services. The 'Godrej' brand has been ranked among the 10 most valuable Indian brands in the Interbrand's Best Indian Brands 2019 study and our Company was ranked as the most trusted Indian real estate brand by the Brand Trust Report in 2019. We believe the ongoing consolidation in the real estate industry may lead to fewer established and credible players in the market and we intend to continue to enhance and leverage the 'Godrej' brand through strategic branding initiatives, consumer engagement programs and integrated marketing campaigns. In addition, our association with the Godrej group helps us leverage group resources including the land owned by other companies in the Godrej group.

Build Upon Extensive Portfolio of Joint Development Projects and Other Innovative Structures to Optimise Resources

We intend to continue to develop most of our projects through joint development agreements with land owners. We believe that industry developments such as the implementation of The Real Estate (Regulation and Development) Act, 2016 (the "**RERA**") will help in the growth of joint development model in India, as smaller developers may find it difficult to comply with the regulatory requirements and accordingly, look to developers such as our Company, for developing their land assets. The current liquidity environment in the real estate industry also offers opportunities to acquire developable assets at discounted valuation. We believe we are well positioned to benefit from this opportunity by leveraging our existing relationships and established track record with land owners. As of March 31, 2019, we had 52 of our projects under joint development agreements and partnership deeds with several land owners. This provides us a competitive advantage to get access to land assets across high growth markets through innovative structures while maintaining an asset-light portfolio.

As of March 31, 2019, 10 of our projects were being undertaken with long-term equity partners who have invested in project-specific companies. We will continue to explore opportunities to undertake projects with such investors on an ongoing basis. We believe this allows us to remain asset light while enabling us to focus on our key core functions of land sourcing, project execution and marketing as we continue to expand our operations. We also have a residential development financing platform within a group company, Godrej Fund Management, for third party equity investments in residential projects. The platform evaluates investment opportunities in our project-specific companies from time to time, pursuant to which we may enter into definitive agreements for equity contributions for the development of some of our projects.

We will continue to undertake development of projects as a project development manager on a fee basis, as a strategic choice to diversify our portfolio and get access to specific micro markets while remaining asset-light. As of March 31, 2019, 13 of our projects were being undertaken under development manager model. Further, we may, from time to time, enter into definitive agreements pursuant to term sheets, memoranda of understanding with various parties for acquisition of land development rights.

Focus on Developing Residential Projects in Select Regions

We believe that the growth opportunity for real estate development in India will be driven by growing trend of, among other things, urbanization, falling household sizes, increasing working population and increase in mid-income households. These growth drivers would be especially pronounced in Tier 1 cities. Hence, we intend to continue with developing properties in Mumbai, Pune, Bengaluru and the National Capital Region as our growth focus geographies. We already have significant operational presence and a number of projects in these cities and during the financial year 2019, we had achieved booking value of over ₹ 900 crore in each of these four markets. Growth focus on these cities would allow us to better leverage our experience, operational capabilities and relationships for effective and faster expansion of our portfolio. As of March 31, 2019, 75.49% of our estimated Saleable Area comprised residential projects in these four regions.

Focus on Execution to Capitalize on Industry Opportunities

As we target significant growth over next few years to capitalize on industry opportunities, we do recognize the importance of delivering quality projects on a timely basis and ensuring a satisfying customer experience. We intend to continue to scale up the size of our operations and our project teams while focusing on strengthening our execution capabilities. We have grown our employee base from 925 employees as of March 31, 2016 to 1,424 employees as of March 31, 2019. We have delivered approximately 20 million sq. ft. of real estate during the last five financial years, of which we had delivered approximately 3.22 million sq. ft. across Mumbai, Pune, NCR, Kolkata and Chennai during the financial year 2019. We shall continue to build scale and consolidate our leadership in our core markets through focused efforts on sales and marketing, as well as efforts to manage costs efficiently. Selective outsourcing of the development process enables us to undertake more projects and source best-in-class development partners, while optimally utilizing our resources.

We intend to continue to outsource activities such as design, architecture and construction to skilled partners. Our in-house design studio, which has won multiple international awards, collaborates with our design partners for design ideation and translation into documentation and built form. We are working with renowned international and domestic firms across a variety of design services, such as Pelli Clarke Pelli Architects LLP for our projects Godrej One and The Trees, Conran and Partners, Sasaki Associates Ltd, Lighting Design Partnership (LDP) PTY Ltd, One Landscape Design Pte Ltd, KPF and SOM India LLC.

On the construction front, we shall continue to work with renowned domestic contractors such as Larsen & Toubro Limited and Capacite Infraprojects Limited for some of our projects. To meet organization’s objective of scale and faster turnaround, we are in the process of adopting modern methods of construction, including precast and tunnel formwork. We have already implemented the precast construction technology at Godrej Golf Links, our 100 acre development in Noida.

We are also focusing on use of information technology and digital platforms as a lever to support scale and strengthening of our execution capabilities. Most of our internal process are already implemented through robust IT systems. These include SAP for enterprise resource planning, eCRM for customer related processes and Success Factors for managing people processes. We focus on adopting the latest technologies for automation, standardization and data driven decision making so that we are able to scale up efficiently and also improve our agility. We are also investing in our digital capabilities and Digital4U, a new digital platform is in the process of being implemented. It shall allow us to serve customers, sales representatives and channel partners through a mobile app and a web enabled platform. It will also allow us to deliver a consistent, seamless and compelling user experience across regions and channels.

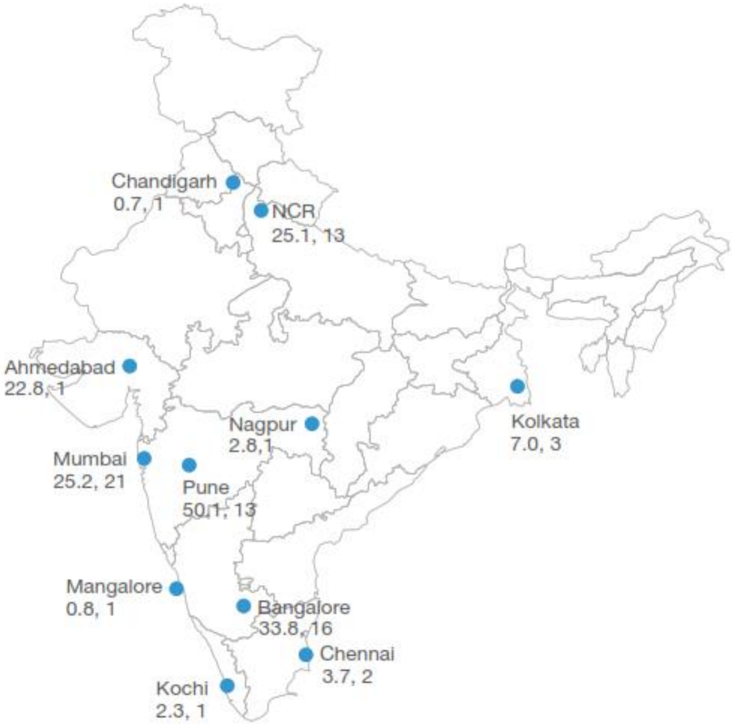
Focus on Sustainable Development

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

We are a member of the Indian Green Building Council, which is actively involved in promoting the green building concept in India with a vision to serve as a single point solutions provider and facilitator for green building activities in India. As part of the International Finance Corporation’s eco-cities program, we are one of the five founding members of the Sustainable Housing Leadership Consortium, whose mandate is to promote sustainable urban development. Each of our new project strives to achieve the minimum level of silver under the rating system specified by IGBC. In addition, our Company was ranked 4th in Asia and 8th globally by the Global Real Estate Sustainability Benchmark 2018. The Godrej Garden City, Ahmedabad project received platinum certification by the Indian Building Council under its Green Residential Society rating in 2017. We have implemented environmentally-friendly building concepts in many of our projects in line with leading global sustainability practices.

Description of Our Business

We have approximately 175 million sq. ft. estimated Developable Area across India. The following map shows the cities in which our Ongoing Projects and Forthcoming Projects are located, as of March 31, 2019:



Note: Total developable area is represented in million sq. ft., along with the number of projects in each city. Map not to scale.

(NCR includes Gurugram, New Gurugram, Noida, Greater Noida)

Ongoing Projects

The following table presents, as of March 31, 2019, the estimated Saleable Area of our Ongoing Projects:

Type of Property	Estimated Saleable Area* (in million sq. ft.)	Percentage of Saleable Area as per Type of Property
Residential Projects	66.54	93.69%
Commercial Projects	4.48	6.31%
Total**	71.02	100%

**Total estimated Saleable Area, irrespective of the revenue, profit or area sharing arrangement. Saleable Area is management estimates based on initial plans and architectural drawings.*

***Includes our mixed-use developments.*

Forthcoming Projects

The following table presents, as of March 31, 2019, the estimated Saleable Area of our Forthcoming Projects:

Type of Property	Estimated Saleable Area* (in million sq. ft.)	Percentage of Saleable Area as per Type of Property
Residential Projects	67.95	93.78%
Commercial Projects	4.51	6.22%
Total**	72.46	100%

**Total estimated Saleable Area, irrespective of the revenue, profit or area sharing arrangement. Saleable Area is management estimates based on initial plans and architectural drawings.*

***Includes our mixed-use developments.*

Our Residential Projects

Our residential projects are primarily designed for the higher end to mid-level range of the real estate market and are designed with a variety of amenities such as security systems, sports and recreational facilities, play areas and electricity back-up.

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

Project Name	Location	Estimated Saleable Area* (in million sq. ft.)	Our Economic Interest
Our Residential Ongoing Projects			
Godrej Garden City[1]	Ahmedabad	14.80	Phase I to IV: Area Based – 73.6% Phase V : Revenue Based – 67.6% Phase VI onwards - 17% of Revenue
Godrej E-City	Bengaluru	0.09	DM Fee – 11% of Revenue
Godrej United	Bengaluru	1.00	DM Fee – 11% of Revenue
Godrej Reflections	Bengaluru	1.00	GPL holds 20% equity in the project specific company
Godrej Eternity	Bengaluru	1.10	GPL holds 25.1% equity in the project specific company
Godrej Air	Bengaluru	0.85	Profit Sharing – 50%
Godrej Avenues	Bengaluru	0.75	Profit Sharing – 34%
Godrej Platinum	Bengaluru	0.04	100% owned project
Godrej Gold County	Bengaluru	0.12	Revenue Based – 63%
Godrej Aqua	Bengaluru	0.80	Area Based – 90%
Godrej Reserve	Bengaluru	2.15	Profit Sharing – 21.7%
Godrej Palm Grove	Chennai	1.93	Area Based – 70% (for 12.57 acres), 68% (for 4.82 acres)
Godrej Azure	Chennai	0.70	Profit Sharing – 37%
Godrej Summit	Gurugram	0.11	Area Based – 65%
Godrej Aria	Gurugram	0.69	Revenue Based – 65% (GPL owns 25.1% of equity in the project specific company)
Godrej 101	Gurugram	1.00	Revenue Based – 65% (GPL owns 25.1% of equity in the project specific company)
Godrej Oasis	Gurugram	0.15	Profit Sharing – 38%
Godrej Icon	Gurugram	0.70	Profit Sharing – 38%
Godrej Nature+	Gurugram	1.70	Profit Sharing – 40%
Godrej Air	New Gurugram	1.05	Profit Sharing – 37.5%
Godrej Meridien	Gurugram	1.50	GPL owns 20% equity in project specific company
Godrej Habitat	Gurugram	0.75	Revenue Sharing 95%
Godrej Prakriti	Kolkata	0.69	100% Owned Project
Godrej Alpine (Mixed Use)	Mangalore	0.64	Area Based for residential area – 71.5%
Godrej Central	Mumbai	0.09	Revenue Based 87.5%
Godrej Platinum	Mumbai	0.15	DM Fee – 10% of Revenue
Godrej Emerald	Mumbai	1.35	Revenue Based – 64% (GPL holds 20% equity in the project specific company)
Godrej Vihaa	Mumbai	1.30	DM Fee – 10% of revenue
Godrej City	Mumbai	4.30	Profit Based - 35% with upside promote to JV partner above ₹ 1,000 GPL PBT per sq.ft.
The Trees (Mixed Use)	Mumbai	0.70	100% owned project
Godrej Sky	Mumbai	0.30	DM Fee ₹ 50 crore, with upside promote to GPL above certain price threshold
Godrej Prime	Mumbai	0.75	91.0% Revenue Sharing (GPL owns 51% of equity in the project specific company)
Godrej Tranquil	Mumbai	1.00	DM Fee – 11% of revenue
Godrej Edenwoods	Mumbai	0.03	Profit Based – 50% (from 85% of revenue for this project)
Godrej Alive	Mumbai	2.10	DM Fee – 10% of revenue
Godrej Anandam	Nagpur	2.17	PMC Fee Rs 400/sq. ft. for 7.7 lac sq. ft. Revenue Based agreement for remaining area : First 1 million sq. ft. 62% (GPL) & next 1 million sq. ft. 57% (GPL)
Godrej Nest	Noida	4.00	DM Fee – 11% of revenue
Godrej Golf Links	Greater Noida	4.00	Profit Share - 40%
Godrej Infinity	Pune	2.80	Profit Sharing – 35%
Godrej 24	Pune	1.70	Revenue Based 96% (GPL owns 49% equity in project specific company)
Godrej Prana	Pune	0.12	Profit Sharing – 40%
Godrej Greens	Pune	0.87	Profit Sharing – 40%
Godrej Central Park	Pune	4.50	DM- 11% of Revenue & Profit Sharing – 26%
Our Residential Forthcoming Projects			
Devanahalli 1	Bengaluru	5.00	Profit Sharing – 50%
Sarjapur 1	Bengaluru	4.00	DM Fee - 12% of Revenue
Tumkur Road	Bengaluru	0.79	Revenue Based – 78.0%

Project Name	Location	Estimated Saleable Area* (in million sq. ft.)	Our Economic Interest
Sarjapur 3	Bengaluru	4.70	DM Fee – 11% of Revenue
Devanahalli 2	Bengaluru	1.34	Profit Sharing – 55% (for 90% of area)
Electronic City	Bengaluru	1.40	Profit Sharing – 50%
Kochi Project	Kochi	2.24	Revenue Based – 70%
Godrej Seven	Kolkata	3.00	Profit Sharing – 46%
Godrej Park	Mumbai	0.77	Revenue Based – 56.5%
G&B, Vikhroli	Mumbai	0.80	DM Fee – 10% of Revenue
G&B, Vikhroli (Mixed Use)	Mumbai	1.20	DM Fee – 10% of Revenue
G&B Lawkim, Thane	Mumbai	0.27	Profit Based – 32%
Godrej Links	Mumbai	0.19	GPL to construct space for society in lieu of saleable area
Sundar Sangam	Mumbai	0.10	GPL to construct space for society in lieu of saleable area
Bandra	Mumbai	1.10	Revenue Based – 60%
Vashi	Mumbai	0.50	Profit Sharing – 50%
Kavesar, Thane	Mumbai	0.70	GPL holds 20% equity in the project specific company
Godrej Platinum	NCR	0.85	Revenue Based – 52.5%
Noida Expressway	Noida	1.70	DM Fee – 11% of Revenue
Sector 43	Noida	2.20	Profit Sharing – 49%
Bhugaon Township	Pune	9.44	Share in project specific company 11.09%, Development manager fee ₹ 162/sq. ft., Profit sharing if profits exceed certain threshold
Bavdhan	Pune	0.56	Profit Sharing – 45%
Portfolio Deal[2]	Pune	25.00	DM- 12.5% of Revenue & Profit Sharing – 50%

Total estimated Saleable Area, irrespective of the revenue, profit or area sharing arrangement. Saleable Area is management estimates based on initial plans and architectural drawings.

[1]*Godrej Garden City is primarily a residential project with a portion of commercial saleable area.*

[2]*Portfolio deal comprises approximately 8.8 million sq. ft at Hinjewadi, approximately 6.4 million sq. ft at Mahalunge, approximately 4.8 million sq. ft at Manjari, approximately 2.9 million sq. ft at Ahire, approximately 1.7 million sq. ft at Wagholi and approximately 0.5 million sq. ft at Kalyani Nagar.*

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

The Trees, Mumbai

The Trees is our flagship mixed-use project in Vikhroli, Mumbai and is located between the Eastern Express Highway and the LBS Marg. The master plan has been designed by Sasaki Associates. It includes Godrej group's global headquarters, Godrej One, and offers superior residential, hospitality, retail and cultural facilities. We achieved revenue recognition at The Trees – Phase 1 within 32 months of commencement of construction, which was one year ahead of schedule.

Godrej Garden City, Ahmedabad

Godrej Garden City is a self-sufficient township development in Ahmedabad featuring a mix of apartments, shops and offices surrounded by schools, colleges, playgrounds, malls, entertainment centres, hospitals and office spaces. It is located in the northwest region of Ahmedabad, approximately 1.8 kilometres from Sarkhej-Gandhinagar highway and approximately 7 kilometres from the nearest airport.

Godrej Reserve, Bangalore

Godrej Reserve is a forest-themed plotted development project in Devanahalli, Bangalore. It is spread over approximately 92.7 acres, in close proximity to the Kempegowda International Airport and will feature over approximately 6 acres of forest, 2 clubhouses and a host of community parks. The project will feature plots ranging from approximately 111.5 sq. m. to 297 sq. m.

Godrej Golf Links, Noida

Godrej Golf Links is our premium golf-side villaments based project in Noida. It features an internationally designed 9-hole golf course, large central clubhouse with 4 mini cluster clubhouses, a sports arena with sports academy and top of the line security. The project has won safety awards including an international safety award from the British Safety Council. As of

March 31, 2019, our project Exquisite at Godrej Golf Links had total sales at approximately 355,000 sq. ft. with a booking value of ₹ 226 crore.

Further, we have delivered approximately 3.22 million sq. ft. of real estate across Mumbai, Pune, NCR, Kolkata and Chennai during the financial year 2019. Of this, we delivered approximately 0.66 million sq. ft. at our Godrej Central project in Mumbai, approximately 0.63 million sq. ft. at our Godrej Prana project in Pune, approximately 0.50 million sq. ft. at the Trees Phase I in Mumbai, approximately 0.50 million sq. ft. at our Godrej Oasis project in NCR, approximately 0.43 million sq. ft. at our Godrej Prakriti project in Kolkata, approximately 0.30 million sq. ft. at our Godrej Azure project in Chennai and approximately 0.20 million sq. ft. at our Godrej Summit project in NCR.

Our Commercial Projects

Our commercial projects include IT parks, retail space and office complexes. As of March 31, 2019, we have six commercial Ongoing Projects and five commercial Forthcoming Projects (including mixed-use projects).

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

Project Name	Location	Estimated Saleable Area (in million sq. ft.) *	Our Economic Interest
Our Commercial Ongoing Projects			
Godrej Garden City[1]	Ahmedabad	2.40	Phase I to IV: Area Based – 73.6% Phase V : Revenue Based – 67.6% Phase VI onwards - 17% of Revenue
Godrej Eternia	Chandigarh	0.41	Revenue Based – 54%
Godrej Genesis	Kolkata	0.15	Area Based – 62%
Godrej Two	Mumbai	1.16	GPL holds 50% equity in project specific company
The Trees - Hotel & Retail	Mumbai	0.34	100% owned project
Godrej BKC	Mumbai	0.02	Profit Based – 50%
Our Commercial Forthcoming Projects			
Godrej Prakriti[1]	Kolkata	0.42	100% owned project
Godrej Alpine [1]	Mangalore	0.25	Area Based – 71.5% for commercial area
Bhugaon Township[1]	Pune	2.36	Share in project specific company 11.09%, Development manager fee ₹ 162/sq. ft., Profit sharing if profits exceed certain threshold
Godrej Genesis	Pune	0.48	GPL owns 51% of equity in project specific company, Revenue Based 58%
Golf Course Road	Gurugram	1.00	GPL owns 30% of equity in project specific company

***** *Total estimated Saleable Area, irrespective of the revenue, profit or area sharing arrangement. Saleable Area is management estimates based on initial plans and architectural drawings.*

[1] *Godrej Garden City, Godrej Prakriti, Godrej Alpine and Bhugaon Township are primarily residential projects with a portion of commercial saleable area.*

Godrej Two is our upcoming commercial project in Mumbai with an estimated area of 1.16 million sq. ft. It is a part of the larger mixed-use project, The Trees and the second commercial building within the commercial precinct spread over 9.4 acres, that also houses Godrej One, the Godrej group's global headquarters.

Project Booking

The following table provides details of the booking area and booking value for the financial year 2019:

Particulars	Booking Area (In sq. ft.)	Booking Value (₹ in crores)
Residential Projects		
Godrej Central Park, Pune	575,173	316
Godrej Golf Links, NCR	592,164	389
Godrej Aqua, Bangalore	386,899	197
Godrej Habitat, Gurugram	306,220	179
Godrej Reserve, Bangalore	1,171,765	394
Godrej Garden City, Ahmedabad	735,266	247
Godrej Infinity, Pune	406,570	250
Godrej Tranquil, Mumbai	69,301	76
Godrej Nest, NCR	521,248	283
The Trees, Vikhroli	94,125	192

Particulars	Booking Area (In sq. ft.)	Booking Value (₹ in crores)
Others	3,656,795	2608
Total	**8,515,526**	**5,129**
Commercial Projects		
Godrej BKC, Mumbai	26,721	88
Godrej Genesis, Kolkata	196,265	82
Godrej Eternia, Chandigarh	20,898	17
Total	**243,884**	**187**
Grand Total	**8,759,410**	**5,316**

During the financial year 2019, we achieved our highest ever booking value in a financial year of ₹ 5,316 crore, with booking value from new launches of ₹ 3,062 crore and booking value of existing inventory of ₹ 2,254 crore. Our booking value was ₹ 1,627.34 crore for the first half of the financial year 2019 and ₹ 3,688.36 crore for the second half of the financial year 2019.

During the financial year 2019, we had sales in NCR approximately of 2.41 million sq. ft. with a booking value of ₹ 1,482 crore, sales in Mumbai of approximately 1.20 million sq. ft. with a booking value of ₹ 1,301 crore, sales in Bengaluru of approximately 2.37 million sq. ft. with a booking value of ₹ 1,135 crore and sales in Pune of approximately 1.56 million sq. ft. with a booking value of ₹ 905 crore.

In addition, during the financial year 2018, we had a total booking areas of approximately 6,257,284 sq. ft. and a booking value of ₹ 5,083 crore.

Agreements with Godrej Group Companies

We have entered into a memorandum of understanding, dated October 4, 2011, with Godrej & Boyce for developing lands owned by them in various regions across India. The memorandum of understanding does not constitute a definitive agreement for the development of all of the land. Under the MoU, for their land in Vikhroli, Mumbai, we are entitled to receive 10.0% of the money received from the sales of units as a development manager fee, while we are required to bear all costs related to the project management, sales and marketing, with the total area of land to be developed pursuant to the MoU not yet determined. In addition, Godrej & Boyce is also required to pay us for all related statutory levies (excluding monies received towards taxes, other levies, infrastructure provided by Godrej & Boyce and certain other charges and fees) and is responsible for arranging financing, obtaining all necessary development approvals and permissions, performing all construction work and for bearing all costs related to development. As the Development Manager for the lands, we are required to provide our expertise and advice as regards, among other things, FSI/FAR regulations and project feasibility, design and marketing plans. Pursuant to the MoU, we are the Development Manager for Godrej Platinum, G&B Vikhroli (Residential) and G&B Vikhroli (Mixed-use), all located in Vikhroli, Mumbai, with estimated Saleable Area of approximately 0.15 million sq. ft., 0.80 million sq. ft. and 1.20 million sq. ft., respectively.

We have also entered into a limited liability partnership agreement (the "**LLP Agreement**"), dated July 18, 2011, with Godrej & Boyce for the joint development of Godrej Lawkim, a real estate project in Thane Mumbai. Under the terms of the LLP Agreement, we and the counterparties are required to contribute certain amounts as fixed capital and we are entitled to a 32% share of the partnership profits. The balance 68% of the share of partnership profits is for the other partner, Godrej & Boyce.

Apart from Godrej & Boyce, we have also entered into a Development Management agreement (the "**DMA**"), dated June 23, 2016, with Godrej Agrovet Limited for the development of a land parcel of approximate 100 acres in Sarjapur, Bengaluru**.** Under the terms of the DMA, we are responsible for providing development management services of managing the execution of the project. Godrej Agrovet Limited is required to pay to us 12.0% of the money received for the sales of units as a development management fee and is responsible for arranging financing, obtaining all necessary development approvals and permissions, performing all construction work and for bearing all costs related to development.

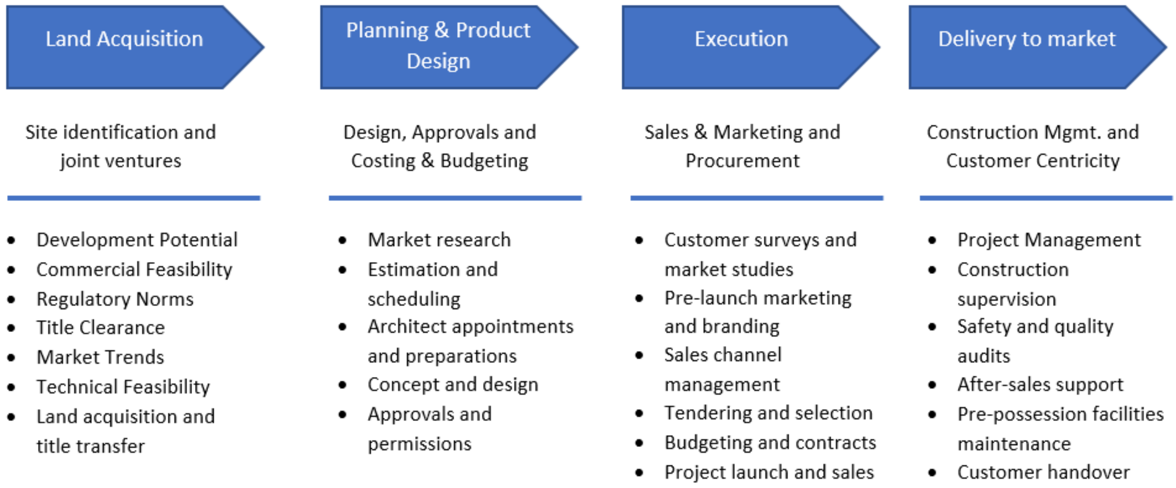
Other Agreements

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

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

Operation Methodology

The following chart illustrates our operation methodology:



Land Acquisition and Development Agreements

We have a dedicated team of professionals in our business development team who handle land acquisition and evaluate opportunities for joint development agreements across various cities. One of the key factors in the identification of suitable lands is the ability to assess the development potential of a location after evaluating the demographic, economic and regulatory factors.

This team closely works with the various property consultants, advisory bodies and local architects and liaises with consultants who provide information regarding the availability of land, development regulations, planned developments and market trends specific to the location. The team also evaluates the land title through independent lawyers. Based on this information, a preliminary feasibility proposal is prepared. Once the title clearance is obtained, based on the feasibility figures, we either acquire the land on an outright basis or enter into a development agreement with the owners.

Project Planning and Execution

The project planning and execution process commences with obtaining the requisite regulatory approvals, environmental clearances and location specific approvals. We develop the project concept based on market studies and customer surveys to identify the area's marketability and target customers. An architectural brief is prepared based on the project concept, which is subsequently finalized with selected architects and other external consultants. Our operations and project management team, along with external consultants, closely monitor the development process, construction quality, actual and estimated project costs and construction schedules. We endeavor to maintain high health and safety standards in all of our real estate developments.

Along with selective acquisition of land parcels in strategic locations, we enter into development agreements with land owners to acquire development rights to their land in exchange for a pre-determined portion of revenues, profits or developable area generated from the projects. To grow our operations and revenues and better manage risk, we, in some projects, offer and sell equity interests in the project-specific companies to long-term investors. This business model enables us to undertake more projects without having to invest large amounts of capital towards purchasing land. We are thereby able to limit our risk through project diversification while maintaining significant management control over our projects.

We engage leading design and engineering, construction and project management companies such as Larsen & Toubro Limited, Capacite Infraprojects Limited, CBRE South Asia Private Limited and GEM Engserv Private Limited for the execution of our projects.

We are committed to meeting certain environmental parameters in site selection and planning, water efficiency, energy efficiency, material and indoor environmental quality. We have undertaken the "Godrej Good & Green" initiative to achieve certain environmental benchmarks by the year 2020 and are committed to ensuring that each of our new developments will be planned in a manner that enables it to receive LEED green building certification.

Sales and Marketing

We employ a variety of marketing approaches depending on whether the project is residential or commercial. These include launch events, corporate presentations, web marketing, direct and indirect marketing, as well as newspaper and outdoor advertising. We prefer to market our projects directly to our customers, although a portion of our sales are made through brokers. Most of the sale bookings are performed on site, although sales are also made at our corporate offices.

We also maintain a database consisting of our existing customers and undertake direct sales efforts through a combination of telephonic marketing and electronic marketing, either centrally from our head office or through our business representatives. We conduct our indirect marketing through our external network of sales associates across India. We also actively participate in real estate exhibitions worldwide. We have three foreign offices – in San Jose, the United States of America, Dubai, United Arab Emirates, and Singapore to increase sales to non-resident Indians. In addition, we leverage our sales through a network of global sales and distribution partners.

We encourage the participation of former buyers or tenants in our new product launches. We begin making sales upon commencement of a project and usually enter into agreements to sell a substantial portion of each project prior to completion. A client servicing team services the customer after the booking process through the transfer of property to the new owner. We have a dedicated team headed by a Chief Customer Officer to focus on attaining customer satisfaction through surveys and gap analysis. We liaise with various banks and housing finance companies to provide our customers with convenient access to finance in order to purchase their apartments.

We have mostly followed the "build and sell" model of developing land and selling our developments to customers. While we anticipate continuing our operations in this manner, we will continue to evaluate other options, such as retaining ownership and leasing out property, based on the asset in question and the prevailing market conditions.

Completion and Hand-over of the Property

We transfer the title or leasehold rights, as the case may be, to the customer upon the completion and closing of the sale of the units. We ensure the entire consideration is paid to us prior to the transfer of title or before possession is handed over, whichever is earlier. After all of the units within a project are sold to the customers, the day-to-day management and control of the property is handed over to the residents' cooperative society. After handing over, we follow-up with customers for feedback on our performance and on the property. This proves helpful in improving our services and standards. We also conduct annual customer satisfaction surveys across our current and past customers to help us deliver a superior customer experience.

Competition

We face competition from regional, national and international property developers. Moreover, as we seek to diversify into new geographies, we face the risk that some of our competitors have a pan-India presence while our other competitors have a strong presence in certain regional markets. Our competitors include both large corporate and small real estate developers. Our key competitors include real estate developers such as Oberoi Realty Limited, Lodha Developers Limited and Sobha Limited.

Our Employees

As of March 31, 2019, we had 1,424 permanent employees. As part of our strategy to improve operational efficiency, we regularly organise in-house and external training programs for our employees. Our permanent employees include personnel engaged in our management, administration, planning, procurement, auditing, finance, business development, sales and marketing and legal functions.

Health, Safety and Environment

We are committed to complying with applicable health, safety and environmental laws and regulations and other requirements in our operations. To help ensure effective implementation of our safety policies and practices, we carry out regular assessments, identify health and safety risks in all aspects of our business operations and adopt proactive control measures for risk mitigation. We believe that accidents and occupational health hazards can be significantly reduced by providing appropriate training to management, employees and sub-contractors and through expert assistance for safe conduct of processes. We have robust health and safety management processes and dedicated safety team at each site, which undertakes awareness and training programs. We seek to continually improve our health and safety procedures by adopting and providing economically viable solutions, adequate resources, process improvements and technology.

In addition, our Company was ranked 4th in Asia and 8th globally by the Global Real Estate Sustainability Benchmark 2018. GRESB is an industry driven organization committed to rigorous and independent evaluation of the sustainability performance of real estate. Its data is used by institutional investors, listed property companies and is backed by leading international real estate associations and industry bodies. It is widely recognized as the global standard for portfolio-level environmental, social and governance reporting and benchmarking in the real estate sector.

Intellectual property

Our Company and Godrej Industries Limited have entered into a deed of assignment, dated June 28, 2013 (the "**Deed of Assignment**") for an assignment of the trademark and logo "Godrej" from Godrej Industries Limited to our Company, with effect from May 27, 2013. By virtue of the Deed of Assignment, the trademark "Godrej" and associated logo is owned by our Company.

Insurance

We maintain project specific insurance coverage with leading insurers in India. Some of the major risks covered in our all-risk policy for our business assets are against risk of fire and burglary. Our project specific insurance policies also generally cover us against material damage, price escalation costs and earthquakes, debris removal limits and third party liability. We have a group term insurance policy for our employees. We also maintain directors and officers liability insurance for indemnification against certain losses such as prosecution costs and damage to reputation. Our insurance policies are subject to certain exclusions.

Properties

Our registered office is located at Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400079.

Corporate Social Responsibility

We have undertaken CSR initiatives in several areas including skill enhancement training for construction and related trades, waste reduction, carbon neutrality and positive water balance We have partnered with NGO Nisarg Vikas and NABARD in Beed, Maharashtra to improve water availability with an intent of raising livelihood of farmers and contributing to overall community development. We also coordinate with government authorities such as the Municipal Corporation of Greater Mumbai for waste management and processing.

ORGANIZATIONAL STRUCTURE

Corporate History

Our company was originally incorporated as Sea Breeze Constructions and Investments Private Limited on February 8, 1985 under the Companies Act, 1956 with the RoC. The name of our Company was changed to Godrej Properties and Investments Private Limited with effect from July 16, 1990 pursuant to a special resolution of the shareholders dated July 2, 1990. In the year 1991, the status of our Company was changed to a deemed public company by deletion of the word "Private" from the name of the Company. Subsequently the status was changed to a public limited company pursuant to a special resolution of the members passed at the extraordinary general meeting on August 1, 2001. Our name was further changed to Godrej Properties Limited with effect from December 10, 2004 pursuant to a special resolution of the members passed at the extraordinary general meeting on November 23, 2004.

The CIN of our Company is L74120MH1985PLC035308 and our Registered Office and Corporate Office is located at Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079, Maharashtra, India.

Organizational Structure

As of the date of this Preliminary Placement Document, we have 26 Subsidiaries, 37 Joint Ventures and one Associate. For further details, see "***Definitions and Abbreviations***" and "***Financial Information***" on pages 17 and 196, respectively.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The composition of the Board is governed by the provisions of the Companies Act, 2013, the rules prescribed thereunder, the SEBI Listing Regulations and the Articles. In accordance with the Articles, our Company shall not have less than three Directors and not more than 16 Directors. Our Company may appoint more than 16 directors after passing a special resolution in a general meeting.

Pursuant to the provisions of the Companies Act, 2013, at least two-thirds of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each AGM. A retiring Director is eligible for re-election. Further, pursuant to the Companies Act, 2013, the Independent Directors may be appointed for a maximum of two consecutive terms of up to five consecutive years each and thereafter have a cooling off period of three years prior to re-appointment. Any re-appointment of Independent Directors shall be on the basis of, *inter alia*, the performance evaluation report and approval by the shareholders of our Company, by way of a special resolution.

The following table sets forth details regarding our Board as of the date of this Preliminary Placement Document:

Name, Address, Occupation, Nationality Term and DIN	Age (in years)	Designation
Jamshyd N. Godrej ***Address***: 40 – D, Ridge Road, Malabar Hill, Mumbai 400 006 ***Occupation:*** Industrialist ***Nationality:*** Indian ***Term:*** Liable to retire by rotation ***DIN***: 00076250	70	Non-Executive Director
Nadir B. Godrej ***Address***: 40 – D, The Trees, B.G. Kher Marg, Malabar Hill, Mumbai 400 006 ***Occupation:*** Industrialist ***Nationality:*** Indian ***Term:*** Liable to retire by rotation ***DIN***: 00066195	67	Non-Executive Director
Pirojsha Godrej ***Address***: Aashraye, Godrej House, 67H, Walkeshwar Road, Mumbai 400 006 ***Occupation:*** Industrialist ***Nationality:*** Indian ***Term:*** For a period of three years with effect from April 1, 2018, liable to retire by rotation ***DIN***: 00432983	38	Executive Chairman
Mohit Malhotra ***Address***: A-109, Sector – 52, Near Indian Coast Guard, Noida 201 307 ***Occupation:*** Service ***Nationality:*** Indian	41	Managing Director and Chief Executive Officer

Name, Address, Occupation, Nationality Term and DIN	Age (in years)	Designation
Term*:* For a period of three years with effect from April 1, 2018 ***DIN***: 07074531		
Keki B. Dadiseth ***Address***: 8A, Manek, L.D. Ruparel Marg, Malabar Hill, Mumbai 400 006 ***Occupation****:* Professional ***Nationality****:* Indian ***Term****:* For a period of five years with effect from August 2, 2014[(1)] ***DIN***: 00052165	73	Independent Director
Lalita D. Gupte ***Address***: Mhaskar Building, 153 – C, Sir Bhalchandra Road, Matunga, Mumbai 400 019 ***Occupation****:* Banker/ Financial expert ***Nationality****:* Indian ***Term****:* For a period of five years with effect from August 2, 2014[(2)] ***DIN***: 00043559	70	Independent Director
Pranay Vakil ***Address***: 701, A Wing, Olympus Apartments, 5C, Altamount Road, Mumbai 400 026 ***Occupation****:* Company director ***Nationality****:* Indian ***Term****:* For a period of five years with effect from August 2, 2014[(3)] ***DIN***: 00433379	72	Independent Director
Amitava Mukherjee ***Address***: 52, Panchsheel, 64 Pali Hill, Nargis Dutta RD, Bandra (West), Mumbai 400 050 ***Occupation****:* Company Director/Investment Banker ***Nationality****:* Indian ***Term****:* For a period of five years with effect from August 2, 2014[(4)] ***DIN***: 00003285	66	Independent Director

[(1)] *Re-appointed for the second time w.e.f. August 2, 2019 till the conclusion of the AGM to be held in the year 2021*

[(2)] *Re-appointed for the second time w.e.f. August 2, 2019 till the conclusion of the AGM to be held in the year 2023.*

[(3)] *Re-appointed for the second time w.e.f. August 2, 2019 till the conclusion of the AGM to be held in the year 2022.*

[(4)] *Re-appointed for the second time w.e.f. August 2, 2019 up to July 31, 2024.*

Brief Biographies of the Directors

Jamshyd N. Godrej is a Non-Executive Director of our Company. He holds a bachelor's degree in mechanical engineering from Illinois Institute of Technology, USA. He is the chairman and managing director of Godrej and Boyce Manufacturing Company Limited. He has been a Director of our Company since 1990.

Nadir B. Godrej is a Non-Executive Director of our Company. He holds a bachelor's degree in science as recommended by the department of chemical engineering from the Massachusetts Institute of Technology, and a master's degree in business administration from Harvard Business School, U.S.A. He has also been conferred upon an honorary doctor of philosophy degree by the Manav Rachna University. He has received the 'CHEMTECH CEW leadership & excellence award' in 2013 and the 'Hall of Fame – Chemicals Award' in 2017. For his contribution to Indo-French relations, the French Government has honoured him with the awards of "Chevalier de l'Ordre National du Mérite" and "Chevalier de la Légion d'Honneur". He has been a Director of our Company since 1990.

Pirojsha Godrej is the Executive Chairman of our Company. He holds a bachelor's degree in science (economics) from the Wharton Business School at the University of Pennsylvania and a master's degree in international affairs from the School of International and Public Affairs (SIPA) at Columbia University. He has received various recognitions in recent years such as the Green Champion Award from the Indian Green Building Council in 2016, Best CEO of the Year at the Construction Times Awards in 2015, Most Influential Leader Award at the World Consulting Research Corporation (WCRC) Leaders Asia - Pride of India and Person of the Year at the GIREM Leadership Awards in 2013. He has been a Director of our Company since 2008.

Mohit Malhotra is the Managing Director and Chief Executive Officer of our Company. He holds a post graduate diploma from the Indian Institute of Management, Calcutta. He has received the India's Most Trusted CEO's Award at the World Consulting Research Corporation (WCRC) Leaders Asia in 2018. He has been associated with our Company in various capacities such as head of business development since 2010.

Keki B. Dadiseth is an Independent Director of our Company. He is a fellow of the Institute of Chartered Accountants in England and Wales. He is currently on the boards of Britannia Industries Limited, Piramal Enterprises Limited, Siemens Limited, JM Financial Limited, Omnicom India Marketing Advisory Services Private Limited, Indian School of Business and JM Financial Services Limited. He has served on the boards of various companies, corporates and institutions, including Omnicom India Marketing Advisory Services Private Limited and Marsh & McLennan Companies, India. He has been a Director of our Company since 2008.

Lalita D. Gupte is an Independent Director of our Company. She holds a B.A. (honours) in economics from University of Delhi and a master's degree in management studies from University of Bombay. She was previously associated with ICICI Bank Limited as joint managing director. She is on the board of several companies such as Vedanta Limited and ICICI Lombard General insurance Company Limited. She has been a Director of our Company since 2008.

Pranay Vakil is an Independent Director of our Company. He has previously been associated with Knight Frank (India) Private Limited as a director. He is currently associated with Deepak Fertilisers and Petrochemicals Corporation Limited, Onward Technologies Limited and Praron Consultancy (India) Private Limited in various capacities. He has been a Director of our Company since 2008.

Amitava Mukherjee is an Independent Director of our Company. He has been previously associated with Ambit Holdings Private Limited and Ambit Private Limited as a director. He has vast experience in investment banking. He is currently associated with Cadila Pharmaceuticals Limited and Impact Foundation. He has been a Director of our Company since 2010.

Relationship with other Directors

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

S. No.	Name of Director	Related to	Nature of relationship
1.	Jamshyd N. Godrej	Nadir B. Godrej	Brother
		Pirojsha Godrej	Nephew
2.	Nadir B. Godrej	Jamshyd N. Godrej	Brother
		Pirojsha A. Godrej	Nephew
3.	Pirojsha A. Godrej	Nadir B. Godrej	Father's brother
		Jamshyd N. Godrej	Father's brother

Borrowing powers of our Board

Our Company has, pursuant to the special resolution passed by the shareholders of our Company dated August 2, 2017, authorised the Board to borrow monies, from time to time, from financial institutions, non-banking finance companies, co-operative banks, investment institutions and their subsidiaries, banks, mutual funds, trusts and other bodies corporate, whether by way of advances, loans issue of debentures/ bonds/ and/ or other instruments or otherwise which together with monies already borrowed by our Company (apart from temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) may exceed the aggregate of our Company's paid-up share capital and free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board and which shall remain outstanding at any given point of time shall not, at any time, exceed the sum of ₹ 27,500 million.

Interest of the Directors

All the Directors may be deemed to be interested to the extent of their shareholding, remuneration, fees and compensation payable to them for attending meetings of our Board or committees thereof, as well as to the extent of reimbursement of expenses, and the Whole-time Directors of our Company may be deemed to be interested to the extent of remuneration paid to them for services rendered.

All of the Directors may also be regarded as interested in any Equity Shares held by them or stock options granted to them and also to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them. All Directors may also be regarded as interested in the Equity Shares held by, or subscribed by and allotted to, the companies, firms, HUFs, and trusts, in which they are interested as directors, members, partners, karta, trustees, etc.

Except as provided in "***Financial Information***" beginning on page 196, and except as disclosed below in this Preliminary Placement Document, our Company has not entered into any contract, agreement or arrangement during the three Fiscals immediately preceding the date of this Preliminary Placement Document, in which any of the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them. For further details on the related party transactions mentioned above, see "***Related Party Transactions***" on page 42.

Other than as disclosed in this Preliminary Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which the Directors are interested. Further, our Company has neither availed of any loans from, nor extended any loans to the Directors which are currently outstanding.

Shareholding of Directors

The following table sets forth the shareholding of the Directors in our Company as on the date of this Preliminary Placement Document:

Name	Number of Equity Shares[#]	Percent of the issued and paid-up Equity Share capital (in %)
Jamshyd N. Godrej	3,986,379*	1.74
Nadir B. Godrej	3,986,391**	1.74
Pirojsha Godrej	1,328,804***	0.58
Lalita D. Gupte	14,000	0.00
Amitava Mukherjee	3,141	0.00
Mohit Malhotra	55,534	0.02
Pranay Vakil	300	0.00
Total	**9,374,294**	**4.08**

[#] Includes shares held in their capacity as the first shareholders of the Equity Shares
**includes 2,081,500 Equity Shares held as one of the trustee of Navroze Lineage Trust, 1,904,875 equity shares held as one of the trustee of Raika Lineage Trust, one Equity Share held as one of the trustee of JNG Family Trust, one Equity Share held as one of the trustee of PJG Family Trust, one Equity Share held as one of the trustee of NJG Family Trust, twelve Equity Shares as one of the trustees of Raika Godrej Family Trust and one Equity Share held as one of the trustee of RJG Family Trust*
***includes 1,328,807 Equity Shares held as one of the trustee of BNG Family Trust, 1,328,807 Equity Shares held as one of the trustee of SNG Family Trust, 1,328,807 Equity Shares held as one of the trustee of HNG Family Trust, one Equity Share held as one of the trustee of NBG Family Trust, one Equity Share held as one of the trustee of RNG Family Trust, one Equity Share held as one of the trustee of BNG Successor Trust, one Equity Share held as one of the trustee of BNG Successor Trust, one Equity Share held as one of the trustee of BNG Lineage Trust, one Equity Share held as one of the trustee of SNG Lineage Trust and one Equity Share held as one of the trustee of SNG Successor Trust*
****includes 1,328,792 Equity Shares held as one of the trustee of PG Family Trust, one Equity Share held as one of the trustee of PG Children Trust and one Equity Share held as one of the trustee of PG Lineage Trust*

Terms of Appointment of Executive Directors

S. No.	Name	Particulars
1.	**Pirojsha Godrej**	(i) Period of Appointment: Re-appointed for a period of three years with effect from April 1, 2018. (ii) Fixed Compensation: Fixed compensation shall include basic salary of ₹ 908,382 per month and the Company's contribution to provident fund and gratuity along with annual increment in remuneration as recommended by Nomination and Remuneration Committee.

S. No.	Name	Particulars
		(iii) Performance linked variable remuneration ('**PLVR**'): Performance linked variable remuneration shall be paid according to the scheme of the Company or as may be recommended by the Nomination and Remuneration Committee. (iv) Flexible Compensation: Perquisites and allowances including but not limited to housing rent allowance as per the Company's rules, group insurance cover, leave travel assistance for self and family. (v) Other reimbursements: Entitled to reimbursement of travelling, boarding, telephone, lodging and entertainment expenses on actual basis which are incurred for business of our Company (vi) Overall remuneration: The aggregate of salary and perquisites paid to the Executive Chairman shall not exceed the limits prescribed from time to time under section 197 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.
2.	**Mohit Malhotra**	(i) Period of Appointment: Re-appointed for a period of three years with effect from April 1, 2018. (ii) Fixed Compensation: Fixed compensation shall include basic salary of ₹ 846,000 per month and the Company's contribution to provident fund and gratuity along with annual increment in remuneration as recommended by Nomination and Remuneration Committee. (iii) Performance linked variable remuneration ('**PLVR**'): Performance linked variable remuneration shall be paid according to the scheme of the Company or as may be recommended by the Nomination and Remuneration Committee. (iv) Flexible Compensation: Perquisites and allowances including but not limited to housing rent allowance as per the Company's rules, group insurance cover, leave travel assistance for self and family. (v) Other reimbursements: Entitled to reimbursement of travelling, boarding, telephone, lodging and entertainment expenses on actual basis which are incurred for business of our Company (vi) Overall remuneration: The aggregate of salary and perquisites paid to the Executive Chairman shall not exceed the limits prescribed from time to time under section 197 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.

Compensation of the Non-executive Directors

The non-executive Directors are paid remuneration consisting of sitting fees and commission as determined by the Board. Presently, non-executive Directors on the Board are entitled, pursuant to the resolution passed by the Board on May 2, 2014 read with the resolution passed by the Board on April 24, 2016, to a sitting fees of ₹ 100,000 for attending each meeting of the Board, Audit Committee and Nomination and Remuneration Committee and separate meetings of Independent Directors. Further, non-executive Directors on the Board are entitled, pursuant to the resolution passed by the Board on November 6, 2014, to a sitting fees of ₹ 20,000 for attending each meeting of the Corporate Social Responsibility Committee.

The following table set forth the compensation paid by our Company to the non-executive Directors of our Company during the relevant period for the current Fiscal year, Fiscal 2019, Fiscal 2018, Fiscal 2017:

(in ₹ million)

S. No.	Name of Director	Compensation for the Fiscal 2017	Compensation for the Fiscal 2018	Compensation for the Fiscal 2019	Compensation for the current Fiscal Year
1.	Jamshyd N. Godrej	0.95	0.95	1.30	0.10
2.	Nadir B. Godrej	1.05	1.05	1.40	0.10
3.	Keki B. Dadiseth	1.95	1.85	1.90	0.30
4.	Lalita D. Gupte	1.95	1.85	2.20	0.30
5.	Pranay Vakil	1.95	1.85	2.20	0.32
6.	Amitava Mukherjee	1.95	1.85	2.20	0.34

* *For period up to May 31, 2019*

Compensation of the Executive Directors

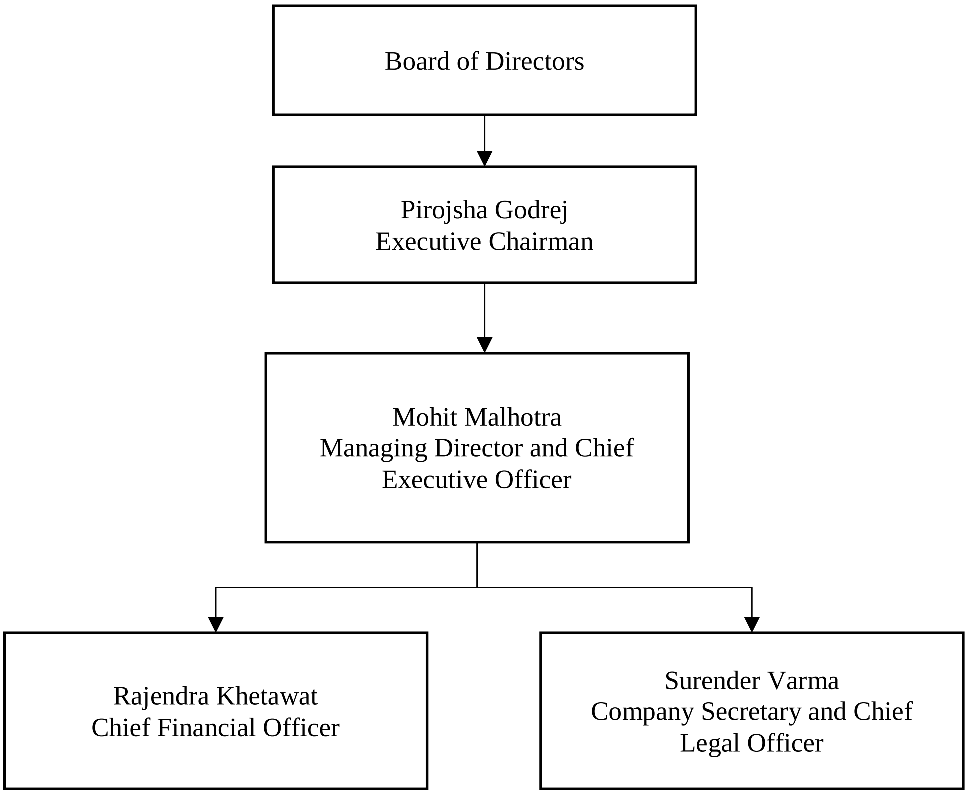
The following tables set forth the details of remuneration paid by our Company to the executive Directors of our Company during the relevant period for the current Fiscal Year, Fiscal 2019, the Fiscal 2018 and Fiscal 2017:

(in ₹ million)

S. No.	Name of Director	Remuneration for Fiscal 2017	Remuneration for Fiscal 2018	Remuneration for Fiscal 2019	Remuneration for the current Fiscal Year
1.	Pirojsha Godrej	49.47	79.87	141.17	8.95
2.	Mohit Malhotra	36.46	75.64	135.93	6.35

* *For period up to May 31, 2019.*

Organisation Chart of our Company



Key Managerial Personnel

The Key Managerial Personnel are permanent employees of our Company. In addition to, Pirojsha Godrej and Mohit Malhotra, whose details are provided in "*Brief Biographies of our Directors*" above, the details of our other Key Managerial Personnel in terms of the Companies Act and the SEBI ICDR Regulations as on the date of this Preliminary Placement Document are set forth below:

S. No.	Name	Age	Designation
1.	Rajendra Khetawat	47	Chief Financial Officer
2.	Surender Varma	49	Company Secretary & Chief Legal Officer

Brief biographies of the Key Managerial Personnel

Rajendra Khetawat is the Chief Financial Officer of our Company. He is a chartered accountant from the Institute of Chartered Accountants of India. He has previously been associated with K. Raheja Real Estate Services Private Limited. He has vast experience in the field of audit, accounts, tax, financial and treasury management. He has been associated with our Company since 2003.

Surender Varma is the Company Secretary & Chief Legal Officer of our Company. He holds a bachelor's degree in laws from the University of Delhi and master's degree in business laws from National Law School of India University, Bangalore. He is also a member of Institute of Company Secretaries of India and Institute of Cost and Works Accountants of India. He has vast experience in the field of legal, secretarial and corporate finance sector.

Shareholding of Key Managerial Personnel

In addition to the shareholding of Managing Director and Chief Executive Officer as disclosed above in "- *Shareholding of Directors*" beginning on page 128 and except as disclosed below, no Key Managerial Personnel holds any Equity Shares, as on the date of the Preliminary Placement Document:

Name	Number of Equity Shares	Percentage of issued and paid-up Equity Share capital (in %)
Rajendra Khetawat	41,698	0.02
Surender Varma	16,240	Negligible

Relationship

None of our Key Managerial Personnel are related to each other.

Interest of Key Managerial Personnel

Other than the Directors of our Company, none of our Key Managerial Personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them in the ordinary course of business and to the extent of the Equity Shares held by them directly or indirectly in our Company or stock options granted to them, if any, and any dividend payable to them and other distributions in respect of such Equity Shares. For details of interests of Directors, see " - *Interest of the Directors*" on page 128.

Except as provided in "***Financial Information***" on page 196, and except as disclosed in this Preliminary Placement Document, our Company has not entered into any contract, agreement or arrangement during the three Fiscals immediately preceding the date of this Preliminary Placement Document in which any of the Key Managerial Personnel other than the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them.

Corporate Governance

Our Board presently consists of eight Directors. In compliance with the requirements of the SEBI Listing Regulations, our Board consists of four Independent Directors, including one woman director.

Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI ICDR Regulations, in respect of corporate governance, including constitution of our Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of our Board's supervisory role from the executive management team and constitution of our Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our Company's executive management provides our Board detailed reports on its performance periodically.

Committees of our Board of Directors

Our Board has constituted statutory committees, which function in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The statutory committees of our Board are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee; (iv) Corporate Social Responsibility Committee; and (v) Risk Management Committee.

The following table sets forth details of members of the aforesaid committees, as on the date of this Preliminary Placement Document:

S. No.	Committee	Name and Designation of Members
1.	Audit Committee	(1) Keki B. Dadiseth, Chairman (2) Lalita D. Gupte, Member (3) Pranay D. Vakil, Member (4) Amitava Mukherjee, Member
2.	Nomination and Remuneration Committee	(1) Lalita D. Gupte, Chairman (2) Keki B. Dadiseth, Member (3) Pranay D. Vakil, Member (4) Amitava Mukherjee, Member
3.	Stakeholders' Relationship Committee	(1) Amitava Mukherjee, Chairman (2) Pirojsha Godrej, Member

S. No.	Committee	Name and Designation of Members
		(3) Mohit Malhotra, Member
4.	Corporate Social Responsibility Committee	(1) Pirojsha Godrej, Chairman (2) Amitava Mukherjee, Members (3) Mohit Malhotra, Member (4) Pranay D. Vakil, Member
5.	Risk Management Committee	(1) Keki B. Dadiseth, Member (2) Pirojsha Godrej, Member (3) Mohit Malhotra, Member (4) Rajendra Khetawat, Member

Other Confirmations

None of the Directors, Promoters or Key Managerial Personnel of our Company has any financial or other material interest in the Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

Neither our Company, nor the Directors or Promoters have ever been identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

Neither our Company, nor our Directors or Promoters have been debarred from accessing capital markets under any order or direction made by SEBI. Further, none of our Directors or Promoters have been declared as a Fugitive Economic Offender.

None of the Directors, Promoters or Key Managerial Personnel of our Company intends to subscribe to the Issue.

No change in control in our Company will occur consequent to the Issue.

Policy on disclosures and internal procedure for prevention of insider trading

SEBI Insider Trading Regulations applies to our Company and its employees and requires our Company to implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and conduct for the prevention of insider trading. Our Company has implemented a code of conduct for prevention of insider trading in accordance with the SEBI Insider Trading Regulations, as per which, the Company Secretary of our Company is the Compliance Officer for the purposes of this code.

Related Party Transactions

For details in relation to the related party transactions entered into by our Company during the last three Financial Years, immediately preceding the year of circulation of this Preliminary Placement Document, see "***Financial Information***" and "***Related Party Transactions***" beginning on pages 196 and 42, respectively.

SHAREHOLDING PATTERN OF OUR COMPANY

Shareholding pattern of our Company, as on March 31, 2019, is set forth below.

The following table sets forth the details regarding the equity shareholding pattern of our Company as on March 31, 2019.

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights	Total as a % of Total Voting right	Number of Locked in shares		Number of equity shares held in dematerialized form
							No. (a)	As a % of total Shares held (b)	
(A) Promoter & Promoter Group	44	162,433,533	162,433,533	70.83	162,433,533	70.83		0.00	162,433,533
(B) Public	42,009	66,890,180	66,890,180	29.17	66,890,180	29.17	12,765,000	19.08	66,859,086
(C) Non Promoter- Non Public				0.00		0.00		0.00	
(C1) Shares underlying DRs				0.00		0.00		0.00	
(C2) Shares held by Employee Trusts				0.00		0.00		0.00	
Total	**42,053**	**229,323,713**	**229,323,713**	**100.00**	**229,323,713**	**100.00**	**12,765,000**	**5.57**	**229,292,619**

The following table sets forth the details regarding the equity shareholding pattern of our Promoters and Promoter Group as on March 31, 2019:

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of Locked in Shares		Number of equity shares held in dematerialized form
					No.(a)	As a % of total Shares held(b)	
A1) Indian				0.00		0.00	
Individuals/Hindu undivided Family	8	156	156	0.00		0.00	156
Rishad Kaikhushru Naoroji	1	30	30	0.00		0.00	30
Nadir Barjorji Godrej	1	9	9	0.00		0.00	9
Nisaba Godrej	1	10	10	0.00		0.00	10
Pheroza Jamshyd Godrej				0.00		0.00	
Raika Jamshyd Godrej	1	25	25	0.00		0.00	25
Nyrika Holkar	1	24	24	0.00		0.00	24
Pirojsha Adi Godrej	1	10	10	0.00		0.00	10
Navroze Jamshyd Godrej	1	16	16	0.00		0.00	16
Tanya Arvind Dubash	1	32	32	0.00		0.00	32
Adi B Godrej				0.00		0.00	
Burjis Nadir Godrej				0.00		0.00	

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of Locked in Shares		Number of equity shares held in dematerialized form
					No.(a)	As a % of total Shares held(b)	
Sohrab Nadir Godrej				0.00		0.00	
Jamshyd Naoroji Godrej				0.00		0.00	
Smita Godrej Crishna				0.00		0.00	
Vijay Mohan Crishna				0.00		0.00	
Rati Nadir Godrej				0.00		0.00	
Aryaan Arvind Dudash				0.00		0.00	
Azaar Arvind Dubash				0.00		0.00	
Any Other (specify)	35	16,22,56,749	16,22,56,749	70.75		0.00	16,22,56,749
ENSEMBLE HOLDINGS AND FINANCE LTD	1	13,82,310	13,82,310	0.60		0.00	13,82,310
GODREJ & BOYCE MFG CO LTD	1	1,06,50,688	1,06,50,688	4.64		0.00	1,06,50,688
GODREJ INDUSTRIES LIMITED	1	12,30,27,510	12,30,27,510	53.65		0.00	12,30,27,510
INNOVIA MULTIVENTURES PVTLIMITED	1	74,40,862	74,40,862	3.24		0.00	74,40,862
Godrej Infotech Ltd				0.00		0.00	
Godrej (Singapore) Pte. Ltd.				0.00		0.00	
Veromatic International B.V.				0.00		0.00	
Godrej Americas Inc.				0.00		0.00	
Sheetak Inc.				0.00		0.00	
Godrej Consoveyo Logistics Automation Ltd				0.00		0.00	
Urban Electric Power Inc.				0.00		0.00	
Godrej Infotech Americas Inc.				0.00		0.00	
Godrej Infotech (Singapore) Pte. Ltd.				0.00		0.00	
LVD Godrej Infotech N.V.				0.00		0.00	
JT Dragon Pte. Ltd.				0.00		0.00	
Godrej (Vietnam) Co. Ltd.				0.00		0.00	
Godrej UEP (Singapore) Pte. Ltd				0.00		0.00	
Godrej & Khimji (Middle East) LLC				0.00		0.00	
GODREJ SEEDS & GENETICS LIMITED				0.00		0.00	
ABG Venture LLP				0.00		0.00	
NBG ENTERPRISE LLP				0.00		0.00	
Godrej Holdings Private Limited				0.00		0.00	
ANAMUDI REAL ESTATES LLP				0.00		0.00	
MUKTESHWAR REALTY PVT LTD				0.00		0.00	
Shakti Sustainable Energy Foundation				0.00		0.00	
JNG ENTERPRISE LLP				0.00		0.00	
SVC Enterprises LLP				0.00		0.00	
RKN ENTERPRISE LLP				0.00		0.00	
Godrej & Boyce Enterprise LLP				0.00		0.00	
Future Factory LLP				0.00		0.00	
Parakh Agencies Private Limited				0.00		0.00	

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of Locked in Shares		Number of equity shares held in dematerialized form
					No.(a)	As a % of total Shares held(b)	
Godrej Investment Advisors Pvt. Ltd.				0.00		0.00	
Praviz Developers Pvt. Ltd.				0.00		0.00	
Karukachal Developers Pvt. Ltd.				0.00		0.00	
Godrej Housing Finance Ltd.				0.00		0.00	
Godrej Consumer Products Limited				0.00		0.00	
NATURES BASKET LIMITED				0.00		0.00	
GODREJ INTERNATIONAL LIMITED				0.00		0.00	
GODREJ INTERNATIONAL TRADING & INVESTMENT PVT. LTD.				0.00		0.00	
GODREJ ONE PREMISES MANAGEMENT PVT. LTD.				0.00		0.00	
GODREJ AGROVET LIMITED				0.00		0.00	
Godvet Agrochem Limited				0.00		0.00	
Astec LifeSciences Limited				0.00		0.00	
Behram Chemicals Private Limited				0.00		0.00	
Astec Europe Sprl				0.00		0.00	
Comercializadora Agricola Agroastrachem Cia Ltd				0.00		0.00	
Creamline Dairy Products Limited				0.00		0.00	
Nagavalli Milkline Private Limited				0.00		0.00	
Godrej Realty Private Limited				0.00		0.00	
Godrej Landmark Redevelopers Pvt Ltd				0.00		0.00	
Godrej Redevelopers (Mumbai) Pvt Ltd				0.00		0.00	
Godrej Projects Development Limited				0.00		0.00	
Godrej Garden City Properties Pvt Ltd				0.00		0.00	
Godrej Hillside Properties Pvt Ltd				0.00		0.00	
Godrej Home Developers Pvt Ltd				0.00		0.00	
Godrej Prakriti Facilities Pvt Ltd				0.00		0.00	
Godrej Highrises Properties Pvt Ltd				0.00		0.00	
Godrej Genesis Facilities Management Pvt Ltd				0.00		0.00	
Prakritiplaza Facilities Management Private Limited				0.00		0.00	
Godrej Green Homes Ltd				0.00		0.00	
Citystar Infraprojects Ltd				0.00		0.00	
Godrej Residency Private Ltd				0.00		0.00	
Godrej Property Developers LLP				0.00		0.00	
Mosiac Landmarks LLP				0.00		0.00	
Dream World Landmarks LLP				0.00		0.00	
Godrej Housing Projects LLP				0.00		0.00	
Mahalunge Township Developers LLP (Fomerly known as Godrej Lan Developers LLP)				0.00		0.00	
Godrej Project Developers & Properties LLP				0.00		0.00	
Godrej Projects (Soma) LLP				0.00		0.00	

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of Locked in Shares		Number of equity shares held in dematerialized form
					No.(a)	As a % of total Shares held(b)	
EMBELLISH HOUSES LLP				0.00		0.00	
GODREJ CITY FACILITIES MANAGEMENT LLP				0.00		0.00	
M S Ramaiah Ventures LLP				0.00		0.00	
Oasis Landmarks LLP				0.00		0.00	
Adi Godrej, Tanya Dubash, Nisaba Godrej and Pirojsha Godrej (Trustees of ABG Family Trust)	1	1	1	0.00		0.00	1
Tanya Dubash and Pirojsha Godrej (Trustees of TAD Family Trust)	1	13,28,792	13,28,792	0.58		0.00	13,28,792
Tanya Dubash and Pirojsha Godrej (Trustees of TAD Children Trust)	1	1	1	0.00		0.00	1
Nisaba Godrej and Pirojsha Godrej (Trustees of NG Children Trust)	1	1	1	0.00		0.00	1
Nisaba Godrej and Pirojsha Godrej (Trustees of NG Family Trust)	1	13,28,792	13,28,792	0.58		0.00	13,28,792
Pirojsha Godrej and Nisaba Godrej (Trustees of PG Family Trust)	1	13,28,792	13,28,792	0.58		0.00	13,28,792
Pirojsha Godrej and Nisaba Godrej (Trustees of PG Children Trust)	1	1	1	0.00		0.00	1
Pirojsha Godrej and Nisaba Godrej (Trustees of PG Lineage Trust)	1	1	1	0.00		0.00	1
Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of NBG Family Trust)	1	1	1	0.00		0.00	1
Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of RNG Family Trust)	1	1	1	0.00		0.00	1
Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustee of BNG Family Trust)	1	13,28,807	13,28,807	0.58		0.00	13,28,807
Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of BNG Successor Trust)	1	1	1	0.00		0.00	1
Nadir Godrej, Hormazd Godrej and Burjis Godrej (Trustees of BNG Lineage Trust)	1	1	1	0.00		0.00	1
Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of SNG Family Trust)	1	13,28,807	13,28,807	0.58		0.00	13,28,807
Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of SNG Successor Trust)	1	1	1	0.00		0.00	1
Nadir Godrej, Hormazd Godrej and Sohrab Godrej (Trustees of SNG Lineage Trust)	1	1	1	0.00		0.00	1
Nadir Godrej, Hormazd Godrej and Rati Godrej (Trustees of HNG Family Trust)	1	13,28,807	13,28,807	0.58		0.00	13,28,807
Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of The Raika Godrej Family Trust)	1	12	12	0.00		0.00	12
Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of JNG Family Trust)	1	1	1	0.00		0.00	1
Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of PJG Family Trust)	1	1	1	0.00		0.00	1
Jamshyd Godrej, Pheroza Godrej and Navroze Godrej(Trustees of Navroze Lineage Trust)	1	20,81,500	20,81,500	0.91		0.00	20,81,500

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of Locked in Shares		Number of equity shares held in dematerialized form
					No.(a)	As a % of total Shares held(b)	
Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of Raika Lineage Trust)	1	19,04,875	19,04,875	0.83		0.00	19,04,875
Jamshyd Godrej, Pheroza Godrej and Navroze Godrej(Trustees of NJG Family Trust)	1	1	1	0.00		0.00	1
Jamshyd Godrej, Pheroza Godrej and Navroze Godrej (Trustees of RJG Family Trust)	1	1	1	0.00		0.00	1
Smita Godrej Crishna, VM Crishna, FC Bieri and Nyrika Holkar (Trustees of SGC Family Trust)	1	1	1	0.00		0.00	1
Smita Godrej Crishna, FC Bieri and Nyrika Holkar (Trustees of FVC Family Trust)	1	19,04,888	19,04,888	0.83		0.00	19,04,888
Smita Godrej Crishna, V.M. Crishna, FC Bieri and Nyrika Holkar (Trustees of VMC Family Trust)	1	1	1	0.00		0.00	1
Smita Godrej Crishna, Freyan Crishna Bieri and Nyrika Holkar (Trusteesof FVCChildren Trust)	1	1	1	0.00		0.00	1
Smita Godrej Crishna, Freyan Crishna Bieri and Nyrika Holkar (Trustees of NVC Family Trust)	1	19,04,888	19,04,888	0.83		0.00	19,04,888
Smita Godrej Crishna, Freyan Crishna Bieri and Nyrika Holkar (Trustees of NVC Children Trust)	1	1	1	0.00		0.00	1
Rishad Kaikhushru Naoroji and Others (Partners Of RKN Enterprises)	1	39,86,400	39,86,400	1.74		0.00	39,86,400
Sub Total A1	43	16,22,56,905	16,22,56,905	70.75		0.00	16,22,56,905
A2) Foreign				0.00		0.00	
Individuals (Non-Resident Individuals/ Foreign Individuals)	1	1,76,628	1,76,628	0.08		0.00	1,76,628
MS.FREYAN CRISHNA BIERI	1	1,76,628	1,76,628	0.08		0.00	1,76,628
Sub Total A2	1	1,76,628	1,76,628	0.08		0.00	1,76,628
A=A1+A2	44	16,24,33,533	16,24,33,533	70.83		0.00	16,24,33,533

The following table sets forth the details regarding the equity shareholding of the members of the public as on March 31, 2019:

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Locked in shares		No. of equity shares held in dematerialized form(Not Applicable)
							No.(a)	As a % of total Shares held(b)	
B1) Institutions	0	0		0.00		0.00		0.00	
Mutual Funds/	6	36,63,222	36,63,222	1.60	36,63,222	1.60		0.00	36,63,222
Foreign Portfolio Investors	146	3,16,22,600	3,16,22,600	13.79	3,16,22,600	13.79	1,27,65,000	40.37	3,16,22,600
GAMNAT PTE. LTD.	1	1,27,65,000	1,27,65,000	5.57	1,27,65,000	5.57	1,27,65,000	100.00	1,27,65,000
Financial Institutions/ Banks	4	94,498	94,498	0.04	94,498	0.04		0.00	94,498
Sub Total B1	156	3,53,80,320	3,53,80,320	15.43	3,53,80,320	15.43	1,27,65,000	36.08	3,53,80,320
B2) Central Government/ State Government(s)/	0	0		0.00		0.00		0.00	

President of India									
B3) Non-Institutions	0	0		0.00		0.00		0.00	
Individual share capital upto Rs. 2 Lacs	39,771	1,24,18,042	1,24,18,042	5.42	1,24,18,042	5.42		0.00	1,23,86,948
Individual share capital in excess of Rs. 2 Lacs	68	1,15,35,976	1,15,35,976	5.03	1,15,35,976	5.03		0.00	1,15,35,976
NBFCs registered with RBI	8	10,319	10,319	0.00	10,319	0.00		0.00	10,319
Employee Trusts	6	2,200	2,200	0.00	2,200	0.00		0.00	2,200
Any Other (specify)	2,000	75,43,323	75,43,323	3.29	75,43,323	3.29		0.00	75,43,323
Non-Resident Indian (NRI)	837	6,52,551	6,52,551	0.28	6,52,551	0.28		0.00	6,52,551
Clearing Members	119	1,59,007	1,59,007	0.07	1,59,007	0.07		0.00	1,59,007
NON RESIDENT INDIAN NON REPATRIABLE	442	4,10,064	4,10,064	0.18	4,10,064	0.18		0.00	4,10,064
Bodies Corporate	600	63,16,176	63,16,176	2.75	63,16,176	2.75		0.00	63,16,176
IEPF	1	5,375	5,375	0.00	5,375	0.00		0.00	5,375
Foreign Nationals	1	1,50	150	0.00	150	0.00		0.00	150
Sub Total B3	41,853	3,15,09,860	3,15,09,860	13.74	3,15,09,860	13.74		0.00	3,14,78,766
B=B1+B2+B3	42,009	6,68,90,180	6,68,90,180	29.17	6,68,90,180	29.17	1,27,65,000	19.08	6,68,59,086

The following table sets forth the details of our non-promoter, non-public shareholders as on March 31, 2019:

S. No.	Category of shareholder (I)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	Total nos. shares held (VII) = (IV)+ (V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of Locked in shares (XI)		Number of equity shares held in dematerialized form(XIV)(Not Applicable)
						No. a	As a % of total Shares held (b)	
1	Custodian/DR Holder	0	0		0.00		0.00	
2	Employee Benefit Trust	0	0		0.00		0.00	

The following table sets forth the details of disclosure made by the trading members holding 1% or more of the total number of shares of the Company as on March 31, 2019:

S. No.	Name of the Trading Member	Name of the Beneficial Owner	No. of shares held	% of total no. of shares	Date of reporting by the Trading Member
1	Nil	Nil	Nil	Nil	Nil

ISSUE PROCEDURE

*The following is a summary intended to present a general outline of the procedure relating to the application, payment of Bid Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and investors are assumed to have apprised themselves of the same from our Company or the Book Running Lead Managers. Prospective Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them. Also see "**Selling Restrictions**" and "**Transfer Restrictions**" on pages 152 and 159, respectively.*

Our Company, the Book Running Lead Managers and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations.

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBS ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document has not been, and will not be, registered as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, 2013 and rules thereunder, through the mechanism of a qualified institutions placement ("**QIP**"). Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, our Company, being a listed company in India may issue Equity Shares to Eligible QIBs, provided that:

- the shareholders have adopted a special resolution approving the Issue. Such special resolution must specify (a) that the allotment of Equity Shares is proposed to be made pursuant to the QIP and (b) the Relevant Date;
- the explanatory statement to the notice to the shareholders for convening the general meeting must disclose, among other things, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered, amount which the company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of offer, the contribution made by the promoters or directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;
- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of our Company, which are proposed to be allotted through the Issue, are listed on the Stock Exchanges, for a period of at least one year prior to the date of issuance of notice to our shareholders for convening the meeting to adopt the above-mentioned special resolution, except for Equity Shares allotted during the preceding one year from the date of this Preliminary Placement Document. For details, see *"**Capital Structure**"* on page 71;
- invitation to apply in the Issue must be made through a private placement offer-cum-application (i.e., this Preliminary Placement Document) and an application form serially numbered and addressed specifically to the Eligible QIBs to whom the Issue is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law;
- our Company shall not make any subsequent qualified institutions placement until the expiry of six months from the date of this Issue;
- our Company shall have completed allotments with respect to any offer or invitation made by our Company or has withdrawn or abandoned any such invitation or offer, however, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;
- the Promoters and Directors are not fugitive economic offenders;
- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application (i.e., this Preliminary Placement Document), our Company must prepare and record a list of Eligible QIBs to whom the offer will be made. The offer must be made only to such Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe; and

- our Company acknowledges that issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited.

At least 10% of the Equity Shares issued to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise downwards their Bids after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the stock exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The "Relevant Date" referred to above means the date of the meeting in which the Board or the QIP Committee decides to open the Issue and "stock exchange" means any of the recognized stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. Further, in accordance with the resolution of the shareholders of our Company through their resolution passed by way of postal ballot on June 8, 2019 our Company may offer a discount of not more than 5% on the Floor Price in accordance with the SEBI ICDR Regulations.

The Equity Shares will be Allotted within 365 days from the date of the shareholders' resolution approving the Issue, being June 8, 2019 and within 60 days from the date of receipt of Bid Amount from the Successful Bidders. For details of refund of Bid Amount, see "***– Pricing and Allocation – Designated Date and Allotment of Equity Shares***" on page 148.

Subscription to the Equity Shares offered pursuant to the Issue must be made by Eligible QIBs on the basis of this Preliminary Placement Document and the Placement Document shall contain all material information required under applicable law including the information specified in Schedule VII of SEBI ICDR Regulations and the requirements prescribed under Form PAS-4. The Preliminary Placement Document and the Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of the Preliminary Placement Document addressed to you, you may not rely on the Preliminary Placement Document or Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

This Issue was authorized and approved by the Board on April 30, 2019 and approved by the shareholders of our Company through their resolution passed by way of postal ballot on June 8, 2019. The minimum number of Allottees with respect to a QIP shall not be less than:

- two, where the issue size is less than or equal to ₹ 2,500 million; and

- five, where the issue size is greater than ₹ 2,500 million.

No single Allottee shall be Allotted more than 50% of the Issue Size.

Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "***—Bid Process—Application Form***" on page 144.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on a recognised stock exchange.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements.

The Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons who are qualified institutional buyers (as defined in Rule 144A) pursuant to Section 4(a)(2) or another available exemption from registration under the Securities Act, and (b) outside the United States in offshore transactions in reliance upon Regulation S. The Equity Shares are transferable only in accordance with the restrictions described under "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 152 and 159, respectively.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Our Company has filed a draft of this Preliminary Placement Document with each of the Stock Exchanges. Our Company has received in-principle approvals from each of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for the listing of the Equity Shares on the BSE and NSE on June 25, 2019 and June 25, 2019, respectively.

Issue Procedure

1. Our Company and the Book Running Lead Managers shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to identified Eligible QIBs and the Application Form will be specifically addressed to each such Eligible QIB. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain records of the Eligible QIBs in the form and manner as prescribed under the PAS Rules, to whom the Preliminary Placement Document and the serially numbered Application Form have been dispatched. Our Company will make the requisite filings with the RoC within the stipulated time periods as required under the Companies Act, 2013 and the PAS Rules. The list of Eligible QIBs to whom the Preliminary Placement Document and Application Form is delivered will be determined by the our Company in consultation with the BRLMs, at their sole discretion.

2. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Bid Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to make an offer to subscribe shall be deemed to have been made to such Eligible QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

3. Eligible QIBs may submit the Application Form, including any revisions thereof along with the Bid Amount and a copy of the PAN card or PAN allotment letter, during the Issue Period to the Book Running Lead Managers.

4. Bidders will be required to indicate the following in the Application Form:

   - Full official name of the Eligible QIB to whom Equity Shares are to be Allotted, complete address, e-mail id and bank account details;

   - number of Equity Shares Bid for;

   - price at which they are agreeable to subscribe for the Equity Shares and the aggregate Bid Amount for the number of Equity Shares Bid for;

   - details of the depository account to which the Equity Shares should be credited;

   - a representation that it is either (i) outside the United States acquiring the Equity Shares in an offshore transaction under Regulation S and the applicable laws of the jurisdiction where those offers and sales are made, or (ii) a "qualified institutional buyer" as defined in Rule 144A purchasing the Equity Shares pursuant to Section 4(a)(2) under the Securities Act, and it has agreed to certain other representations set forth in the "***Representation by Investors***" on page 3 and "***Transfer Restrictions***" on page 159 and certain other representations made in the Application Form; and

   - Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form.

5. Eligible QIBs shall be required to make the entire payment of the Bid Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of "*Godrej Properties Limited - QIP – Escrow Account*" with the Escrow Agent, within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Bid Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. Bid Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Until Allotment, and the filing of return of Allotment by our Company with the RoC, or receipt of final listing and trading approvals from the Stock Exchanges, whichever is later, Bid Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event (a) any Bidder is not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, (c) the Bid Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but prior to the Bid Closing Date, the excess Bid Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "***– Refunds***" on page 148.

6. Once a duly completed Application Form is submitted by a Bidder and the Bid Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI.

8. Upon receipt of the duly completed Application Form and the Bid Amount in the Escrow Account, after the Issue Closing Date, our Company shall, in consultation with Book Running Lead Managers determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the Book Running Lead Managers will send the serially numbered CAN to the Eligible QIBs who have been Allocated the Equity Shares. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation will be at the absolute discretion of our Company and will be in consultation with the Book Running Lead Managers.**

9. Upon determination of the Issue Price and the issuance of CAN and before Allotment of Equity Shares to the Successful Bidders, the Book Running Lead Managers, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

10. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. We will inform the Stock Exchanges of the details of the Allotment.

11. After passing the resolution for Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the depository participant, as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

12. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

13. Our Company will then apply for the final trading approvals from the Stock Exchanges.

14. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Eligible QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

15. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the Book Running Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

Qualified Institutional Buyers

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to foreign portfolio investors, only Eligible FPIs applying under Schedule 2 of the FEMA Regulations will be considered as Eligible QIBs. FVCIs and non-resident multinational and bilateral development financial institutions are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- alternate investment funds registered with SEBI;
- Eligible FPIs;
- insurance companies registered with Insurance Regulatory and Development Authority of India;

- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions (which are resident in India);
- Mutual Funds;
- pension funds with minimum corpus of ₹ 250 million;
- provident funds with minimum corpus of ₹ 250 million;
- public financial institutions;
- scheduled commercial banks;
- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India;
- venture capital funds registered with SEBI; and
- systemically important non-banking financial companies.

Eligible FPIs are permitted to participate under Schedule 2 of FEMA Regulations in this Issue. Eligible FPIs are permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Equity Share capital of our Company. Further, in terms of the FEMA Regulations, the total holding by each FPI or investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed 24% of the post-Issue paid-up capital of our Company on a fully diluted basis. In case the holding of an FPI or investor group increases to 10% or more of the total paid-up equity capital, on a fully diluted basis, the entire shareholding of such FPI will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by the company and the investor with applicable reporting requirements. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board followed by a special resolution passed by the shareholders of our Company. The existing foreign investment limit for FPIs in our Company is 24% of the paid up Equity Share capital of our Company.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of P-Notes. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Note. In the event an investor has investments as a FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying company.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed NSDL as the designated depository to monitor the level of FPI/NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Restriction on Allotment

Under Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any QIB being, or any person related to, the Promoter. QIBs which have all or any of the following rights shall be deemed to be persons related to the Promoter:

- rights under a shareholders' agreement or voting agreement entered into with the Promoter or members of the Promoter Group;
- veto rights; or
- a right to appoint any nominee director on the Board.

Provided, however, that a QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoter.

Our Company and the Book Running Lead Managers and any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, advisors or affiliates are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations.

Note: *Affiliates or associates of the Book Running Lead Managers who are QIBs may participate in the Issue in compliance with applicable laws.*

Bid Process

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are specifically addressed to them) supplied by our Company and the Book Running Lead Managers in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document and the Placement Document.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Preliminary Placement Document, the Eligible QIB will be deemed to have made the following representations, warranties, acknowledgements and undertakings given or made under "***Notice to Investors***", "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 1, 3, 152 and 159, respectively:

1. The Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

2. The Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter or Promoter Group or persons related to the Promoter;

3. The Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender which shall not be deemed to be a person related to the Promoters;

4. The Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;

5. The Bidder confirms that in the event it is resident outside India, it is an Eligible FPI, and not an FVCI or a non-resident multilateral or bilateral development financial institution;

6. The Eligible QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchanges;

7. The Eligible QIB confirms that the QIB is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The QIB further confirms that the holding of the QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the QIB;

8. The Eligible QIB confirms that its Bid would not result in triggering an open offer under the SEBI Takeover Regulations;

9. The Eligible QIB agrees that although the Bid Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act and rules made thereunder, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the Book Running Lead Managers. The Eligible QIB further acknowledges and agrees that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

10. The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names as "proposed Allottees" and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document and consents of such disclosure, if any Equity Shares are Allocated to it. However the Eligible QIB further acknowledges and agrees, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs.

11. The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

    a. QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other QIB ; and

    b. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

12. The Eligible QIB confirms that:

    a. It will make payment of its Bid Amount along with submission of the Application Form within the Bidding Period;

    b. if it is within the United States, it is a U.S. QIB who is or are acquiring the Equity Shares for its own account or for the account of an institutional investor who also meets the requirement of a U.S. QIB, for investment purposes only and not with a view to, or for resale in connection with, the distribution (within the meaning of any United States securities laws) thereof, in whole or in part and are not our affiliate or a person acting on behalf of such an affiliate;

    c. if it is outside the United States, it is purchasing the Equity Shares in an offshore transaction in reliance upon Regulation S, and is not our affiliate or a person acting on behalf of such an affiliate; and

13. The Eligible QIBs acknowledge that no Allotment shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price.

14. The QIBs confirm that they shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.

ELIGIBLE QIBS MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, THE ELIGIBLE QIBS SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BOOK RUNNING LEAD MANAGERS TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSURE, THE ELIGIBLE QIBS SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO

SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Bid Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company in favour of the Successful Bidder.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter. The Bid Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the Book Running Lead Managers either through electronic form or through physical delivery at either of the following addresses:

Name of Book Running Lead Manager	Address	Contact Person	Email	Phone (Telephone and Fax)
Kotak Mahindra Capital Company Limited	1st Floor, 27 BKC, Plot No. 27, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051	Karl Sahukar	gpl.qip@kotak.com	Tel: +91 22 4336 0000 Fax: +91 22 6713 2447
Axis Capital Limited	1st Floor Axis House C-2 Wadia International Centre P.B. Marg Worli Mumbai 400 025	Venkatesh Iyer	venkatesh.iyer@axiscap.in	Tel: +91 22 4325 5587 Fax: +91 22 4325 4599
CLSA India Private Limited	8/F Dalamal House Nariman Point Mumbai 400 021	Sarfaraz Agboatwala	project.accelerate@clsa.com	Tel: +91 22 6650 5050 Fax: +91 22 2284 0271
DSP Merrill Lynch Limited	Ground Floor, A Wing One BKC G Block Bandra Kurla Complex Bandra (East) Mumbai 400 051	Gautam Dhaliwal	gautam.dhaliwal@baml.com	Tel: +91 22 6632 8000 Fax: +91 22 6776 2343

The Book Running Lead Managers shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

Bidders Bidding in the Issue, shall pay the entire Bid Amount along with the submission of the Application Form, within the Issue Period.

Payment of Bid Amount

Our Company has opened the Escrow Account in the name of "*Godrej Properties Limited QIP – Escrow Account*" with the Escrow Agent, in terms of the arrangement among our Company, the Book Running Lead Managers and the Escrow Agent. Each Bidder will be required to deposit the Bid Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bidding Period. Bidders can make payment of the Bid Amount only through electronic transfer of funds from their own bank account.

Note: Payments are to be made only through electronic fund transfer. Payments made through cash or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account, the Application Form is liable to be cancelled.

Pending Allotment, our Company undertakes to utilise the amount deposited in "*Godrej Properties Limited QIP – Escrow Account*" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Bid Amount if our Company is not able to Allot Equity Shares in the Issue.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the two weeks preceding the Relevant Date. However, a discount of not more than 5% of the Floor Price may be offered by our Company in accordance with the provisions of the SEBI ICDR Regulations.

The "Relevant Date" referred to above, for Allotment, will be the date of the meeting in which the Board decides to open the Issue and "stock exchange" means any of the recognized stock exchanges in India on which the Equity Shares of the issuer of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date.

Build-up of the Book

The Eligible QIBs shall submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the Book Running Lead Managers. Such Bids cannot be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the Book Running Lead Managers.

Price Discovery and Allocation

Our Company, in consultation with the Book Running Lead Managers, shall determine the Issue Price, which shall be at or above the Floor Price. However, our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations as approved by our shareholders pursuant to resolution dated June 8, 2019, passed by way of postal ballot.

After finalisation of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Method of Allocation

Our Company shall determine the Allocation in consultation with the Book Running Lead Managers on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL BIDDERS. BIDDERS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE ISSUE PRICE. NEITHER OUR COMPANY NOR THE BOOK RUNNING LEAD MANAGERS ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

CAN

Based on receipt of the serially numbered Application Forms and Bid Amount, our Company, in consultation with the Book Running Lead Managers, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Bid Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in the Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, our Board will approve the Allotment of the Equity Shares to the Allottees in consultation with the BRLMs.

QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB would have deemed to have made the representations and warranties as specified in "***Notice to Investors***" on page 1 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN.

2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.

4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs.

5. Following the credit of Equity Shares into the successful Bidders' beneficiary accounts, our Company will apply for the final listing and trading approvals from the Stock Exchanges.

6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and the Company files the return of Allotment in connection with the Issue with the RoC.

7. After finalization of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file it with the Stock Exchanges as the Placement Document. Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document.

8. In the event that we are unable to issue and Allot the Equity Shares offered in the Issue or if the Issue is cancelled within 60 days from the date of receipt of application monies, our Company shall repay the application monies within 15 days from the expiry of 60 days, failing which our Company shall repay that monies with interest at the rate of 12% p.a. from expiry of the sixtieth day. The application monies to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted (as set out in the Application Form), in the form and manner set out in the Refund Intimation Letter. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and Allot the Equity Shares offered in the Issue or on cancellation of the Issue, within 60 days from the date of receipt of the Bid Amount, our Company shall repay the Bid Amount within 15 days from expiry of 60 days, failing which our Company shall repay that money with interest at such rate and in such manner as prescribed under the Companies Act.

Other Instructions

Permanent Account Number or PAN

Each Bidder should mention its PAN allotted under the IT Act. A copy of PAN card is required to be submitted with the Application Form. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Right to Reject Applications

Our Company, in consultation with the Book Running Lead Managers, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Book Running Lead Managers in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder. For details see "***Bid Process***" – "***Refund***".

Equity Shares in dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the Book Running Lead Managers will not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

PLACEMENT

Placement Agreement

The Book Running Lead Managers have entered into the Placement Agreement dated June 25, 2019 with our Company, pursuant to which the Book Running Lead Managers have agreed, subject to certain conditions, to manage the Issue and to act as placement agents in connection with the proposed Issue and procure subscription to Equity Shares on a reasonable efforts basis with Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, as amended and other applicable provisions of the Companies Act and the rules made thereunder.

The Placement Agreement contains customary representations, warranties and indemnities from our Company, and it is subject to satisfaction of certain conditions and subject to termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

The Equity Shares have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold by the Company (a) in the United States only to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the Securities Act) pursuant to Section 4(a)(2) under the Securities Act, and (b) outside the United States, in offshore transactions, in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For further information, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 152 and 159, respectively.

This Preliminary Placement Document has not been, and will not be, registered as a prospectus with the RoC and, no Equity Shares issued pursuant to the Issue, will be offered in India or overseas to the public or any members of the public or any other class of prospective investors, other than Eligible QIBs.

In connection with the Issue, the Book Running Lead Managers (or their affiliates) may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Managers may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Managers may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see "***Offshore Derivative Instruments***" on page 8.

From time to time, the Book Running Lead Managers, and their affiliates and associates have engaged in or may in the future engage in transactions with and perform services including but not limited to investment banking, advisory, banking, trading services for our Company, its Subsidiaries, its Joint Ventures and its Associate, group companies, affiliates and the shareholders of our Company, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the Book Running Lead Managers and their affiliates and associates.

Kotak Mahindra Capital Company Limited acted as the Lead Manager in the August 2013 rights offering of Equity Shares of our Company.

Kotak Mahindra Capital Company Limited acted as Book Running Lead Manager in the March 2012 institutional placement programme of Equity Shares of our Company.

Kotak Mahindra Capital Company Limited acted as Global Co-ordinator and Book Running Lead Manager in the December 2009 initial public offering of Equity Shares of our Company.

Lock-in

The Company hereby agrees that it will not, without the prior written consent of the Book Running Lead Managers, from the date hereof and for a period of up to 90 days from the Closing Date, directly or indirectly: (a) issue, offer, lend, sell, pledge, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for the Equity Shares or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of the Equity Shares or any securities convertible into or exercisable or exchangeable for the Equity Shares; or (c) deposit Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares or which carry the right to subscribe for or purchase Equity Shares in depository receipt facilities or enter into any such transaction (including a transaction involving derivatives) having an economic effect similar to that of a sale or a deposit of Equity Shares in any depository receipt facility; or (d) announce any intention to enter into any transaction whether any such transaction described in (a), (b) or (c) above is to be settled by delivery of the Equity Shares, or such other securities, in cash or otherwise, provided, however, that the foregoing restrictions shall not be applicable to (i) any grant of options by the Company under the ESGS; or (ii) any issue or allotment of the Equity Shares by the Company pursuant to the exercise of any options awarded under the ESGS.

Godrej Industries Limited ("**GIL**") have agreed that, without the prior written consent of the Book Running Lead Managers, it will not, during the period commencing on the date hereof and ending 90 days after the date of Allotment of the Issue Shares pursuant to the Issue(the "**Lock-up Period**"), directly or indirectly: (a) issue, offer, lend, sell, pledge, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for the Equity Shares or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of the Equity Shares or any securities convertible into or exercisable or exchangeable for the Equity Shares; or (c) deposit Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares or which carry the right to subscribe for or purchase Equity Shares in depository receipt facilities or enter into any transaction (including transaction involving derivatives) having an economic effect similar to that of a sale or a deposit of Shares in any depository receipt facility; or (d) announce any intention to enter into any transaction whether any such transaction described in (a), (b) or (c) above is to be settled by delivery of the Equity Shares, or such other securities, in cash or otherwise.

The foregoing paragraph shall not apply to (a) any inter-se transfer of Equity Shares between the Promoters and Promoter Group, provided that the lock-up shall continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the Lock-up Period set out herein has expired; (c) bona fide pledge of lock-up Equity Shares, as collateral for loans as per the normal commercial terms entered into, in the ordinary course of business of the Company, where any arrangement for any such encumbrance as collateral is undertaken with the prior written approval of the Book Running Lead Managers and (d) any sale, transfer or disposition of such Equity Shares by the undersigned to the extent such sale, transfer or disposition is required by applicable Indian law.

SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document or any offering material and the offering, sale or delivery of Equity Shares is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Preliminary Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restriction.

General

No action has been taken or will be taken by the Company or the BRLMs that would permit a public offering of the Equity Shares to occur in any jurisdiction, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to the Company or the Equity Shares in any jurisdiction where action for such purpose is required (including filing of prospectus in India with SEBI or any other authority in connection with the Issue). Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and none of this Preliminary Placement Document, any offering materials and any advertisements in connection with the offering of the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made in compliance with the applicable SEBI ICDR Regulations. Each purchaser of the Equity Shares in this Issue will be deemed to have made acknowledgments and agreements as described under "Notice to Investors", "Representations by Investors" and "Transfer Restrictions".

Australia. This Preliminary Placement Document:

- does not constitute a product disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) (the "**Corporations Act**");
- has not been, and will not be, lodged with the Australian Securities and Investments Commission ("ASIC"), as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act;
- does not constitute or involve a recommendation to acquire, an offer or invitation for issue or sale, an offer or invitation to arrange the issue or sale, or an issue or sale, of interests to a "retail client" (as defined in section 761G of the Corporations Act and applicable regulations) in Australia; and
- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors, or Exempt Investors, available under section 708 of the Corporations Act.

The Equity Shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the Equity Shares may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any Equity Shares may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the Equity Shares, you represent and warrant to us that you are an Exempt Investor.

As any offer of Equity Shares under this Preliminary Placement Document will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the Equity Shares you undertake to us that you will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those securities to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Bahrain. All applications for investment should be received, and any allotments should be made, in each case from outside Bahrain. This Preliminary Placement Document has been prepared for private information purposes of intended investors only who will be high net worth individuals and institutions. Our Company and the Selling Shareholders have not made and will not make any invitation to the public in the Kingdom of Bahrain and the Preliminary Placement Document will not be issued, passed to, or made available to the public generally. The Bahrain Monetary Agency ("**BMA**") has not reviewed, nor has it approved, the Preliminary Placement Document or the marketing of Equity Shares in the Kingdom of Bahrain. Accordingly, Equity Shares may not be offered or sold in Bahrain or to residents thereof except as permitted by Bahrain law.

British Virgin Islands. The Equity Shares may be offered to persons located in the British Virgin Islands who are "qualified investors" for the purposes of the Securities Investment Business Act 2010 ("**SIBA**"). Qualified investors include (i) certain entities which are regulated by the Financial Services Commission in the British Virgin Islands, including banks, insurance companies, licensees under SIBA and public, professional and private mutual funds; (ii) a company, any securities of which are listed on a recognized exchange; and (iii) persons defined as "professional investors" under SIBA, which is any person (a) whose ordinary business involves, whether for that person's own account or the account of others, the acquisition or disposal of property of the same kind as the property, or a substantial part of the property of our Company; or (b) who has signed a declaration that he, whether individually or jointly with his spouse, has net worth in excess of US$1,000,000 and that he consents to being treated as a professional investor.

Canada. The Equity Shares will not be qualified for sale under the securities laws of any province or territory of Canada. The Equity Shares may only be offered, sold or distributed, directly or indirectly, in or to or for the benefit of a resident of, the Provinces of British Columbia, Alberta, Ontario or Québec, which is purchasing, or deemed to be purchasing, as a principal that is: (i) an accredited investor, as defined in National Instrument 45-106 Prospectus Exemptions ("**NI 45-106**") or subsection 73.3(1) of the Securities Act (Ontario), and (ii) a permitted client, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations and only through a dealer duly registered under the applicable securities laws of such provinces in circumstances where no exemption from the applicable registered dealer requirement is available. Any resale of the Equity Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

This Preliminary Placement Document or any other offering material in connection with the offer of the Equity Shares has not been and will not be distributed or delivered in Canada other than to a resident of the Provinces of British Columbia, Alberta, Ontario or Québec in compliance with applicable securities laws. Prospective Canadian investors are advised that the information contained within this Preliminary Placement Document in relation to the Equity Shares has not been prepared with regard to matters that may be of particular concern to Canadian investors. Accordingly, prospective Canadian investors should consult with their own legal, financial and tax advisers concerning the information contained within this Preliminary Placement Document and any other offering material relating to the Equity Shares and as to the suitability of an investment in the Equity Shares in their particular circumstances.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Preliminary Placement Document or any other offering material constituting an "offering memorandum" under applicable Canadian securities laws (including any amendment to any such documents) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts ("**NI 33-105**"), the parties to this offering, including the Company, the Underwriters and the Selling Shareholder, as the case may be, are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with an offering of the Equity Shares.

Upon receipt of this Preliminary Placement Document, each Canadian purchaser hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the Equity Shares described herein (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de la document d'offre, chaque acheteur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement*.

Cayman Islands. No offer or invitation to subscribe for Equity Shares may be made to the public in the Cayman Islands.

Dubai International Financial Centre ("DIFC"). This Preliminary Placement Document relates to an Exempt Offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority ("**DFSA**"). This Preliminary Placement Document is intended for distribution only to persons of a type specified in the Markets Rules 2012 of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for this Preliminary Placement Document. The securities to which this Preliminary Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Preliminary Placement Document you should consult an authorized financial advisor.

In relation to its use in the DIFC, this Preliminary Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

European Economic Area. In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, no offer of Equity Shares may be made to the public in that Relevant Member State other than:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;

- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the Underwriters; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Equity Shares shall require the Company or any Underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive and each person who initially acquires any Equity Shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with each of the Underwriters and the Company that it is a "qualified investor" within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

In the case of any Equity Shares being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Equity Shares acquired by it in the Offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the prior consent of the representatives has been obtained to each such proposed offer or resale.

For the purposes of this provision, the expression an "offer of Equity Shares to the public" in relation to any Equity Shares in any Relevant Member State means the communication in any form and by means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase Equity Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

France. This Preliminary Placement Document is not being distributed in the context of a public offering of financial securities (offre au public de titres financiers) in France within the meaning of Article L.411-1 of the French Monetary and Financial Code (Code monétaire et financier) and Articles 211-1 et seq. of the General Regulation of the French Autorité des marchés financiers ("**AMF**"). The Equity Shares have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France.

This Preliminary Placement Document and any other offering material relating to the Equity Shares have not been, and will not be, submitted to the AMF for approval in France and, accordingly, may not be distributed (directly or indirectly) to the public in France. Such offers, sales and distributions have been and shall only be made in France to qualified investors (investisseurs qualifiés) acting for their own account, as defined in and in accordance with Articles L.411-2-II-2, D.411-1, L.533-16, L.533-20, D.533-11, D.533-13, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation.

Pursuant to Article 211-3 of the General Regulation of the AMF, investors in France are informed that the Equity Shares cannot be distributed (directly or indirectly) to the public by the investors otherwise than in accordance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French Monetary and Financial Code.

Hong Kong. The Equity Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the Equity Shares has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Japan. The Equity Shares have not been and will not be registered pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act. Accordingly, none of the Equity Shares nor any interest therein may be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any "resident" of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan in effect at the relevant time.

Jordan. The Preliminary Placement Document has not been and will not be filed with the Jordanian Securities Commission. The Preliminary Placement Document has not been and will not be distributed, and offers to sell, and sales of the Equity Shares will not be made to more than 30 Jordanian residents. It may not be used for a public offering in Jordan of the Equity Shares. Offers of the Equity Shares are being made from outside Jordan on a private one-on-one contact basis to pre-identified potential investors in Jordan by persons who are not resident within Jordan and accordingly no registration, local prospectus filing and local agent requirements apply. The Preliminary Placement Document is strictly for private use by its holder and may not be passed on to third parties or otherwise distributed publicly.

Republic of Korea. The Equity Shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the "**FSCMA**"), and the Equity Shares have been and will be offered in Korea as a private placement under the FSCMA. None of the Equity Shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the "**FETL**"). Furthermore, the purchaser of the Equity Shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Equity Shares. By the purchase of the Equity Shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the Equity Shares pursuant to the applicable laws and regulations of Korea.

Kuwait. The Equity Shares have not been authorised or licensed for offering, marketing or sale in the State of Kuwait. The distribution of the Preliminary Placement Document and the offering and sale of the Equity Shares in the State of Kuwait is restricted by law unless a license is obtained from the Kuwaiti Ministry of Commerce and Industry in accordance with Law 31 of 1990.

Malaysia. No prospectus or other offering material or document in connection with the offer and sale of the Equity Shares has been or will be registered with the Securities Commission of Malaysia ("**Commission**") for the Commission's approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this Preliminary Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services Licence; (iii) a person who acquires the Equity Shares, as principal, if the offer is on terms that the Equity Shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the Equity Shares is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. The distribution in Malaysia of this Preliminary Placement Document is subject to Malaysian laws. This Preliminary Placement Document does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

Mauritius. The Equity Shares may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither this Preliminary Placement Document nor any offering material or information contained herein relating to the offer of Equity Shares may be released or issued to the public in Mauritius or used in connection with any such offer. This Preliminary Placement Document does not constitute an offer to sell Equity Shares to the public in Mauritius and is not a prospectus as defined under the Companies Act 2001.

New Zealand. This Preliminary Placement Document is not a prospectus. It has not been prepared or registered in accordance with the Securities Act 1978 of New Zealand (the "**New Zealand Securities Act**"). This Preliminary Placement Document is being distributed in New Zealand only to persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money, within the meaning of section 3(2)(a)(ii) of the New Zealand Securities Act ("**Habitual Investors**"). By accepting this Preliminary Placement Document, each investor represents and warrants that if they receive this Preliminary Placement Document in New Zealand they are a Habitual Investor and they will not disclose this Preliminary Placement Document to any person who is not also a Habitual Investor.

Oman. This Preliminary Placement Document and the Equity Shares to which it relates may not be advertised, marketed, distributed or otherwise made available to any person in Oman without the prior consent of the Capital Market Authority ("**CMA**") and then only in accordance with any terms and conditions of such consent. In connection with the offering of Equity Shares, no prospectus has been filed with the CMA. The offering and sale of Equity Shares described in the Preliminary Placement Document will not take place inside Oman. The Preliminary Placement Document is strictly private and confidential and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof.

People's Republic of China. This Preliminary Placement Document may not be circulated or distributed in the People's Republic of China (excluding, for the purposes of this paragraph, the Hong Kong and Macau Special Administrative Regions and Taiwan Province) and the Equity Shares may not be offered or sold directly or indirectly to any resident of the People's Republic of China, or offered or sold to any person for reoffering or re-sale directly or indirectly to any resident of the People's Republic of China except under applicable laws and regulations of the People's Republic of China.

Qatar (excluding Qatar Financial Centre)**.** The Equity Shares have not been offered, sold or delivered, and will not be offered, sold or delivered at any time, directly or indirectly, in the State of Qatar in a manner that would constitute a public offering. This Preliminary Placement Document has not been reviewed or registered with Qatari Government Authorities, whether under Law No. 25 (2002) concerning investment funds, Central Bank resolution No. 15 (1997), as amended, or any associated regulations. Therefore, this Preliminary Placement Document is strictly private and confidential, and is being issued to a limited number of sophisticated investors, and may not be reproduced or used for any other purposes, nor provided to any person other than the recipient thereof.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this Preliminary Placement Document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Preliminary Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorized financial adviser.

Qatar Financial Centre**.** This Preliminary Placement Document does not, and is not intended to, constitute an invitation or offer of securities from or within the Qatar Financial Center ("**QFC**"), and accordingly should not be construed as such. This Preliminary Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This Preliminary Placement Document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licensed by or registered with any licensing authorities within the QFC.

Saudi Arabia**.** This Preliminary Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations as issued by the board of the Saudi Arabian Capital Market Authority ("**CMA**") pursuant to resolution number 2-11-2004 dated 4 October 2004 as amended by resolution number 1-28-2008, as amended (the "CMA Regulations"). The CMA does not make any representation as to the accuracy or completeness of this Preliminary Placement Document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Preliminary Placement Document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorized financial adviser.

South Africa. Due to restrictions under the securities laws of South Africa, the Equity Shares are not offered, and the offer shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions applies:

i. the offer, transfer, sale, renunciation or delivery is to:

    (a) persons whose ordinary business is to deal in securities, as principal or agent;

    (b) the South African Public Investment Corporation;

    (c) persons or entities regulated by the Reserve Bank of South Africa;

    (d) authorised financial service providers under South African law;

    (e) financial institutions recognised as such under South African law;

    (f) a wholly-owned subsidiary of any person or entity contemplated in (c), (d) or (e), acting as agent in the capacity of an authorised portfolio manager for a pension fund or collective investment scheme (in each case duly registered as such under South African law); or

    (g) any combination of the person in (a) to (f); or

ii. the total contemplated acquisition cost of the securities, for any single addressee acting as principal is equal to or greater than ZAR1,000,000.

No "offer to the public" (as such term is defined in the South African Companies Act, No. 71 of 2008 (as amended or re-enacted) (the "**South African Companies Act**")) in South Africa is being made in connection with the issue of the Equity Shares. Accordingly, this Preliminary Placement Document does not, nor is it intended to, constitute a "registered prospectus" (as that term is defined in the South African Companies Act) prepared and registered under the South African Companies Act and has not been approved by, and/or filed with, the South African Companies and Intellectual Property Commission or any other regulatory authority in South Africa. Any issue or offering of the Equity Shares in South Africa constitutes an offer of the Equity Shares in South Africa for subscription or sale in South Africa only to persons who fall within the exemption from "offers to the public" set out in section 96(1)(a) of the South African Companies Act. Accordingly, this Preliminary Placement Document must not be acted on or relied on by persons in South Africa who do not fall within section 96(1)(a) of the South African Companies Act (such persons being referred to as "**SA Relevant Persons**"). Any investment or investment activity to which this Preliminary Placement Document relates is available in South Africa only to SA Relevant Persons and will be engaged in South Africa only with SA relevant persons.

***Singapore*.** This Preliminary Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

    i. to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

    ii. where no consideration is or will be given for the transfer;

    iii. where the transfer is by operation of law;

    iv. as specified in Section 276(7) of the SFA; or

    v. as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

***Switzerland*.** The Equity Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("**SIX**") or on any other stock exchange or regulated trading facility in Switzerland. This Preliminary Placement Document does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Equity Shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Preliminary Placement Document nor any other offering or marketing material relating to the offering, the Company, the Equity Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of Equity Shares will not be supervised by, the Swiss Financial Market Supervisory Authority and the offer of Equity Shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("**CISA**"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of Equity Shares.

***Taiwan*.** The Equity Shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Offer Shares in Taiwan.

United Arab Emirates. The Equity Shares have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the Dubai International Financial Centre) other than in compliance with the laws of the United Arab Emirates (and the Dubai International Financial Centre) governing the issue, offering and sale of securities. Further, this Preliminary Placement Document does not constitute a public offer of securities in the United Arab Emirates (including the Dubai International Financial Centre) and is not intended to be a public offer. This Preliminary Placement Document has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority or the Dubai Financial Services Authority.

United Kingdom. In the United Kingdom, this Preliminary Placement Document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are "qualified investors" (as defined in the Prospectus Directive) (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**") and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons") or otherwise in circumstances which have not resulted and will not result in an offer to the public of the Equity Shares in the United Kingdom within the meaning of the Financial Services and Markets Act 2000. Any person in the United Kingdom that is not a relevant person should not act or rely on the information included in this Preliminary Placement Document or use it as basis for taking any action. In the United Kingdom, any investment or investment activity that this Preliminary Placement Document relates to may be made or taken exclusively by relevant persons.

United States. The Equity Shares offered in the Offer have not been and will not be registered under the Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act), pursuant to the private placement exemption set out in Section 4(a)(2) of the Securities Act.

Until 40 days after the commencement of the Issue, an offer or sale of the Equity Shares within the United States by a dealer (whether or not participating in the Issue) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the Securities Act.

TRANSFER RESTRICTIONS

Due to the following restrictions, investors are advised to consult legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of Equity Shares.

Purchasers are not permitted to sell the Equity Shares Allotted pursuant to the Issue, for a period of one year from the date of Allotment, except on the BSE or the NSE. Allotments made to Eligible FPIs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. Additional transfer restrictions applicable to the Equity Shares are listed below.

United States Transfer Restrictions

The Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Each subscriber of the Equity Shares outside the United States pursuant to Regulation S will be deemed to have represented and agreed that it has received a copy of this Preliminary Placement Document and such other information as it deems necessary to make an informed investment decision and that:

1. the subscriber acknowledges that the Equity Shares have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state of the United States, and are subject to restrictions on transfer;

2. the subscriber and the person, if any, for whose account or benefit the subscriber is acquiring the Equity Shares, was located outside the United States at the time the buy order for the Equity Shares was originated and continues to be located outside the United States and has not subscribed to the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or any economic interest therein to any person in the United States;

3. the subscriber is not an affiliate (as defined in Rule 405 of the Securities Act) of our Company or a person acting on behalf of such affiliate; and it is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Equity Shares from our Company or an affiliate (as defined in Rule 405 of the Securities Act) thereof in the initial distribution of the Equity Shares;

4. the subscriber is aware of the restrictions on the offer and sale of the Equity Shares pursuant to Regulation S described in this Preliminary Placement Document;

5. the Equity Shares have not been offered to it by means of any “directed selling efforts” as defined in Regulation S under the Securities Act; and

6. the subscriber acknowledges that our Company, the BRLMs and their respective affiliates (as defined in Rule 405 of the Securities Act), and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its subscription of the Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Each subscriber of the Equity Shares within the United States subscribing pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act will be deemed to have represented and agreed that it has received a copy of this Preliminary Placement Document and such other information as it deems necessary to make an informed investment decision and that:

1. the subscriber is authorized to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations;

2. the subscriber acknowledges that the Equity Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions on transfer;

3. the subscriber is a U.S. QIB and is aware that the sale to it is being made in a transaction not subject to the registration requirements of the Securities Act and is acquiring such Equity Shares for its own account or for the account of a qualified institutional buyer;

4. the subscriber is aware that the Equity Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the Securities Act;

5. if in the future, the subscriber decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only to a qualified institutional buyer in a transaction meeting the requirements of Rule 144A, in accordance with Regulation S under the Securities Act or in accordance with Rule 144 under the Securities Act (if available), in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction;

6. the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Equity Shares;

7. the subscriber will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act;

8. our Company shall not recognise any offer, sale, pledge or other transfer of the Equity Shares made other than in compliance with the above-stated restrictions;

9. the subscriber acknowledges that our Company, the BRLMs and their respective affiliates (as defined in Rule 405 of the Securities Act), and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its subscription of the Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account; and

10. the Equity Shares may not be acquired by or transferred to (i) any person that is, or that is acting on behalf of or investing assets of, (A) an "employee benefit plan" (as defined in section 3(3) of ERISA) that is subject to the fiduciary responsibility provisions of Title I of ERISA, (B) a "plan" (as defined in Section 4975(e)(1) of the Internal Revenue Code) that is subject to Section 4975 of the Internal Revenue Code or (C) an entity whose underlying assets are deemed to include assets of an employee benefit plan or a plan described in (A) or (B) by reason of such employee benefit plan's or plan's investment in the entity (collectively, a "**Benefit Plan Investor**") or (ii) any person that is, or that is acting on behalf of or investing the assets of a governmental, church or non-U.S. plan that is subject to Similar Law, unless in each case such person's acquisition, holding and disposition of the Equity Shares will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Internal Revenue Code or a non-exempt violation of any Similar Law, in the case of a plan subject to Similar Law.

11. each subscriber or transferee of Equity Shares or any interest therein that is using assets of a benefit plan investor subject to ERISA or to Section 4975 of the Code (a "benefit plan"), including any fiduciary purchasing Equity Shares on behalf of a benefit plan ("**Plan Fiduciary**"), will be deemed to have represented by its acquisition of the Equity Shares that:

    a) none of the Company, the BRLMs, agents, dealers and similar parties, or any of their respective affiliated entities (the "**Transaction Parties**"), has provided or will provide advice with respect to the acquisition of Equity Shares by the benefit plan, other than to the Plan Fiduciary which is independent of the Transaction Parties, and the Plan Fiduciary either: (a) is a bank as defined in Section 202 of the Investment Advisers Act of 1940 (the "**Advisers Act**"), or similar institution that is regulated and supervised and subject to periodic examination by a State or Federal agency; (b) is an insurance carrier which is qualified under the laws of more than one state to perform the services of managing, acquiring or disposing of assets of a benefit plan; (c) is an investment adviser registered under the Advisers Act, or, if not registered an as investment adviser under the Advisers Act by reason of paragraph (1) of Section 203A of the Advisers Act, is registered as an investment adviser under the laws of the state in which it maintains its principal office and place of business; (d) is a broker-dealer registered under the Securities Exchange Act of 1934, as amended; or (e) has, and at all times that the benefit plan is invested in Equity Shares will have, total assets of at least U.S. $50,000,000 under its management or control (provided that this clause (e) shall not be satisfied if the Plan Fiduciary is either (i) the owner or a relative of the owner of an investing individual retirement account or (ii) a participant or beneficiary of the benefit plan investing in Equity Shares in such capacity);

    b) the Plan Fiduciary is capable of evaluating investment risks independently, both in general and with respect to particular transactions and investment strategies, including the acquisition by the benefit plan of Equity Shares;

    c) the Plan Fiduciary is a "fiduciary" with respect to the benefit plan within the meaning of Section 3(21) of ERISA, Section 4975 of the Code, or both, and is responsible for exercising independent judgment in evaluating the benefit plan's acquisition of Equity Shares;

d) none of the Transaction Parties has exercised any authority to cause the benefit plan to invest in Equity Shares or to negotiate the terms of the benefit plan's investment in Equity Shares; and

e) the Plan Fiduciary has been informed by the Transaction Parties: (a) that none of the Transaction Parties is undertaking to provide impartial investment advice or to give advice in a fiduciary capacity, and that no such entity has given investment advice or otherwise made a recommendation, in connection with the benefit plan's acquisition of Equity Shares; and (b) of the existence and nature of the Transaction Parties financial interests in the benefit plan's acquisition of Equity Shares.

The above representations are intended to comply with the DOL's Reg. Sections 29 C.F.R. 2510.3-21(a) and (c)(1) as promulgated on April 8, 2016 (81 Fed. Reg. 20,997). If these regulations are revoked, repealed or no longer effective, these representations shall be deemed to be no longer in effect.

None of the Transaction Parties is undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the acquisition of any Equity Shares by any benefit plan.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Book Running Lead Managers or any of their respective affiliates or advisors.

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the Securities Contracts (Regulation) Act, 1956 (the "**SCRA**") and the SCRR. On October 9, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "**SCR (SECC) Rules**"), which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Rules along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investor, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 19, 2005, the BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

NSE

The NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. The NSE was recognised as a stock exchange under the SCRA in April 1993.

Listing and delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013 the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

Further the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 govern the voluntary and compulsory delisting of equity shares from the stock exchanges.

The SCRR requires all listed companies to maintain a minimum public shareholding of 25%, subject to certain time bound exceptions. Our Company is in compliance with this requirement.

Minimum Level of Public Shareholding

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such the public shareholding having fallen below the 25% threshold. However, every listed public sector company whose public shareholding falls below 25% at any time on or after the commencement of the Securities

Contracts (Regulation) (Second Amendment) Rules, 2018, shall increase its public shareholding to at least 25%, within a period of two years from the date of such commencement or fall, respectively, in the manner specified by SEBI. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above mentioned requirements. Our Company is in compliance with this minimum public shareholding.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

Trading Hours

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work.

NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the SEBI Takeover Regulations, which provides for specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The SEBI Takeover Regulations prescribes certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

SEBI Insider Trading Regulations

SEBI had earlier notified the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 to prohibit and penalise insider trading in India. The regulations, among other things, prohibited an 'insider' from dealing in the securities of a listed company when in possession of unpublished price sensitive information ("**UPSI**").

The SEBI Insider Trading Regulations, were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the erstwhile regulations of 1992. The SEBI Insider Trading Regulations, *inter alia*, impose certain restrictions on the communication of information by listed companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI Insider Trading Regulations.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following is the information relating to the Equity Shares including a brief summary of the Memorandum of Association and Articles of Association and the Companies Act. The prospective investors are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Share Capital

The authorised share capital of the Company is ₹ 6,690 million comprising of 1,338,000,000 Equity Shares of ₹ 5 each. As on the date of this Preliminary Placement Document, the issued, subscribed and paid-up capital of the Company is ₹ 1,146.97 million comprising of 229,394,076 fully paid-up Equity Shares of ₹ 5 each. The Equity Shares are listed on BSE and NSE.

Dividends

Under Indian law, an Indian company pays dividend upon a recommendation by its board of directors and approval by a majority of the shareholders at the AGM held in each Fiscal Year. The Board may declare and pay interim dividends, which requires confirmation of a majority of shareholders at the next AGM. The shareholders have no right to declare dividend at a rate higher than such rate recommended by the Board. Subject to certain conditions laid down by Section 123 of the Companies Act, no dividend can be declared or paid by a company for any Fiscal Year except: (a) out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act; or (b) out of the profits of the company for any previous Fiscal Year arrived at as required to be computed in terms of the Companies Act and remaining undistributed; or (c) out of both; or (d) out of money provided by the Government of India or a State Government for payment of dividend by the Company in pursuance of a guarantee given by that Government.

The Equity Shares issued pursuant to this Preliminary Placement Document shall rank *pari passu* with the existing Equity Shares in all respects including entitlements to any dividends that may be declared by the Company.

The Companies Act read with the Companies (Declaration and Payment of Dividend) Rules, 2014 provides that if the profit for a year is inadequate or nil, the dividend for that year may be declared out of the accumulated profits earned in previous years and transferred to free reserves, subject to the following conditions: (i) the rate of dividend to be declared shall not exceed the average of the rates at which dividend was declared by the company in the three years immediately preceding that year; (ii) the total amount to be drawn from such accumulated profits from previous years shall not exceed one-tenth of the sum of the paid-up share capital and free reserves as appearing in the latest audited financial statement; (iii) the amount so drawn shall first be utilized to set off the losses incurred in the financial year in which dividend is declared before any dividend in respect of equity shares is declared; (iv) the balance of reserves after withdrawal must not be below 15% of paid-up share capital as appearing in the latest audited financial statement. In accordance with the SEBI Listing Regulations, dividend declared by a company has to be on a per share basis only.

Subject to the provisions of the Companies Act, no shareholder shall be entitled to receive payment of any interest or dividends in respect of his Equity Share(s), whilst any money may be due or owing from him to the Company in respect of such Equity Share(s) either above or jointly with any other person and our Board may deduct from the dividend payable to any such shareholder all sums of money, if any, payable by such shareholder to the Company on account of calls or otherwise in relation to the Equity Shares. Any dividend, interest or other monies in respect of the Equity Shares may be paid in electronic mode or by cheque or warrant to the shareholder or person entitled or in case of joint-holders to the joint-holder first named in the register of members or to such person and to such address as the holder or the joint holders direct in writing to the Company.

Issue of Bonus Shares and Capitalisation of Reserves

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act permits our Board, if so approved by the shareholders in a general meeting, to distribute an amount transferred in the securities premium account or the capital redemption reserve account to its shareholders, in the form of fully paid up bonus shares. However, bonus ordinary shares must be distributed to shareholders in proportion to the number of ordinary shares owned by them as recommended by our Board. No issue of bonus shares may be made by capitalizing reserves created by revaluation of assets. Further, any issue of bonus shares would be subject to the SEBI ICDR Regulations and the Companies Act.

The Articles of Association of the Company provide that the Company may, in any general meeting, upon the recommendation of our Board, resolve that any part of the amount standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution and not required for payment of fixed dividends on any preference shares of the Company be capitalized.

Further Issue of Equity Shares

Subject to the provisions of the Companies Act, the Company may increase its Equity Share capital by issuing new Equity Shares on such terms and with such rights as it, by action of its shareholders in a general meeting may determine. According to

Section 62 of the Companies Act, such new Equity Shares shall be offered to existing equity shareholders in proportion, as nearly as circumstances admit, to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of Equity Shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. After such date or upon receipt of earlier intimation from persons to whom such notice is given that they decline to accept the Equity Shares offered, Board may dispose of the Equity Shares offered in respect of which no acceptance has been received in a manner which shall not be disadvantageous to the shareholders of the Company. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person.

Under the provisions of Section 62(1)(c) of the Companies Act, new Equity Shares may be offered to any persons whether or not those persons include existing equity shareholders, or employees to whom shares have been allotted under a scheme of employee stock option, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed, if a special resolution to that effect is passed by the Company's shareholders in a general meeting.

The Articles of Association provide that our Company may, by an ordinary resolution:

- Increase the authorised share capital by such sum, to be divided into shares of such amount as it thinks expedient;
- Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- Convert all or any of its fully paid-up shares into stock, and re-convert that stock into fully paid-up shares of any denomination;
- Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum; and
- Cancel any shares which, at the date of the passing of the resolutions have not been taken or agreed to be taken by any person.

Issuance of Preference Shares

Subject to Section 55 of the Companies Act, any new shares may be issued as preference shares which are liable to be redeemed within a period not exceeding 20 years from the date of their issue, and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption subject to the conditions provided in the Companies Act read with the Companies (Share Capital and Debentures) Rules, 2014.

General meetings of shareholders

There are two types of general meetings of the shareholders:

(i) AGM; and

(ii) EGM.

The Company must hold its AGM within six months after the expiry of each Fiscal Year provided that not more than 15 months shall elapse between the AGM and next one, unless extended by the RoC at its request for any special reason for a period not exceeding three months. Our Board may convene an EGM when necessary or at the request of a shareholder or shareholders holding in the aggregate not less than one tenth of the Company's issued paid up capital (carrying a right to vote in respect of the relevant matter on the date of receipt of the requisition).

Notices, either in writing or through electronic mode, convening a meeting setting out the date, day, hour, place and agenda of the meeting must be given to members at least 21 clear days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice if consent is received, in writing or electronic mode, from not less than 95% of the shareholders entitled to vote. Unless the Articles of Association provide for a larger number, such number of shareholders, shall constitute a quorum for a general meeting of the Company, whether AGM or EGM as specified under the Companies Act. The quorum requirements applicable to shareholder meetings under the Companies Act have to be physically complied with.

In accordance with Section 110 of the Companies Act, 2013 and the rules made thereunder, a company intending to pass a resolution relating to matters such as, but not limited to, amendment in the objects clause of the Memorandum of Association, the issuing of shares with different voting or dividend rights, a variation of the rights attached to a class of shares or debentures or other securities, buy-back of shares, giving loans or extending guarantees in excess of limits prescribed in Section 186(3) of the Companies Act, 2013, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in the company's general meeting. A notice to all the shareholders shall be sent along with a draft resolution explaining the reasons therefore and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of dispatch of the notice. The shareholders may exercise their right to vote at general meetings or through postal ballot by voting through electronic voting mechanism.

Voting rights

Section 108 of the Companies Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 deal with the exercise of right to vote by members by electronic means. In terms of Rule 20 and Regulation 44 of the SEBI Listing Regulations, every listed company (other than a Nidhi company or an enterprise or an institutional investor referred to in the SEBI ICDR Regulations) is required to provide to its members facility to exercise their right to vote at general meetings by electronic means. The Ministry of Corporate Affairs, has clarified that voting by show of hands would not be allowable in cases where Rule 20 is applicable. Our Articles of Association provide that subject to any rights or restrictions for the time being attached to any class or classes of Equity Shares, every member present in person shall have one vote on a show of hands, and on poll, the voting rights of the member shall be in proportion to the share held in the paid-up equity share capital of the Company.

Further, our Articles of Association provide that a member may exercise the vote at a meeting by electronic means in accordance with Section 108 of the Companies Act and shall only vote once. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company.

Transfer and Transmission of Equity Shares

Equity Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are subject to STT (levied on and collected by the stock exchanges on which such equity shares are sold), however, are exempt from stamp duty. The Company has entered into an agreement for such depository services with the NSDL and the CDSL. The SEBI requires that the Company’s shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. The Company shall keep a book in which every transfer or transmission of shares will be entered.

Pursuant to the SEBI Listing Regulations, in the event the Company has not effected the transfer of shares within 15 days from the date of receipt of request for transfer or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 15 days, it is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay. The Equity Shares shall be freely transferable subject to applicable laws. The notice of such refusal must be sent to the transferee within one month of the date on which the transfer was lodged with the Company.

Except in case of transmission or transposition of Equity Shares, requests for effecting transfer of Equity Shares shall not be processed unless the Equity Shares are held in dematerialized form with a depository.

According to the Articles of Association of the Company, any person who becomes entitled to Equity Shares by reason of death or insolvency of a member, with consent of the Board and upon such evidence being produced as may from time to time properly be required by the Board of Directors, elect, either (a) to be registered himself as holder of Equity Shares; or (b) to make such transfer of the Equity Shares as the deceased or insolvent member could have made.

Buy-Back of Equity Shares

Sections 68, 69 and 70 of the Companies Act, 2013 read with Rule 17 of the Companies (Share Capital and Debentures) Rules, 2014 relate to the power of a company to purchase its own shares or other specified securities out of its free reserves, or the securities premium account or the proceeds of the issue of any shares or other specified securities (other than from the proceeds of an earlier issue of the same kind of shares or other specified securities proposed to be bought back) subject to certain conditions, including:

- the buy-back has been authorized by the articles of association of the company;
- a special resolution has been passed in a general meeting of the company authorizing the buy-back. Under the Companies (Management and Administration) Rules, 2014, such resolution authorizing buy-back has to be passed through a postal ballot;
- the buy-back is for less than 25% of the aggregate of the paid-up capital and free reserves of the Company, provided that the buy-back of equity shares in any financial year shall not exceed 25% of its total paid-up equity capital in that financial year;

- the ratio of the aggregate of secured and unsecured debts owed by the company after buy-back is not more than twice the paid-up capital and its free reserves;

- all the shares or other specified securities for buy-back are fully paid-up; and

- the buy-back is in accordance with the regulations made by SEBI in this behalf.

The requirement of special resolution mentioned above would not be applicable if the buy-back is for less than 10% of the total paid-up equity capital and free reserves of the company and provided that such buy-back has been authorized by the board of directors of the company. A company buying back its securities is required to extinguish and physically destroy the securities so bought back within seven days of the last date of completion of the buy-back. Further, a company buying back its securities is not permitted to buy back any securities for a period of one year from the buy-back or to issue the same kind of securities for six months subject to certain exceptions. Every buy-back must be completed within a period of one year from the date of passing of the special resolution or resolution of the board of directors, as the case may be. Under Section 70 of the Companies Act, a company is also prohibited from purchasing its own shares or other specified securities through any subsidiary company, including its own subsidiary companies, or through any investment company or group of investment companies or if the company is defaulting on the repayment of deposit or interest, redemption of debentures or preference shares or payment of dividend to a shareholder or repayment of any term loan or interest payable thereon to any financial institution or bank, or in the event of non-compliance with certain other provisions of the Companies Act. Subject to certain conditions, a company is also prohibited from giving, whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, a purchase or subscription made or to be made, by any person for any shares in the company or its holding company.

Winding up

Our Articles of Association provide that on winding up, the liquidator may, with the sanction of a special resolution and any other sanction required under Companies Act, 2013 and subject to the rights attached to any preference share capital, divide amongst the members, in specie or kind, any part of the assets of our Company, vest any part of the assets of the Company in trustees upon such trust for the benefit of the members as the liquidator.

TAXATION

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO GODREJ PROPERTIES LIMITED AND ITS SHAREHOLDERS UNDER THE INDIAN TAX LAWS

The Board of Directors
Godrej Properties Limited
5th Floor, Godrej One,
Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai,
Maharashtra, 400079.

Dear Sir / Madam,

We hereby confirm that the enclosed Annexure, prepared by Godrej Properties Limited ('the Company'), provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act,1961 ('the Act') applicable for the Financial Year 2019-20 relevant to the assessment year 2020-21, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

We do not express any opinion or provide any assurance as to whether:

(i) the Company or its shareholders will continue to obtain these benefits in future;

(ii) the conditions prescribed for availing the benefits have been / would be met with; and

(iii) the revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.

For **M/s P. G. BHAGWAT**
Chartered Accountants
ICAI Firm Registration Number: 101118W
Shriniwas Shreeram Gadgil.
Partner

Membership Number: 120570

Place:	Mumbai
Date:	June 25, 2019
Certificate No.:	PGB/SSG/1920/025
UDIN:	19120570AAAABC7624

Annexure

Statement of Possible Direct Tax Benefits available to Godrej Properties Limited (the Company) and its shareholders under the Indian direct tax laws

A. Benefits to the Company - Under the Income Tax Act, 1961

1. Special Direct Tax Benefits

Deduction in respect of Profits and Gains from Housing Projects

In accordance with and subject to the conditions specified in Section 80-IBA of the Income Tax Act, 1961 (hereinafter referred to as 'the Act'), the Company may be entitled for a deduction of an amount equal to hundred percent of profits and gains derived from the business of developing and building housing projects.

The deduction is available subject to the Company fulfilling prescribed conditions and the ability of the Company to demonstrate and establish, based on documentary evidence, the fulfilment of such prescribed conditions.

The aforesaid benefits are available to the Company subject to fulfilment of prescribed conditions. However, as per Section 115JB of the Act, the Company shall be required to pay Minimum Alternate Tax (MAT) at the rate of 18.5% (plus applicable surcharge and health and education cess @ 4%) on book profits as computed under the said section, irrespective of the tax benefits available.

2. General Direct Tax Benefits

Share in profit / loss of firm / LLP

Under Section 10(2A) of the Act, the share in the total income of the partnership firm / limited liability partnership (LLP) which is separately assessed as such, is exempt from tax in the hands of the Company being a partner in the partnership firm.

Dividend Income is exempt

Under Section 10(34) of the Act, any income by way of dividends referred to in Section 115-O(3) of the Act (i.e. dividends declared, distributed or paid by domestic companies on or after April 1, 2003) received on the investment made by the Company is exempt from tax.

However, no deduction is permitted in respect of expenditure incurred by the Company in relation to income which is not chargeable to tax. The expenditure relatable to "exempt income" needs to be determined in accordance with the provisions specified in Section 14A of the Act read with Rule 8D of the Income Tax Rules, 1962 ("IT Rules").

Corporate rate of tax

The tax rate is 30%. The surcharge on Income tax is 7%, if the total income exceeds Rs.1 crore and, 12% if the total income exceeds Rs.10 crores. Health & Education cess (H&EC) is 4% on tax and surcharge.

In case of companies having a turnover of less than Rs.250 Crores in Financial Year 2017-18, the tax rate will be 25% plus surcharge and H&EC for Financial Year 2019-20.

MAT is imposed at 18.5% (plus the surcharge and H&EC) on the adjusted book profits of Companies whose tax liability is less than 18.5% of their book profits.

Setting-off of the DDT liability by holding company

As per section 115-O of the Act, distributed profits of domestic companies is chargeable to tax at 15% (plus applicable surcharge and health and education cess) computed by way of grossing up mechanism; (effective tax rate ~ 20.55%). As per sub-section (1A) to section 115-O of the Act, a domestic company will be allowed to set-off the dividend received from its subsidiary company during the financial year against the dividend distributed by it, while computing the Dividend Distribution Tax ("DDT") if:

a. the dividend is received from its domestic subsidiary and the subsidiary has paid the DDT payable on such dividend; or

b. the dividend is received from a foreign subsidiary company; tax is payable by the company under section 115BBD of the Act.

However, the same amount of dividend shall not be taken into account for reduction more than once. Further, the net distributed profits shall be increased to such amounts as would, after reduction of the tax on such increased amounts at the specified rate, be equal to the net distributed profits.

B. Benefits to the shareholders of the Company - Under the Income Tax Act, 1961

1. Resident Shareholders

Dividend Income

Under section 10(34) of the Act, income by way of dividends (whether interim or final) referred to in Section 115-O of the Act received on shares of any Indian Company is exempt from income tax in the hands of shareholders. Such dividend is also to be excluded while computing the Minimum Alternate Tax ("MAT") liability where the recipient of the dividend is a company.

However, it is pertinent to note that Section 14A of the Act read with Rule 8D of the Rules restricts the amount of claim for deduction of expenses incurred in relation to exempt income. Thus, any expense incurred to earn the dividend income is not an allowable expenditure.

Further, as per section 115BBDA of the Act, income by way of dividend in excess of Rs. 10 lakhs shall be chargeable to tax in the case of an assessee other than a domestic company, a fund or institution or trust or any university or other educational institutions or any hospital or other medical institutions referred to in section 10(23C)(iv), 10(23C)(v), 10(23C)(vi), 10(23C)(via), a trust or institutions registered under section 12A or section 12AA, which is resident in India, at the rate of 10% (plus applicable surcharge and health and education cess).

No deduction for any expenditure or allowance or set-off of loss shall be allowed under the provisions of the Act in computing the aforesaid dividend income.

Provision for anti-dividend stripping

As per section 94(7) of the Act, losses arising from sale/transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt.

Characterization of Income

The characterization of gains/losses, arising from sale of shares, as capital gains or business income would depend on the nature of holding (whether for investment or carrying on trading in shares) in the hands of the shareholder and various other factors including clarifications / instructions issued by the Central Government in this regard. The tax incidence on such gains would accordingly be different.

Capital assets

Capital assets may be categorized into short term capital assets or long term capital assets based on the period of holding. Capital assets being securities (other than a unit) listed in a recognised stock exchange in India or unit of Unit Trust of India or unit of an equity oriented fund or a zero coupon bond held by an assessee for a period of more than 12 months are considered as long term capital assets. Consequently, capital gains arising on sale of these assets held for more than 12 months are considered as long term capital gains ("LTCG"). Capital gains arising on sale of these assets held for 12 months or less are considered as short term capital gains ("STCG").

Taxation of capital gains on listed equity shares chargeable to STT

Under section 10(38) of the Act, LTCG up to 31 March 2018 arising to a shareholder on transfer of equity shares would be exempt from tax where the sale transaction has been entered into on a recognised stock exchange of India and is chargeable to Securities Transaction Tax ("STT").

Although LTCG on shares sold on Stock Exchange on which STT is paid are exempt in computation of taxable income as per the normal provisions of the Act, such gains are includible in the book profits of a corporate assessee and are not exempt from the levy of MAT under section 115JB of the Act.

However, LTCG on sale of equity shares of a company, will not be exempt if the transaction of acquisition, other than the acquisition notified by the Central Government, of such equity share has been entered on or after October 1, 2004 and such transaction has not been chargeable to STT. The Central Board of Direct Taxes ("CBDT") has vide Notification no. F. No. 43/2017 dated June 5, 2017 notified all transactions of acquisition of equity shares entered into on or after October 1, 2004 which are not chargeable to STT, other than those specifically listed in the notification.

The Finance Act, 2018 has terminated the exemption granted under section 10(38) of the Act to LTCG arising on transfer of listed shares or units of equity oriented mutual funds or units of business trusts by introduction of section 112A in the Act and provided that long-term capital gains arising from transfer of long term capital asset referred to in section 112A of the Act will be liable to tax at the rate of 10% on such income exceeding Rs. 1 lakh.

As per section 112A of the Act, the concessional rate of 10% (plus applicable surcharge and health and education cess) shall be available only if STT has been paid on both acquisition and transfer in case of equity shares and STT has been paid on transfer in case of units of equity-oriented mutual funds or units of business trust. As per section 112A(4) of the Act, the Central Government by notification in the official gazette shall specify the modes of acquisition of equity shares which shall be exempt from the condition of payment of STT. The CBDT came out with the final notification, dated 01 October 2018, identical to draft notification, barring few additions. The final notification has specified that the requirement to pay STT will not apply to (1) share acquisitions undertaken prior to October 1, 2004, (2) share acquisitions undertaken on or after October 1, 2004, subject to certain exceptions.

As per section 48 of the Act, the benefit of indexation and foreign currency fluctuations would not be available. No deduction under Chapter VIA of the Act shall be allowed from such capital gains.

In accordance with section 112 of the Act, LTCG on sale of capital assets to the extent not exempt under section 10(38) of the Act would be subject to tax at the rate of 20% (plus applicable surcharge and health and, education cess) with indexation benefits. However, as per the first proviso to section 112(1) of the Act, if the tax on LTCG is resulting from transfer of listed securities (other than unit) or zero coupon bonds, then LTCG will be chargeable to tax at the rate lower of the following:

- 20% (plus applicable surcharge and health and education cess) of the capital gains as computed after indexation of the cost; or

- 10% (plus applicable surcharge and health and education cess) of the capital gains as computed without indexation.

No deduction under Chapter VIA of the Act shall be allowed from such LTCG. The base year for the purpose of indexation has been changed from 1 April 1981 to 1 April 2001

<u>Grandfathering provisions for shares acquired before 1 February 2018</u>

Finance Act, 2018 has also amended section 55(2)(ac) of the Act to provide for a grandfathering provision up to 31 January 2018. As per the said amendment, cost of acquisition of the long term capital asset referred to in section 112A of the Act acquired by the assessee before 1 February 2018 would be higher of the following:

1. the cost of acquisition of the asset; and

2. lower of:

    a. fair market value (FMV) of such asset; and

    b. full value of consideration received or accruing as a result of the transfer of the capital asset

For the purpose of this section, in case of listed equity shares, the FMV shall be the highest price quoted on a recognised stock exchange on 31 January 2018.

<u>Exemption from long term capital gains</u>

Under section 54EC of the Act, long term capital gain arising on the transfer of shares of the Company [other than the sale referred to in section 10(38) of the Act] is exempt from tax to the extent the same is invested in certain notified bonds within a period of six months from the date of such transfer (up to a maximum limit of Rs 50 lakhs) for a minimum period of three years.

The Finance Act, 2018 in this regard has restricted the scope to capital gains arising from long-term capital assets, being land or building and to make available funds at the disposal of eligible bond issuing company for more than three years, it has amended section 54EC so as to provide that capital gain arising from the transfer of a long term capital asset, being land or building or both, invested in the long-term specified asset at any time within a period of six months after the date of such transfer, the capital gain shall not be charged to tax subject to certain conditions specified in this section.

The definition of long-term specified asset, for making any investment under the section on or after the 1st day of April, 2018, shall mean any bond, redeemable after five years and issued on or after 1st day of April, 2018 by the National Highways Authority of India or by the Rural Electrification Corporation Limited or any other bond notified by the Central Government in this behalf. This amendment will take effect, from 1st April, 2019 and will, accordingly, apply in relation to the assessment year 2019-20 and subsequent assessment years.

In accordance with section 54F, long-term capital gains arising on the transfer of shares of the Company held by an individual and on which Securities Transaction Tax is not payable, shall be exempt from capital gains tax if the net consideration is utilised, within a period of one year before, or two years after the date of transfer, in the purchase of a new residential house, or for construction of a residential house within three years. Such benefit will not be available if the individual -

owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or purchases another residential house within a period of one year after the date of transfer of the shares; or constructs another residential house within a period of three years after the date of transfer of the shares; and the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head “Income from house property”.

If only a part of the net consideration is so invested, so much of the capital gains as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.

If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, shall be deemed to be income chargeable under the head “Capital Gains” of the year in which the residential house is transferred.

Taxation of short term capital gains

As per section 111A of the Act, STCG arising on transfer of equity share would be taxable at a rate of 15% (plus applicable surcharge and health and education cess) where such transaction of sale is entered on a recognised stock exchange in India and is chargeable to STT. STCG arising from transfer of capital asset, other than those covered by section 111A of the Act, would be subject to tax as calculated under the normal provisions of the Act.

No deduction under Chapter VIA of the Act shall be allowed from such STCG.

Setting off of capital losses

As per section 70 of the Act, Short Term Capital Loss computed for the given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off against subsequent years’ STCG as well as LTCG, in terms of section 74 of the Act.

As per section 70 of the Act, Long Term Capital Loss (“LTCL”) computed for a given year is allowed to be set off only against the LTCG. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off only against subsequent years’ LTCG, in terms of section 74 of the Act.

Restriction on set off of long term capital loss in few cases

LTCL arising on sale of shares entered into on a recognized stock exchange and which are chargeable to STT, may not be allowed to be set off or carried forward for set off. In this regard, CBDT has clarified vide FAQs dated 4 February 2018 the following in connection with the treatment of set-off and carry forward of LTCL arising on sale of shares which has been subjected to STT:

As the exemption from LTCG as per section 10(38) of the Act will be available for transfer made between 1 February, 2018 and 31 March, 2018, the LTCL arising during this period will not be allowed to be set-off or carried forward to subsequent years.

LTCL arising from transfer made on or after 1 April, 2018 will be allowed to be set-off and carried forward in accordance with existing provisions of the Act. Therefore, such LTCL can be set off against any other LTCG and any unabsorbed LTCL can be carried forward to subsequent eight years for set-off against LTCG.

Other set off provisions

As per section 72 of the Act, business loss (other than loss on speculation business), if any, for an assessment year can be carried forward and set off against business profits for eight subsequent years.

General provisions of the Act

In terms of section 36(1)(xv) of the Act, the STT paid by the shareholder in respect of the taxable securities transactions entered into in the course of his business of transactions/trading in shares would be eligible for deduction from the amount of income chargeable under the head "Profit and gains of business or profession" if income arising from taxable securities transaction is included in such income. However, no deduction will be allowed in computing the income chargeable to tax as capital gains of such amount paid on account of STT.

No tax is deductible at source from income by way of capital gains arising to a resident shareholder under the present provisions of the Act.

Taxability of property received without adequate consideration

Under section 56(2)(x) of the Act and subject to exceptions provided therein, if any person receives from any person, any property, including, inter alia, shares of a company, without consideration or for inadequate consideration, the following shall be treated as 'Income from other sources' in the hands of the recipient:

- where the shares are received without consideration, aggregate Fair Market Value ("FMV") exceeds Rs.50,000/-, the whole FMV;

- where the shares are received for a consideration less than FMV but exceeding Rs. 50,000/-, the aggregate FMV in excess of the consideration paid.

Rule 11UA of the Income-tax Rules, 1962 ("the Rules") provides for the method for determination of the FMV of various properties.

2. Non-resident shareholders

Provisions in the Act related to Non-residents

Capital asset deemed to accrue or arise in India

Explanation 5 to section 9(1)(i) of the Act provides that capital asset being a share of a company outside India shall be deemed to be situated in India if it derives its value, directly or indirectly, substantially from the assets located in India. Explanation 6 to section 9(1)(i) of the Act provides that the asset referred to in Explanation 5 would include tangible as well as intangible asset and the valuation of the assets would be carried out in accordance with the method provided under Explanation 6. Explanation 7 to section 9(1)(i) of the Act provides certain situations which would not trigger the provisions of Explanation 5 read with Explanation 6.

Apart from the Explanation 7 which provides the exclusions, the second proviso to the Explanation 5 to section 9(1)(i) of the Act provides that these provisions shall not apply to an asset or capital asset, which is held by a non-resident by way of investment, directly or indirectly, in Category-I or Category-II foreign portfolio investor under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, made under the Securities and Exchange Board of India Act, 1992.

The cases other than the above exclusions may fall within the ambit of the provisions of Explanation 5 and 6 to section 9(1)(i) subject to the provisions of the Act and the DTAA, whichever is beneficial to the non-resident. This benefit, however, would be further subject to the provisions of General Anti-Avoidance Rules. i.e. Chapter X-A of the Act.

Dividend Income is exempt

Under section 10(34) of the Act, income by way of dividends (whether interim or final) referred to in section 115-O of the Act, received on shares of any Indian Company is exempt from income tax in the hands of shareholders.

Provisions for anti-dividend stripping

As per section 94(7) of the Act, losses arising from sale/transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt.

Characterization of Income

The characterization of gains/losses, arising from sale of shares, as Capital Gains or Business Income would depend on the nature of holding (whether for investment or carrying on trading in shares) in the hands of the shareholder and various other factors. The tax incidence on such gains would accordingly be different.

Capital assets

Capital assets may be categorized into short term capital assets or long term capital assets based on the period of holding. Capital assets being securities (other than a unit) listed in a recognised Stock Exchange in India or unit of

Unit Trust of India or unit of an equity oriented fund or a zero coupon bond held by the assessee for a period of more than 12 months are considered as long term capital assets. Consequently, capital gains arising on sale of these assets held for more than 12 months are considered as LTCG. Capital gains arising on sale of these assets held for 12 months or less are considered as STCG.

<u>Taxation of long term capital gains on sale of listed equity shares</u>

Under the first proviso to section 48 of the Act, in case of a non-resident shareholder, in computing the capital gains arising under section 112 of the Act from transfer of shares of a company acquired in convertible foreign exchange (as per exchange control regulations) (in cases not covered by section 115E of the Act, discussed hereunder), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. Cost indexation benefits will not be available in such a case. The capital gains/loss in such a case is computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively in connection with such transfer into the same foreign currency which was utilised in the purchase of the shares. The capital gains so computed shall be reconverted into Indian currency.

Under section 10(38) of the Act, LTCG up to 31 March 2018 arising to a shareholder, being a nonresident, on sale of equity shares would be exempt from tax where the sale transaction has been entered into on a recognised stock exchange of India and is chargeable to STT. However, LTCG on sale of equity shares in a company, will not be exempt if the transaction of acquisition, other than the acquisition notified by the Central Government, of such equity share has been entered on or after October 1, 2004 and such transaction has not been chargeable to STT. The CBDT has vide Notification no. F. No. 43/2017 dated June 5, 2017 notified all transactions of acquisition of equity shares entered into on or after October 1, 2004 which are not chargeable to STT, other than those specifically listed in the notification.

Finance Act, 2018 has terminated the exemption granted under section 10(38) of the Act to LTCG arising on transfer of listed shares or units of equity oriented mutual funds or units of business trusts by introduction of section 112A in the Act and provided that long-term capital gains arising from transfer of long term capital asset referred to in section 112A of the Act will be liable to tax at the rate of 10% on such income exceeding Rs. 1 lakh.

As per section 112A of the Act, the concessional rate of 10% (plus applicable surcharge and health and education cess) shall be available only if STT has been paid on both acquisition and transfer in case of equity shares and STT has been paid on transfer in case of units of equity-oriented mutual funds or units of business trust. As per section 112A(4) of the Act, the Central Government by notification in the official gazette shall specify the modes of acquisition of equity shares which shall be exempt from the condition of payment of STT. In furtherance to the same, the CBDT has come out with the final notification, dated 01 October 2018, identical to draft notification, barring few additions. The final notification has specified that the requirement to pay STT will not apply to (1) share acquisitions undertaken prior to October 1, 2004, (2) share acquisitions undertaken on or after October 1, 2004, subject to certain exceptions.

As per section 48 of the Act, the benefit of indexation and foreign currency fluctuations would not be available. No deduction under Chapter VIA of the Act shall be allowed from such capital gains.

<u>Grandfathering provisions for shares acquired before 1 February 2018</u>

Finance Act, 2018 has also amended section 55(2)(ac) of the Act to provide for a grandfathering provision upto 31 January 2018. As per the said amendment, cost of acquisition of the long term capital asset referred to in section 112A of the Act acquired by the assessee before 1 February 2018 would be higher of the following:

a. the cost of acquisition of the asset; and

b. lower of:

   i. fair market value of such asset; and

   ii. ii. full value of consideration received or accruing as a result of the transfer of the capital asset

For the purpose of this section, in case of listed equity shares, the FMV shall be the highest price quoted on a recognised stock exchange on 31 January 2018.

In accordance with section 112 of the Act, LTCG on sale of, inter alia, listed securities to the extent not exempt under section 10(38) of the Act would be subject to tax at the rate of 20% (plus applicable surcharge and health and, education cess). However, as per the first proviso to section 112(1) of the Act, if the tax on LTCG is resulting from transfer of listed securities (other than unit) or zero coupon bonds, then LTCG will be chargeable to tax at the rate lower of the following:

a. 20% (plus applicable surcharge and health and education cess) of the capital gains as computed after benefit of first proviso to section 48; or

b. 10% (plus applicable surcharge and health and education cess) of the capital gains.

No deduction under Chapter VIA of the Act shall be allowed from such LTCG.

The base year for the purpose of indexation has been changed from 1 April 1981 to 1 April 2001.

Taxation of short term capital gains

As per section 111A of the Act, STCG arising on transfer of equity share or units of an equity oriented fund or units of a business trust would be taxable at a rate of 15% (plus applicable surcharge and health and education cess) where such transaction of sale is entered on a recognised stock exchange in India and is chargeable to STT. Further, as per second proviso to section 111A of the Act, the requirement of a transfer being chargeable to STT is not applicable to:

a. transactions undertaken on a recognized stock exchange located in International Financial Services Centre; and

b. the consideration for such transactions is payable in foreign currency.

STCG arising from transfer of capital assets, other than those covered by section 111A of the Act, would be subject to tax as calculated under the normal provisions of the Act.

No deduction under Chapter VIA of the Act shall be allowed from such STCG.

Setting-off of capital losses

As per section 70 of the Act, Short Term Capital Loss computed for the given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off against subsequent years' STCG as well as LTCG, in terms of section 74 of the Act.

As per section 70 of the Act, LTCL computed for a given year is allowed to be set off only against the LTCG. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off only against subsequent years' LTCG, in terms of section 74 of the Act.

Restriction on set off of long term capital loss in few cases

LTCL arising on sale of shares entered into on a recognized stock exchange and which are chargeable to STT, may not be allowed to be set off or carried forward for set off. In this regard, CBDT has clarified vide FAQs dated 4 February 2018 the following in connection with the treatment of set-off and carry forward of LTCL arising on sale of shares which has been subjected to STT:

a. As the exemption from LTCG as per section 10(38) of the Act will be available for transfer made between 1 February, 2018 and 31 March, 2018, the LTCL arising during this period will not be allowed to be set-off or carried forward to subsequent years.

b. LTCL arising from transfer made on or after 1 April, 2018 will be allowed to be set-off and carried forward in accordance with existing provisions of the Act. Therefore, such LTCL can be set-off against any other LTCG and any unabsorbed LTCL can be carried forward to subsequent eight years for set-off against LTCG.

Other provisions

In terms of section 36(1)(xv) of the Act, the STT paid by the shareholder in respect of the taxable securities transactions entered into in the course of his business of transactions/ trading in shares would be eligible for deduction from the amount of income chargeable under the head "Profit and gains of business or profession" if income arising from taxable securities transaction is included in such income.

However, no deduction will be allowed in computing the income chargeable to tax as capital gains, such amount paid on account of STT.

Exemption from long term capital gains

Under section 54EC of the Act, long term capital gain arising on the transfer of shares of the Company [other than the sale referred to in section 10(38) of the Act] is exempt from tax to the extent the same is invested in certain notified bonds within a period of six months from the date of such transfer (up to a maximum limit of Rs 50 lakhs) for a minimum period of three years.

The Finance Act, 2018 in this regard has restricted the scope to capital gains arising from long-term capital assets, being land or building and to make available funds at the disposal of eligible bond issuing company for more than three years, it has amended section 54EC so as to provide that capital gain arising from the transfer of a long term capital asset, being land or building or both, invested in the long-term specified asset at any time within a period of six months after the date of such transfer, the capital gain shall not be charged to tax subject to certain conditions specified in this section.

The definition of long-term specified asset, for making any investment under the section on or after the 1st day of April, 2018, shall mean any bond, redeemable after five years and issued on or after 1st day of April, 2018 by the National Highways Authority of India or by the Rural Electrification Corporation Limited or any other bond notified by the Central Government in this behalf. This amendment will take effect, from 1st April, 2019 and will, accordingly, apply in relation to the assessment year 2019-20 and subsequent assessment years.

In accordance with section 54F, long-term capital gains arising on the transfer of shares of the Company held by an individual and on which Securities Transaction Tax is not payable, shall be exempt from capital gains tax if the net consideration is utilised, within a period of one year before, or two years after the date of transfer, in the purchase of a new residential house, or for construction of a residential house within three years. Such benefit will not be available if the individual owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or purchases another residential house within a period of one year after the date of transfer of the shares; or constructs another residential house within a period of three years after the date of transfer of the shares; and the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head “Income from house property”.

If only a part of the net consideration is so invested, so much of the capital gains as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.

If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, shall be deemed to be income chargeable under the head “Capital Gains” of the year in which the residential house is transferred.

Taxability of property received without adequate consideration

Under section 56(2)(x) of the Act and subject to exception provided therein, if any person receives from any person, any property, including, inter alia, shares of a company, on or after 1 April 2017, without consideration or for inadequate consideration, the following shall be treated as 'Income from other sources' in the hands of the recipient:

a. where the shares are received without consideration and the aggregate Fair Market Value ("FMV") of such shares exceeds Rs.50,000/-, the whole of the aggregate FMV;

b. where the shares are received for a consideration less than the aggregate FMV of such shares by any amount exceeding Rs. 50,000/-, the aggregate FMV in excess of the consideration paid.

Rule 11UA of the Rules provides for the method for determination of the FMV of various properties.

Rate beneficial to non-residents

In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Double Taxation Avoidance Agreement (the “DTAA”) between India and the country of residence of the non-resident/ NRI. As per section 90(2) of the Act, provisions of the Act would prevail over the provisions of the DTAA to the extent they are more beneficial to the non-resident/ NRI.

As per section 90(4) of the Act, an assessee being a non-resident, shall not be entitled to claim relief under section 90(2) of the Act, unless a certificate of his being a resident in any country outside India, is obtained by him from the government of that country or any specified territory. As per section 90(5) of the Act, the non-resident shall be required to provide such other information, as mentioned in Form 10F.

As per the provisions of section 195 of the Act, any income by way of capital gains payable to nonresidents (other than LTCG exempt u/s 10(38)) may be subject to withholding of tax at the rate under the domestic tax laws or under the DTAA, whichever is beneficial to the assessee unless a lower withholding tax certificate is obtained from the tax authorities. However, the non-resident investor will have to furnish a certificate of his being a resident in a country outside India, to get the benefit of the applicable DTAA and the document as notified under the provision of section 90(5) of Act.

Provisions in the Act specific to Non-Resident Indians (NRI)

NRI has the option to be governed by the provisions of Chapter XII-A of the Income-tax Act, 1961 which reads as under:

Special provision for computation of total income of non-residents.

As per section 115D(1), no deduction in respect of any expenditure or allowance shall be allowed under any provision of this Act in computing the investment income of a non-resident Indian.

Where in the case of an assessee, being a non-resident Indian—

(a) the gross total income consists only of investment income or income by way of long-term capital gains or both, no deduction shall be allowed to the assessee under Chapter VI-A and nothing contained in the provisions of the second proviso to section 48 shall apply to income chargeable under the head "Capital gains";

(b) the gross total income includes any income referred to in clause (a), the gross total income shall be reduced by the amount of such income and the deductions under Chapter VI-A shall be allowed as if the gross total income as so reduced were the gross total income of the assessee. In accordance with section 115-I, where a Non-Resident Indian opts not to be governed by the provisions of Chapter XII-A for any assessment year, his total income for that assessment year (including income arising from investment in the company) will be computed and tax will be charged according to the other provisions of the Income-tax Act, 1961.

Return of Income not to be filed in certain cases

In accordance with section 115G, it is not necessary for a Non-Resident Indian to file a return of income under section 139(1), if his total income consists only of investment income earned on shares of the company acquired out of convertible foreign exchange or income by way of long-term capital gains earned on transfer of shares of the company acquired out of convertible foreign exchange or both, and the tax deductible has been deducted at source from such income under the provisions of Chapter XVII-B of the Income-tax Act, 1961.

Transfer of assets

The Finance Act 2018 has amended the section 47 of the Act so as to provide that transactions in the following assets, by a non-resident on a recognized stock exchange located in any International Financial Services Centre shall not be regarded as transfer, if the consideration is paid or payable in foreign currency —

(i) bond or Global Depository Receipt, as referred to in sub-section (1) of section 115AC; or 12

(ii) rupee denominated bond of an Indian company; or

(iii) derivative.

This amendment will take effect, from 1st April, 2019 and will, accordingly, apply in relation to the assessment year 2019-20 and subsequent assessment years.

3. Provisions in the Act specific to Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI) as defined under SEBI (Foreign Portfolio Investors) Regulations, 2014.

Capital assets

Capital assets may be categorized into short term capital assets or long term capital assets based on the

As per section 2(14) of the Act, any security held by a FII which has invested in such securities in accordance with the regulations made under Securities & Exchange Board of India Act, 1992 would be treated as a capital asset only so that any income arising from transfer of such security by a FPI would be treated in the nature of capital gains.

Tax on income of Foreign Institutional Investors from securities or capital gains arising from their transfer

Under section 115AD(1)(ii) of the Act, income by way of STCG arising to the FII on transfer of shares shall be chargeable at a rate of 30% (plus applicable surcharge and health and education cess), where such transactions are not subjected to STT, and at the rate of 15% (plus applicable surcharge and health and education cess) if such transaction of sale is entered on a recognised stock exchange in India and is chargeable to STT.

Under section 115AD(1)(iii) of the Act income by way of LTCG arising to an FII from the transfer of shares (in cases not covered under section 10(38) of the Act) held in the company will be taxable at the rate of 10% (plus applicable surcharge and health and education cess). The benefits of indexation of cost and of foreign currency fluctuations are not available to FPIs.

The Finance Act, 2018 has amended the provisions of section 115AD of the Act to withdraw the exemption of section 10(38) of the Act and provided that long-term capital gains arising from transfer of long term capital asset referred to in section 112A of the Act will be liable to tax at the rate of 10% on such income exceeding Rs. 1 lakh.

As per section 90(4) of the Act, non-resident shall not be entitled to claim relief under section 90(2) of the Act, unless a certificate of their being a resident in any country outside India, is obtained by them from the government of that country or any specified territory. As per section 90(5) of the Act, the non-residents shall be required to provide such other information as mentioned in Form 10F.

<u>No tax deduction at source on capital gains</u>

As per section 196D(2) of the Act, no tax is to be deducted from any income, by way of capital gains arising from the transfer of securities referred to in section 115AD, payable to a FII.

Amendments in the Act

Under the current provisions, Chapter X-A of the Act dealing with the provisions of General Anti Avoidance Rules (GAAR) would be effective from April 1, 2017 (i.e. from FY 2017-18).

Notes:

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2020-21. Several of these benefits are dependent on the Company or its shareholder fulfilling the conditions prescribed under the relevant tax laws.

4. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

5. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country/specified territory (outside India) in which the non-resident has fiscal domicile and in view of the individual nature of tax consequence, each investor is advised to consult his/ her own tax adviser with respect to specific tax consequences of his/ her participation in the scheme.

6. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

U.S. FEDERAL INCOME TAX CONSIDERATIONS

There may be certain material Indian tax consequences to a U.S. holder (as defined below) of ownership of Equity Shares which are based upon laws, regulations, decrees, rulings, income tax conventions (treaties), administrative practice and judicial decisions in effect at the date of this Preliminary Placement Document. Legislative, judicial or administrative changes or interpretations may, however, be forthcoming that could alter or modify the statements and conclusions set forth herein. Any such changes or interpretations may be retroactive and could affect the tax consequences to holders of the Equity Shares. For information on Indian taxation, please refer to "Statement of Tax Benefits" of the attached Preliminary Placement Document.

Certain U.S. Federal Income Tax Considerations

The following is a discussion of certain material U.S. federal income tax consequences to a U.S. holder (as defined below) of the purchase, ownership and disposition of Equity Shares acquired pursuant to this Issue. This summary does not address any aspect of U.S. federal non-income tax laws, such as U.S. federal estate and gift tax laws, or state, local or non-U.S. tax laws, and does not purport to be a comprehensive description of all of the U.S. tax considerations that may be relevant to a particular person's decision to acquire Equity Shares.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

The discussion applies to you only if you acquire the Equity Shares in this Issue and you hold the Equity Shares as capital assets within the meaning of Section 1221 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"). This section does not apply to you if you are a member of a special class of holders subject to special tax rules, including:

- a broker;
- a dealer in securities, commodities or non-U.S. currencies;
- a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings;
- a bank or other financial institution;
- a tax-exempt organization;
- an insurance company;
- a regulated investment company;
- an accrual method taxpayer subject to special tax accounting rules as a result of its use of financial statements;
- an investor who is a U.S. expatriate, former U.S. citizen or former long term resident of the United States;
- a controlled foreign corporation;
- a passive foreign investment company;
- a mutual fund;
- an individual retirement or other tax-deferred account;
- a holder liable for alternative minimum tax;
- a holder that actually, indirectly or constructively owns 10% or more of (i) the total combined voting power of all classes of the Company voting stock or (ii) the total value of all classes of the Company stock;
- a partnership or other pass-through entity for U.S. federal income tax purposes;
- a holder that holds Equity Shares as part of a straddle, hedging, constructive sale, conversion or other integrated transaction for U.S. federal income tax purposes; or
- a U.S. holder (as defined below) whose functional currency is not the U.S. Dollar.

This section is based on the Code, existing and proposed income tax regulations issued under the Code, legislative history, and judicial and administrative interpretations thereof, all as of the date hereof. All of the foregoing are subject to change at any time, and any change could be retroactive and could affect the accuracy of this discussion. In addition, the application and interpretation of certain aspects of the passive foreign investment company ("**PFIC**") rules, referred to below, require the issuance of regulations which in many instances have not been promulgated and which may have retroactive effect. There can be no assurance that any of these regulations will be enacted or promulgated, and if so, the form they will take or the effect that they may have on this discussion. This discussion is not binding on the U.S. Internal Revenue Service ("**IRS**") or the courts. No ruling has been or will be sought from the IRS with respect to the positions and issues discussed herein, and there can be no assurance that the IRS or a court will not take a different position concerning the U.S. federal income tax consequences of an investment in the Equity Shares or that any such position would not be sustained.

You are a "**U.S. holder**" if you are a beneficial owner of Equity Shares that acquired the shares pursuant to this Issue and you are for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a U.S. domestic corporation, or other entity treated as a domestic corporation for U.S. federal income tax purposes;
- an estate whose income is subject to U.S. federal income tax regardless of its source; or
- a trust if (1) a U.S. court can exercise primary supervision over the trust's administration and one or more U.S. persons are authorised to control all substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

In addition, this discussion is limited to U.S. holders who are not resident in India for purposes of the Income Tax Treaty between the United States and India.

If a partnership (including for this purpose any entity treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of the Equity Shares, the U.S. tax treatment of a partner in the partnership generally will depend on the status of the partner and the activities of the partnership. A holder of the Equity Shares that is a partnership and partners in such a partnership should consult their own tax advisors concerning the U.S. federal income tax consequences of purchasing, owning and disposing of Equity Shares.

Taxation of Dividends

Subject to the PFIC rules described below under "PFIC Considerations", if you are a U.S. holder you must include in your gross income as a dividend the gross amount of any distributions of cash or property (other than certain pro rata distributions of Equity Shares) with respect to Equity Shares, to the extent the distribution is paid by our Company out of its current or accumulated earnings and profits, as determined for U.S. federal income tax purposes. A U.S. holder will include the dividend as ordinary income at the time of actual or constructive receipt. Distributions in excess of current and accumulated earnings and profits, as determined for U.S. federal income tax purposes, will be treated as a non-taxable return of capital to the extent of your basis in the Equity Shares and thereafter as capital gain from the sale or exchange of such Equity Shares. Notwithstanding the foregoing, our Company does not intend to maintain calculations of its earnings and profits as determined for U.S. federal income tax purposes. Consequently, distributions generally will be reported as dividend income for U.S. information reporting purposes.

You should not include the amount of any Indian tax paid by our Company with respect to the dividend payment, as that tax is, under Indian law, a liability of our Company and not the shareholders.

Subject to the PFIC rules described below under "PFIC Considerations", dividends paid by a non-U.S. corporation generally will be taxed at the preferential tax rates applicable to long-term capital gain of non-corporate taxpayers if (a) such non-U.S. corporation is eligible for the benefits of certain U.S. treaties or the dividend is paid by such non-U.S. corporation with respect to stock that is readily tradable on an established securities market in the United States, (b) the U.S. holder receiving such dividend is an individual, estate, or trust, and (c) such dividend is paid on shares that have been held by such U.S. holder for at least 61 days during the 121-day period beginning 60 days before the "ex-dividend date." If the requirements of the immediately preceding sentence are not satisfied, a dividend paid by a non-U.S. corporation to a U.S. holder, including a U.S. holder that is an individual, estate, or trust, generally will be taxed at ordinary income tax rates (and not at the preferential tax rates applicable to long-term capital gains). The dividend rules are complex, and each U.S. holder should consult its own tax advisor regarding the dividend rules.

Dividends received generally will be income from non-U.S. sources, which may be relevant in calculating your U.S. foreign tax credit limitation. Such non-U.S. source income generally will be "passive category income", which is treated separately from other types of income for purposes of computing the foreign tax credit allowable to you. The rules with respect to foreign tax credits are complex and involve the application of rules that depend on a U.S. holder's particular circumstances. You should consult your own tax advisor to determine the foreign tax credit implications of owning the Equity Shares.

The amount of the dividend distribution that you must include in your income as a U.S. holder will be the U.S. Dollar value of the Indian Rupee payments made, determined at the spot Indian Rupee/U.S. Dollar exchange rate on the date the dividend distribution is includible in your income, regardless of whether the payment is in fact converted into U.S. Dollars. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date you include the dividend payment in income to the date you convert the payment into U.S. Dollars will be treated as ordinary income or loss. The gain or loss generally will be ordinary income or loss from sources within the United States for foreign tax credit limitation purposes.

Taxation of Sale, Exchange or Other Taxable Disposition of Equity Shares

Subject to the PFIC rules discussed below under "PFIC Considerations", if you are a U.S. holder and you sell, exchange or otherwise dispose of your Equity Shares in a taxable disposition, you generally will recognise capital gain or loss for U.S. federal income tax purposes equal to the difference between the

U.S. Dollar value of the amount realized and your tax basis, determined in U.S. Dollars, in your Equity Shares. Gain or loss recognised on such a sale, exchange or other disposition of Equity Shares generally will be long-term capital gain if the U.S. holder has held the Equity Shares for more than one year. Long- term capital gains of U.S. holders who are individuals (as well as certain trusts and estates) are generally taxed at preferential rates (currently at a maximum rate of 20%). The gain or loss generally will be income or loss from sources within the United States for foreign tax credit limitation purposes, unless it is attributable to an office or other fixed place of business outside the United States and certain other conditions are met. Your ability to deduct capital losses may be subject to limitations.

Medicare Tax

Certain U.S. holders who are individuals, estates or trusts are required to pay a 3.8% Medicare surtax on all or part of that holder's "net investment income", which includes, among other items, dividends on, and capital gains from the sale or other taxable disposition of, the Equity Shares, subject to certain limitations and exceptions. Prospective investors should consult their own tax advisors regarding the effect, if any, of this surtax on their ownership and disposition of the Equity Shares.

PFIC Considerations

The Code provides special rules regarding certain distributions received by U.S. persons with respect to, and sales, exchanges and other dispositions, including pledges, of, shares of stock in a PFIC. A non-U.S. corporation will be treated as a PFIC for any taxable year in which either: (i) at least 75% of its gross income is "passive income" or (ii) at least 50% of its gross assets during the taxable year (based on the average of the fair market values of the assets determined at the end of each quarterly period) are "passive assets," which generally means that they produce passive income or are held for the production of passive income. Passive income for this purpose generally includes, among other things, dividends, interest, rents, royalties, gains from commodities and securities transactions, and gains from assets that produce passive income. In determining whether a non-U.S. corporation is a PFIC, a pro rata portion of the income and assets of each corporation in which it owns, directly or indirectly, at least a 25% interest (by value) is taken into account.

Based on the current and projected composition of our income and assets, and the valuation of our assets, including goodwill, we do not expect to become a PFIC in the current taxable year or the foreseeable future. However, no assurance can be given that our Company will not be considered a PFIC in the current or any future taxable year. Our Company's possible status as a PFIC must be determined for each year and cannot be determined until the end of each taxable year. Because this determination is made annually at the end of each taxable year and is dependent upon a number of factors, some of which are beyond our Company's control, including the amount and nature of our Company's income, as well as on the market valuation of our Company's assets, including goodwill, and Equity Shares, and because certain aspects of the PFIC rules are not entirely certain, there can be no assurance that our Company is not a PFIC and will not become a PFIC or that the IRS will agree with our conclusion regarding our PFIC status. If our Company was currently or were to become a PFIC, U.S. holders of Equity Shares would be subject to special rules and a variety of potentially adverse tax consequences under the Code.

A U.S. holder that holds stock in a non-U.S. corporation during any taxable year in which the corporation is treated as a PFIC is subject to special tax rules with respect to (a) any gain realized on the sale, exchange or other disposition of the stock and (b) any "excess distribution" by the corporation to the holder, unless the holder elects to treat the PFIC as a "qualified electing fund" ("**QEF**") or makes a "mark-to-market" election, each as discussed below. An "excess distribution" is that portion of a distribution with respect to PFIC stock that exceeds 125% of the average of such distributions over the preceding three-year period or, if shorter, the U.S. holder's holding period for its shares. Excess distributions and gains on the sale, exchange or other disposition of stock of a corporation which was a PFIC at any time during the U.S. holder's holding period are allocated ratably to each day of the U.S. holder's holding period. Amounts allocated to the taxable year in which the disposition occurs and amounts allocated to any period in the shareholder's holding period before the first day of the first taxable year that the corporation was a PFIC will be taxed as ordinary income (rather than capital gain) earned in the taxable year of the disposition. Amounts allocated to each of the other taxable years in the U.S. holder's holding period are not included in gross income for the year of the disposition, but are subject to a tax (equal to the highest ordinary income tax rates in effect for those years, and increased by an interest charge at the rate applicable to income tax deficiencies) that is added to the tax otherwise due for the taxable year in which the disposition occurs. The tax liability for amounts allocated to years before the year of disposition or “excess distribution” cannot be offset by any net operating losses for such years, and gains (but not losses) realized on the sale of the Equity Shares cannot be treated as capital, even if a

U.S. holder held such Equity Shares as capital assets. The preferential U.S. federal income tax rates for dividends and long-term capital gain of individual U.S. holders (as well as certain trusts and estates) would not apply, and special rates would apply for calculating the amount of the foreign tax credit with respect to excess distributions.

If a corporation is a PFIC for any taxable year during which a U.S. holder holds shares in the corporation, then the corporation generally will continue to be treated as a PFIC with respect to the holder’s shares, even if the corporation no longer satisfies either the passive income or passive asset tests described above, unless the U.S. holder terminates this deemed PFIC status by electing to recognise gain, which will be taxed under the excess distribution rules as if such shares had been sold on the last day of the last taxable year for which the corporation was a PFIC.

The excess distribution rules may be avoided if a U.S. holder makes a QEF election effective beginning with the first taxable year in the holder’s holding period in which the corporation is a PFIC. A U.S. holder that makes a QEF election is required to include in income its pro rata share of the PFIC’s ordinary earnings and net capital gain as ordinary income and long-term capital gain, respectively, subject to a separate election to defer payment of taxes, which deferral is subject to an interest charge. A U.S. holder whose QEF election is effective after the first taxable year during the holder’s holding period in which the corporation is a PFIC will continue to be subject to the excess distribution rules for years beginning with such first taxable year for which the QEF election is effective.

In general, a U.S. holder makes a QEF election by attaching a completed IRS Form 8621 to a timely filed (taking into account any extensions) U.S. federal income tax return for the year beginning with which the QEF election is to be effective. In certain circumstances, a U.S. holder may be able to make a retroactive QEF election. A QEF election can be revoked only with the consent of the IRS. In order for a U.S. holder to make a valid QEF election, the corporation must annually provide or make available to the holder certain information. Our Company does not intend to provide to U.S. holders the information required to make a valid QEF election and our Company currently makes no undertaking to provide such information. Accordingly, it is currently anticipated that a U.S. holder will not be able to avoid the special tax rules described above by making the QEF election.

As an alternative to making a QEF election, a U.S. holder may make a “mark-to-market” election with respect to its PFIC shares if the shares meet certain minimum trading requirements. If a U.S. holder makes a valid mark-to-market election for the first tax year in which such holder holds (or is deemed to hold) stock in a corporation and for which such corporation is determined to be a PFIC, such holder generally will not be subject to the PFIC rules described above in respect of its stock. Instead, a U.S. holder that makes a mark-to-market election will be required to include in income each year an amount equal to the excess, if any, of the fair market value of the shares that the holder owns as of the close of the taxable year over the holder’s adjusted tax basis in the shares. The U.S. holder will be entitled to a deduction for the excess, if any, of the holder’s adjusted tax basis in the shares over the fair market value of the shares as of the close of the taxable year; provided, however, that the deduction will be limited to the extent of any net mark-to-market gains with respect to the shares included by the U.S. holder under the election for prior taxable years. The U.S. holder’s basis in the shares will be adjusted to reflect the amounts included or deducted pursuant to the election. Amounts included in income pursuant to a mark- to-market election, as well as gain on the sale, exchange or other taxable disposition of the shares, will be treated as ordinary income. The deductible portion of any mark-to-market loss, as well as loss on a sale, exchange or other disposition of shares to the extent that the amount of such loss does not exceed net mark-to-market gains previously included in income, will be treated as ordinary loss.

The mark-to-market election applies to the taxable year for which the election is made and all subsequent taxable years, unless the shares cease to meet applicable trading requirements (described below) or the IRS consents to its revocation. The excess distribution rules generally do not apply to a U.S. holder for tax years for which a mark-to-market election is in effect. However, if a U.S. holder makes a mark-to- market election for PFIC stock after the beginning of the holder’s holding period for the stock, a coordination rule applies to ensure that the holder does not avoid the tax and interest charge with respect to amounts attributable to periods before the election.

A mark-to-market election is available only if the shares are considered “marketable” for these purposes. Shares will be marketable if they are regularly traded on a national securities exchange that is registered with the Securities and Exchange Commission or on a non-U.S. exchange or market that the IRS determines has rules sufficient to ensure that the market price represents a legitimate and sound fair market value. For these purposes, shares will be considered regularly traded during any calendar year during which they are traded, other than in de minimis quantities, on at least 15 days during each calendar quarter. Any trades that have as their principal purpose meeting this requirement will be disregarded. Each U.S. holder should ask its own tax advisor whether a mark-to-market election is available or desirable.

A U.S. holder of PFIC stock must generally file an IRS Form 8621 annually. A U.S. holder must also provide such other information as may be required by the U.S. Treasury Department if the U.S. holder

(i) receives certain direct or indirect distributions from a PFIC, (ii) recognises gain on a direct or indirect disposition of PFIC stock, or (iii) makes certain elections (including a QEF election or a mark-to-market election) reportable on IRS Form 8621.

U.S. holders are urged to consult their tax advisors as to our Company's status as a PFIC, and, if our Company is treated as a PFIC, as to the effect on them of, and the reporting requirements with respect to, the PFIC rules and the desirability of making, and the availability of, either a QEF election or a mark-to-market election with respect to our Equity Shares. Our Company provides no advice on taxation matters.

Information with Respect to Foreign Financial Assets

In addition, certain U.S. holders may be subject to certain reporting obligations with respect to Equity Shares if the aggregate value of these and certain other "specified foreign financial assets" exceeds

$50,000. If required, this disclosure is made by filing Form 8938 with the IRS. Significant penalties can apply if U.S. holders are required to make this disclosure and fail to do so. In addition, a U.S. holder should consider the possible obligation for online filing of a FinCEN Report 114—Foreign Bank and Financial Accounts Report as a result of holding Equity Shares. U.S. holders are thus encouraged to consult their U.S. tax advisors with respect to these and other reporting requirements that may apply to their acquisition of Equity Shares.

Backup Withholding and Information Reporting

In general, information reporting requirements will apply to distributions made on our Equity Shares within the U.S. to a non-corporate U.S. holder and to the proceeds from the sale, exchange, redemption or other disposition of Equity Shares by a non-corporate U.S. holder to or through a U.S. office of a broker. Payments made (and sales or other dispositions effected at an office) outside the U.S. will be subject to information reporting in limited circumstances.

In addition, backup withholding of U.S. federal income tax may apply to such amounts if the U.S. holder fails to provide an accurate taxpayer identification number (or otherwise establishes, in the manner provided by law, an exemption from backup withholding) or to report dividends required to be shown on the U.S. holder's U.S. federal income tax returns.

Backup withholding is not an additional income tax, and the amount of any backup withholding from a payment to a U.S. holder will be allowed as credit against the U.S. holder's U.S. federal income tax liability provided that the appropriate returns are filed.

You should consult your own tax advisor as to the qualifications for exemption from backup withholding and the procedures for obtaining the exemption.

The foregoing does not purport to be a complete analysis of the potential tax considerations relating to the Placement, and is not tax advice. Prospective investors should consult their own tax advisors as to the particular tax considerations applicable to them relating to the purchase, ownership and disposition of the Equity Shares, including the applicability of the U.S. federal, state and local tax laws or non-tax laws, non-U.S. tax laws, and any changes in applicable tax laws and any pending or proposed legislation or regulations.

LEGAL PROCEEDINGS

We are, from time to time, involved in various litigation proceedings in the ordinary course of our business. These legal proceedings are primarily in the nature of, amongst others, civil suits (including consumer complaints), title and land disputes, criminal proceedings, writ petitions, tax proceedings, matters relating to intellectual property and labour disputes. These legal proceedings may have been initiated by us or by customers, business partners, regulators, or other parties, and are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals (including respective state's Real Estate Regulatory Authorities).

*There is no outstanding legal proceeding which has been considered material in accordance with our Company's "Policy for Determination of Materiality of Events / Information" framed in accordance with Regulation 30 of the SEBI Listing Regulations and adopted by the Board pursuant to its resolution dated November 4, 2015. However, solely for the purpose of the Issue, the following outstanding legal proceedings have been disclosed in this section of this Preliminary Placement Document: (i) any action initiated by regulatory authorities (such as SEBI, RBI, Stock Exchanges or such similar authorities) which is outstanding and involves our Company or its Subsidiaries; (ii) any outstanding civil litigation involving our Company or its Subsidiaries where the amount involved is ₹ 34 crore or above; (iii) any outstanding tax proceedings where the amount involved is ₹ 34 crore or above; (iv) any outstanding litigation which pertains to title disputes in relation to the land parcels on which there are on-going or forthcoming projects ("**Project Land**") of our Company, its Subsidiaries, its Joint Venture or its Associate and where such entities have been impleaded as a party; (v) any outstanding criminal litigation filed against our Company or its Subsidiaries; and (vi) any other litigation involving our Company and its Subsidiaries which may be considered material by our Company for the purposes of disclosure in this section of this Preliminary Placement Document.*

In addition to the above, this section of this Preliminary Placement Document also discloses (i) any inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act, 2013 or the Companies Act, 1956 in the last three years preceding the year of this Preliminary Placement Document involving our Company or its Subsidiaries, and any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document for our Company or Subsidiaries; (ii) any material fraud committed against our Company in the last three years, and if so, the action taken by our Company; (iii) any significant and material order passed by the regulators, courts and tribunals impacting the going concern status of our Company or its future operations; (iv) any default by our Company including therein the amount involved, duration of default and present status, in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon; (v) any default in annual filing of our Company under the Companies Act, 2013 or the rules made thereunder; (vi) any litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoters of our Company during the last three years and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action, if any, will be disclosed.

It is clarified that for the purposes of the above, pre-litigation notices received by our Company, its Subsidiaries, its Joint venture, its Associate, or the Promoters, as the case may be, have not been considered as litigation until such time that the above-mentioned entities are not impleaded as a defendant in litigation proceedings before any judicial forum.

A. *Litigations involving our Company, its Subsidiaries and its Joint Venture*

I. ***<u>Litigations against our Company</u>***

(i) Civil litigation

1. B. M. Farookh ("**Claimant**") instituted arbitration proceedings against our Company before the arbitration tribunal seeking *inter alia* specific performance of the development agreement dated November 15, 2007 entered between the Claimant and our Company ("**DA**"), permanent injunction against our Company from creating any third party interest over the suit property, and payment of damages aggregating approximately up to ₹ 20.14 crore or alternatively termination of the DA alongside payment of damages aggregating up to ₹ 100 crore ("**Arbitration**"). The Claimant had earlier filed a petition against our Company before the Karnataka High Court seeking appointment of an arbitrator, upon which the matter was referred to Arbitration. The dispute between the Claimant and our Company pertains to *inter alia* delay in execution and development of a project at Mangalore by our Company in accordance with the DA. The matter is currently pending.

2. Vinod Grover and others ("**Plaintiff**") have filed a commercial suit against Videocon Realty & Infrastructure Limited, Nirmal Lifestyle Limited, Modella Textiles Industries Limited and our Company (collectively, "**Defendants**") before the High Court of Bombay ("**High Court**") seeking *inter alia* (a) specific performance of the memorandum of understanding dated April 2, 2012 entered between the Plaintiff, Videocon Realty & Infrastructure Limited and Nirmal Lifestyle Limited pertaining to sale of shareholding in Modella Textiles Industries Limited, which owned a parcel of land on which development of a project was proposed, and (b) award of damages from Plaintiffs, jointly and severally, amounting up to ₹ 107.89 crore along with interest, for the losses suffered. Our Company had entered into development management agreement and supplemental development management agreement with Modella Textiles Industries

Limited pertaining to the development of the said parcel of land, and is impleaded as a party to the suit for alleged inducement of breach of the memorandum of understanding dated April 2, 2012 by the other Defendants. The matter is currently pending.

(ii) Tax proceedings

1. Our Company has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal at Bangalore ("**CESTAT**"), against an order passed by the Commissioner of Service Tax, dated March 16, 2012 wherein service tax is ordered to be levied on our Company for the period from January 2006 to September 2010 under the category of "Construction of Complex Service". The matter pertains to classification of taxable services and consequent receipt of a show cause notice dated May 18, 2011 by our Company from Commissioner of Service Tax for short payment of service tax of ₹ 10.33 crore, penalty of ₹ 10.33 crore and applicable interest stating that our company has wrongly registered itself under "Works Contract Service" category instead of "Construction of Complex Service" category. Our Company has appealed on the ground that the Commissioner of Service Tax erred in levying the service tax. An order dated September 11, 2013 has been granted by the CESTAT waiving pre-deposit of the balance amounts and granted stay on recovery. The matter is currently pending.

(iii) *Litigation pertaining to Project Land*

1. P. Anitha and others ("**Plaintiff**") has filed original civil suit no. 4287 of 2000 ("**Principal Suit**") against our Company, Wonder Project Development Private Limited and others ("**Defendants**") before the City Civil Judge at Bangalore ("**Court**") seeking *inter alia* partition and separate possession of respective shares of each plaintiff for the suit property by metes and bounds, and declaration of the specified sale deeds as non-binding on the plaintiffs. The matter pertains to *inter alia* partition of a joint family property, and alleged sale by one of the Defendants of the suit property, without concluding partition or taking consent of the Plaintiffs. Our Company and Wonder Project Development Private Limited has been impleaded as a Defendant vide order June 13, 2018. Simultaneously, one of the Defendants has filed writ petition no. 46114 of 2018 before the High Court of Karnataka ("**High Court**") impleading the Defendants as a party, seeking quashing of order dated August 1, 2018 passed by the Court rejecting amendment made by the said Defendant in her written statement filed in the Principal Suit. Additionally, our Company and others have also simultaneously filed writ petition no. 11892 before the High Court seeking *inter alia* quashing of the impugned orders allowing amendments to be made to the plaint filed by two of the plaintiffs before the Court in relation to the Principal Suit. The High Court has passed a common stay order dated March 21, 2019 in relation to the Principal Suit. The matters are currently pending.

2. There are 12 suits/proceedings against our Company before various courts across India in relation to the Project Land pertaining to *inter alia* encroachment, wrongful claims, partition and separate possession, temporary/permanent injunctions restraining interference with peaceful possession and enjoyment, temporary/permanent injunctions from creating any third party interest, declaration of various sale deeds, development agreements and deeds of conveyance as null and void and temporary/permanent injunction against undertaking construction or development. The matters are currently pending.

(iv) Criminal litigation

1. There are five criminal complaints ("**Complaints**") lodged against our Company before various courts across India, under Sections including *inter alia* Section 405, 420, 415, 120B and 506 of the Indian Penal Code, 1860 and Section 60 of the Real Estate (Real Estate and Development) Act, 2016 in relation to *inter alia* criminal breach of trust, cheating, criminal conspiracy and failure to register real estate project. The Complaints are currently pending at various stages.

(v) Other matters

1. Shramik Uttkarsh Kamgar Sabha ("**Petitioner**") has filed winding up against Godrej Vikhroli Properties LLP (now amalgamated into our Company) ("**Respondent**") before the Bombay High Court (which has now been transferred to NCLT, Mumbai) seeking *inter alia* winding up of the Respondent, appointment of official liquidator and injunction on altering the rights over any of the assets and properties of the Respondent. The dispute between the Petitioner and the Respondent relates to unpaid labour dues of the members of the Petitioners, which is a labour union, amounting to ₹ 5.88 crore. The amount claimed is on account of work done by members of the Petitioners at the Respondent's site upon being engaged by Vishal Earthmovers India Private Limited, the contractor appointed by the Respondent, for undertaking demolition and scrap removal work at the said site, and includes cost and labour charges. The matter is currently pending.

2. Manish Mertia and others ("**Complainants**") have filed a consumer complaint before the National Consumer Disputes Redressal Commission at New Delhi against our Company seeking *inter alia* redressal of grievance of several flat buyers of the project Godrej Garden City, payment of compensation to each flat owner along with interest, reimbursement of amount approximating up to ₹ 0.01 crore to each flat owner for stamp duty and registration amounts

paid by them, and deletion of all objectionable conditions appearing in the draft sale deeds to be executed with the flat buyers ("**Sale Deeds**"). The dispute pertains to alleged inclusion of objectionable conditions in the Sale Deeds, delay in delivery of possession of apartments booked by the Complainants, and imposition of parking charges in the project Godrej Garden City. The matter is currently pending.

3. H. P. Rajanna ("**Appellant**") has filed an appeal with the National Green Tribunal, Principal Bench at New Delhi, challenging the environmental clearance granted under the Environment Impact Assessment Notification, 2006, as amended ("**EIA Notification**"), in relation to an ongoing project in Bengaluru, by the Karnataka State Environment Impact Assessment Authority ("**SEIAA**") impleading our Company and others ("**Respondent**"). The Appellant has filed the appeal on grounds *inter alia* violation of judicially laid down guidelines and the EIA Notification, and construction being illegal and without a sanctioned plan. The matter pertains to a project in Bangalore and the Appellant *inter alia* seeks order against the Respondents for setting aside the environmental clearance dated January 10, 2018 and restriction on changing the nature and character of the land or undertaking construction during the pendency of the suit. The matter is currently pending.

4. P.M. Devaiah and others ("**Petitioner**") have filed a miscellaneous petition against our Company and others ("**Defendants**") before the Principal Civil City Judge, Bengaluru ("**Court**") for *inter alia* seeking action against Defendants for alleged wilful disregard, disobedience and contempt of order passed by the Court, wherein the Defendants along with their agents, members and all persons claiming through them were restrained from obstructing the plaintiff from use of entry road for ingress and egress to a specified area of property. The matter is currently pending.

5. Gera Developments Private Limited ("**Plaintiff**") has filed a civil suit against our Company and others ("**Defendants**") before the District Judge, Pune seeking *inter alia* permanent injunction against the Defendants and such others from using the term "ChildCentric", a trademark registered in the name of the Plaintiff ("**Trademark**") in any manner and a direction against the Defendants to pay any profits earned on account of the alleged infringement of the said trademark, to the Plaintiff. The dispute pertains to advertisement of a project by the Defendants, 'Godrej Nurture' being advertised as being child centric homes, and the defendant claiming consequent Trademark infringement. The matter is currently pending.

6. Grentex Wools Private Limited ("**Petitioner**") has filed a writ petition against our Company and others ("**Respondents**") before the Bombay High Court seeking *inter alia* that State Ministry's order dated May 26, 2008 upholding the registration of the Grenville Park Co-operative Housing Society Limited be stayed during the pendency of the proceedings and be declared illegal and bad in law. The Petitioner, owner of the land on which the project has been constructed, has disputed the registration on the grounds *inter alia* of failure of the Respondents to take consent of the Petitioner before registering the society. The matter is currently pending.

7. The Federation of Edenwoods Co-operative Housing Society Limited ("**Applicant**") has filed miscellaneous civil application before the Court of Civil Judge (Junior Division), Thane against the Company and others ("**Respondents**") seeking *inter alia* (a) restoration of the regular civil suit no. 308 of 2009 filed against the Company and certain others ("**2009 Suit**") before the Civil Judge Court (Junior Division), Thane ("**Court**") and grant of injunction against the Respondents and such other persons from creating any third party interest in the concerned property. The 2009 Suit was filed on the ground of breach by Respondents, of the terms of consent decree dated April 30, 2005 ("**Consent Decree**") passed in relation to the regular suit no. 34 of 2004 against the Respondents, and thereby injunction was sought for restraining the Company from carrying on construction at the Company's project Godrej Edenwoods, Thane. However, the 2009 Suit was dismissed by the Court on July 4, 2016 for non-compliance of an order passed by the Court. The Applicant has filed darkhast No. 3 of 2010 against the Respondents before the Court of Civil Judge, Senior Division, Thane, seeking *inter alia* execution of the Consent Decree on account of breach of consent terms provided therein by the Respondent. The Respondent has also filed a darkhast no. 368 of 2012 against the Applicant before the Court of Civil Judge, Senior Division, Thane, seeking *inter alia* execution of the Consent Decree on account of breach of consent terms provided therein by the Applicant. The matters are currently pending.

II. ***Litigations by our Company***

(i) *Civil Litigation*

1. Our Company has filed a civil suit against Yeshwant Pai ("**Defendant**") before the High Court of Bombay ("**High Court**") seeking *inter alia* declaration of statements made by the Defendants against our Company and/or its directors/ chairman/chairman emeritus as defamatory, award of damages in the sum of ₹ 500 crore against the Defendant, and interim/permanent injunction against the Defendant. The Defendant is a former customer of our Company in relation to a residential development project known as 'Godrej Alpine', who upon being aggrieved by certain issues had made and published certain statements of defamatory nature. Our Company has *inter alia* issued notices to the Defendant to cease and desist his actions and the failure on behalf of the Defendant to comply has given cause for Company to file this suit. The High Court has issued an interim injunction against the Defendants vide order dated April 12, 2018. The

matter is currently pending.

2. Our Company has instituted an arbitration proceeding against J.B. Advani & Company Private Limited ("**Respondent**") before the arbitration tribunal seeking *inter alia* specific performance of the development agreement dated October 5, 2013, as amended from time to time, entered between our Company and the Respondent for development of a parcel of land ("**DA**") and damages aggregating approximately up to ₹ 89.3 crore along with interest on grounds including wrongful termination of the DA and expenditure incurred by our Company; or in the alternative an amount aggregating up to ₹ 463.47 crore ("**Arbitration**"). Company had filed a suit before the High Court of Bombay ("**High Court"**) upon termination of the DA by the Respondent and subsequent dispossession from the said parcel of land, with the Owner *inter alia* denying agreement to the amendments made to terms of the DA and citing unwillingness on part of our Company to perform the DA. The matter was referred by the High Court, by consent, to Arbitration. Respondents filed a counter claim against one of the references made in the Arbitration seeking *inter alia* damages aggregation approximately up to ₹ 566 crore and declaration of termination as rightful. The matter is currently pending.

3. Godrej Vikhroli Properties India Limited (now amalgamated into our Company) ("**Plaintiff**") has filed a commercial suit against Vishal Earthmovers India Private Limited and others ("**Defendants**") before the High Court of Bombay seeking *inter alia* an amount aggregating up to ₹ 200 crore from the Defendants, jointly and/or severally, and ₹ 1.07 crore from the Defendants, jointly and severally, on account of damages suffered and expenses incurred by the Plaintiff. The suit pertains to a dispute arising on account of alleged breaches by the Defendants in relation to a contract dated March 24, 2015 entered into between our Company and one of the Defendants, Vishal Earthmovers India Private Limited, for purchase of scrap/material. The matter is currently pending.

4. Our Company has filed a writ petition against the Inspector General of Registration and others ("**Respondents**") before the High Court of Judicature at Madras, seeking *inter alia* a writ of mandamus directing the Respondents to make deletions of entries made in the revenue records for the deficit stamp duty paid in relation to various documents pertaining to certain specified survey numbers of Chembarambakkam Village, Thiruvallur District. Our Company has entered into a development agreement dated September 7, 2009 and December 29, 2010 with M/s. Addison & Company Limited ("**Addison**"), with no conveyance of land, for development of a residential complex on the land owned by Addison upon completion of which a certain identified portion of the developed area would be allotted to Addison ("**DAs**"). Upon registrations of the DAs, an Encumbrance Certificate no. 17933/2014 was issued reflecting adverse entries against our Company amounting to ₹ 45.74 crore. The matter is currently pending.

(ii) <u>*Other matters*</u>

1. Our Company has filed a petition against Grentex Wools Private Limited ("**Respondent**") before the High Court of Bombay *inter alia* challenging the final award in part, wherein a counter claim of the Respondent was granted for an amount of ₹ 0.78 crore, and the additional award, directing our Company to hand over six flats to the Respondent (collectively, "**Awards**"). The Awards were passed in relation to arbitration proceedings initiated upon reference being made by our Company in accordance with the development agreement dated December 30, 1997 entered into by the Respondent and our Company for construction of a commercial building ("**DA**"), citing wrongful conduct and non-cooperation of the Respondent thereby incapacitating our Company to perform its obligations under the DA. The petition is filed by our Company against the Respondent on the grounds of, *inter alia,* the Awards being against the provisions of the underlying agreement and public policy. The matter is currently pending. The Respondent has simultaneously filed another petition against our Company seeking *inter alia* that the arbitral award dated April 30, 2015 passed by the arbitrator, whereby certain monetary claims of the Respondent were rejected, with the total amount involved being approximately ₹ 27.74 crore, be set aside and Respondent be awarded peaceful handover and vacant possession of the suit property. This matter is also currently pending.

2. Our Company and others ("**Plaintiff**") have filed a suit against Chandrakant Ratilal Shah ("**Defendant**") before the Court of Small Causes, Mumbai ("**Court**") seeking *inter alia* that Defendant be decreed to vacate and handover the possession of the flat in a property which the Plaintiffs wish to demolish and reconstruct, and injunction be granted against the Defendant from entering into any arrangement in relation to the suit property. The Court had passed an order seeking abidance with the consent terms dated September 13, 2004 ("**Consent Decree**") wherein it was agreed upon *inter alia* that our Company would develop the suit property and the Defendant would be given possession of a flat in the new building and also be provided with monthly compensation for temporary accommodation till such possession. The Defendant has subsequently filed an application against the Plaintiff seeking *inter alia* that our Company be directed to comply with the terms of the Consent Decree. The matter is currently pending.

III. ***Litigations against the Subsidiaries and Joint Ventures***

a. *Godrej Projects Development Limited ("**GPDL**")*

(i) *Civil litigation*

1. Gammon India Limited ("**Claimant**") has initiated arbitration proceedings against GPDL ("**Respondent**") before the arbitral tribunal seeking *inter alia* amounts due for certified and uncertified work done by the Claimant, cost and losses incurred by the Respondent and money withheld by the Respondent ("**Arbitration**"). The Arbitration pertains to termination by Respondent of a construction contract dated August 18, 2012 entered into between the Respondent and the Claimant for construction and development in relation of the proposed project named "Godrej Platinum" in Bengaluru, citing inability of the Claimant to comply with the stipulated time schedule for construction and development of the said project and the invocation of Claimant's bank guarantee without giving any notice to the Claimant to cure defaults. The Claimant has claimed an amount of ₹ 105.3 crore against the Respondent. The Respondent has also filed a counter claim against the Claimant seeking *inter alia* an award in the sum of ₹ 709.54 crore alongside costs and other reliefs. The matter is currently pending.

2. IDBI Trusteeship Services Limited ("**Plaintiff**") has filed a commercial suit against Godrej Projects Development Limited, Godrej Landmark Redevelopers Private Limited (collectively, "**Godrej Defendants**"), Kamla Landmark Property Leasing & Finance Private Limited and others (Godrej Defendants along with other parties, "**Defendants**") before the High Court of Bombay ("**Court**"). Godrej Defendants have been impleaded as a party to the suit on account of being involved in development of the project for which the non-convertible debentures were issued by one of the defendants, and for which the Plaintiff is the debenture trustee. In relation to the Godrej Defendants, the Plaintiff have *inter alia* sought deposit of balance consideration in the escrow account, status of the current project, details of the sold and unsold areas and the sale consideration already received. The matter pertains to a claim by Claimant of an amount aggregating up to ₹ 91.96 crore from the Defendants, other than Godrej Defendant, towards *inter alia* repayment of non-convertible debentures and the associated premium for which the claimant is a debenture trustee. The Court has passed an order dated August 1, 2018 directing the Godrej Defendants to deposit the amount payable to the Plaintiff with the Prothonotary and Senior Master of the Court, within a period of seven days from the date of receipt of the amounts towards sale consideration, deposit for which are being made on a periodic basis. The matter is currently pending.

(ii) *Tax proceedings*

1. A show cause notice dated January 31, 2018 ("**SCN**") has been received by the Godrej Buildcon Private Limited (now amalgamated into Godrej Projects Development Limited) ("**GBPL**") from the office of Directorate General of GST Intelligence. The SCN is *inter alia* in respect of the services provided for construction and development of Jet Airways (India) Limited's ("**Jet Airways**") non-saleable share of the property and in respect of area entitled for sale, in accordance with the development agreement dated August 5, 2011, as amended, entered between GBPL and Jet Airways. The SCN has asked for showing cause on *inter alia* why differential tax amounting to ₹ 9.31 crore not be demanded in relation to services provided for construction and development of Jet Airways' non-saleable area being classified as 'works contract service' and not as 'construction of commercial complex', and service tax amounting to ₹ 44.58 crore not be demanded for services provided in relation to area entitled for sale. A reply has been filed against the SCN, and personal hearing is being awaited. The matter is currently pending.

(iii) *Criminal litigation*

1. A.D. Rajgor has filed a criminal complaint against GPDL and others ("**Accused**") before the Court of Metropolitan Magistrate, Vikhroli, Mumbai ("**Court**") *inter alia* under Sections 120B, 177, 182 and 199 of the Indian Penal Code, 1860 alleging *inter alia* alleged furnishing of false evidence, deposition/fabrication of evidence and giving false statements. The dispute pertains to allegations that the minutes of one of the general body meeting were forged, in relation to a project wherein GPDL is a development manager. The matter is currently pending. A.D. Rajgor has also filed a criminal writ petition 2654 of 2016, wherein GPDL has been impleaded as a party in addition to the Company. For details, please see point 1 of criminal litigation against the Company.

(iv) *Other matters*

1. Kirit Gordhandas Barchha and others ("**Complainants**") have filed a consumer complaint before the National Consumer Disputes Redressal Commission at New Delhi against GPDL seeking *inter alia* redressal of grievance of more than 200 flat buyers of project Godrej Summit, refund of entire money of the Complainants with interest upon failure to deliver flat within stipulated timeline and delete conditions in buyers' agreements, that are against public policy. The dispute pertains to alleged delay in delivery of possession of apartments booked by the Complainants, imposition of arbitrary terms and conditions against public policy in buyer's agreements and imposition of parking charges in the project 'Godrej Summit'. The matter is currently pending.

b. *<u>Godrej Landmark Redevelopers Private Limited (“**GLRPL**”)</u>*

(i) *Civil litigation*

1. IDBI Trusteeship Services Limited has filed a commercial suit against GLRPL and others before the High Court of Bombay. For details, see litigation described under point 2 of the civil litigations against GPDL above.

c. *<u>Oasis Landmark LLP</u>*

(i) *Civil litigation*

1. Gannon Dunkerley & Company Limited (“**Claimant**”) has initiated arbitration proceedings against Oasis Landmarks LLP (“**Respondent**”) before the arbitration tribunal seeking *inter alia* recovery of sum aggregating up to ₹ 43.63 crore for amounts due to the Claimant, value of work done and losses caused to the Claimant amongst other things, on account of termination of contract dated May 11, 2015 between the Claimant and the Respondent (“**Agreement**”). The dispute between the Claimant and Respondent pertains to engagement of the Claimant for construction of certain number of high rise towers, basements and miscellaneous buildings for project named Godrej Icon being developed by the Respondent, vide the Agreement and letter of award dated February 25, 2015 issued by the Respondent in favour of the Claimant, and the termination of Agreement by the Respondent on account of inter alia quality issues, delay in work, and missed intermediate milestones. The Respondent has also filed a counter claim against the Claimant seeking inter alia an award aggregating to a sum of ₹ 98.07 crore alongside costs and other reliefs. The matter is currently pending.

2. Gannon Dunkerley & Company Limited (“**Claimant**”) has initiated arbitration proceedings against Oasis Landmarks LLP (“**Respondent**”) before the arbitration tribunal seeking *inter alia* recovery of sum aggregating up to ₹ 6.99 crore for amounts due to the Claimant, value of work done and losses caused to the Claimant amongst other things, on account of termination of contract dated May 11, 2015 between the Claimant and the Respondent (“**Agreement**”). The dispute between the Claimant and Respondent pertains to engagement of the Claimant for construction of certain number of high rise towers, basements and miscellaneous buildings for project named Godrej Oasis being developed by the Respondent, vide the Agreement and letter of award dated July 3, 2015 issued by the Respondent in favour of the Claimant, and the termination of Agreement by the Respondent on account of *inter alia* quality issues, delay in work, and missed intermediate milestones. The Respondent has also filed a counter claim against the Claimant seeking *inter alia* an award aggregating to a sum of ₹ 33.1 crore alongside costs and other reliefs. The matter is currently pending.

d. *<u>Wonder Projects Development Private Limited</u>*

(i) *Litigation pertaining to Project Land*

a. P. Anitha (“**Plaintiff**”) has filed original suit no. 459 of 2016 against Wonder Projects Development Private Limited and others (“**Defendant**”) before the Court of City Civil Judge, Bangalore (“**Court**”) seeking *inter alia* declaration of sale deed dated December 26, 2006 entered between the plaintiff and one of the Defendants as null and void, and permanent injunction restraining the Defendants and any person claiming through any of them from interfering with the Plaintiff’s possession and enjoyment of the suit property (“**Principal Suit**”). The dispute pertains to *inter alia* the Plaintiff alleging that the said sale deed has been obtained by fraud and is therefore void. Two of the Defendants (“**Petitioners**”) have simultaneously filed writ petition no. 13276 against remaining parties, including Wonder Projects Development Private Limited (“**Respondents**”) before the High Court of Karnataka (“**High Court**”) challenging the amendment carried out to the Plaint by the Plaintiff in relation to the Principal Suit, before the Petitioner were impleaded as Defendants in the Principal Suit. The High Court has passed a stay order dated March 25, 2019 in relation to the Principal Suit. The matters are currently pending.

b. P. Anitha and others (“**Plaintiff**”) has filed original civil suit no. 4287 of 2000 (“**Principal Suit**”) against Wonder Projects Development Private Limited, our Company and others (“**Defendants**”) before the City Civil Judge at Bangalore (“**Court**”), details of which are provided under point 1 of litigation pertaining to land filed against our Company. Wonder Projects Development Private Limited has simultaneously filed writ petition no. 11893 before the High Court seeking *inter alia* quashing of the impugned orders allowing amendments to be made to the plaint filed by two of the plaintiffs before the Court in relation to the Principal Suit. The High Court has passed a common stay order dated March 21, 2019 in relation to the Principal Suit. The matters are currently pending.

(ii) *Litigations pertaining to Project Land*

H. P. Rajanna has filed an appeal with the National Green Tribunal, Principal Bench at New Delhi against Company, Wonder Projects Development Private Limited and others, challenging the environmental clearance granted in relation to a proposed project in Bengaluru. For details, see litigation described under point 3 of the others matters filed against the Company.

e. *Godrej Housing Projects LLP*

(i) *Litigation pertaining to Project Land*

1. There are two case filed against Godrej Housing Projects LLP respectively before the Court of City Civil Judge, Bangalore and Court of Assistant Commissioner, Bangalore seeking *inter alia* partition of the suit property and separate possession of the property, declaration of sale deed as null and void. The matters are currently pending.

f. *Godrej High View LLP*

(i) *Litigation pertaining to Project Land*

1. Nandkishore and others ("**Plaintiff**") have filed a suit before the Court of Civil Judge, Senior Division, Sohna ("**Court**") impleading Godrej Nature Plus (name of the project being developed by Godrej High View LLP) ("**Respondent**") as a party, seeking *inter alia* permanent and mandatory injunction against the Respondent from interfering with ownership and possession of the Plaintiffs. The dispute pertains to alleged encroachment by the Respondents over the suit property by way of undertaking construction work on the suit property, which the Plaintiff has alleged to be illegal. The matter is currently pending.

g. *Godrej Real View Developers Private Limited*

(i) *Litigation pertaining to Project Land*

1. Satish and others ("**Plaintiff**") have filed a case in the Court of Civil Judge, Senior Division, Gurugram against Godrej Real View Developers Private Limited and others ("**Respondents**") seeking *inter alia* a decree of possession by way of partition declaring the plaintiffs as the co-owner to the extent of $1/60^{th}$ share of the suit property. The dispute pertains to the Plaintiffs claiming right over the property as part of inheritance on account of being the legal heir in relation to the suit property. The matter is currently pending.

h. *Oxford Realty LLP*

(i) *Litigation pertaining to Project Land*

1. Urmila Ravindra Jadhav and others ("**Plaintiff**") have filed a case against Oxford Realty LLP ("**Respondent**") before the Civil Judge Senior Division, Pune in relation to Project Infinity, Pune. The Respondents have only received summons, and have not been served with a copy of the plaint. The matter is currently pending.

2. There is one other proceeding, wherein Oxford Realty LLP has also been impleaded as a party in addition to the Company. For details, please see point 2 of litigation pertaining to Project Land filed against the Company.

i. *Godrej Genesis Facilities Management Private Limited*

(i) *Criminal litigation*

1. Simoco Telecommunications (South Africa) Limited ("**Complainant**") has filed a criminal case before the Additional Chief Judicial Magistrate, Bidhannagar ("**Court**") against Godrej Genesis Facilities Management Private Limited and others ("**Accused**") *inter alia* under Section 420, 467 and 120B of the Indian Penal Code, 1860 alleging *inter alia* forgery, cheating and criminal conspiracy. The dispute pertains to obtaining renewal of the lift licenses by the Accused upon forging of seal and signature of the Complainants or its representatives, as applicable. The matter is currently pending.

j. *Dreamworld Landmarks LLP*

(i) *Litigation pertaining to Project Land*

1. Hema Mulchandani ("**Plaintiff**") has filed a revision application before the District Superintendent of Land Records ("**Authority**") against Dreamworld Landmarks LLP and others ("**Respondents**") challenging the measurement of suit property done vide measurement register entry no. 3179. The dispute pertains to the measurement and demarcation done in relation to the suit property. The Authority *vide* order dated January 29, 2018 ("**Order**") has ordered holding of joint demarcation of the suit property. The Respondents have filed an appeal against the Order before the Deputy Superintendent of Land Records, who has thereby granted a temporary stay against the Order. The matter is currently pending.

2. There are four suits/proceedings, wherein Dreamworks Landmark LLP has also been impleaded as a party in addition to the Company. For details, please see point 2 of litigation pertaining to Project Land filed against the Company.

k. *M S Ramaiah Ventures LLP*

(i) *Litigation pertaining to Project Land*

1. There are two suits/proceedings, wherein M S Ramaiah Ventures LLP has also been impleaded as a party in addition to the Company. For details, please see point 2 of litigation pertaining to Project Land filed against the Company.

IV. ***Litigations by the Subsidiaries and Joint Ventures***

(a) *GPDL*

(i) *Civil litigation*

1. GPDL has initiated arbitration proceedings against G.S. Niketan Private Limited ("**Respondent**") seeking *inter alia* declaration of agreement entered into between GPDL and the Respondent ("**Agreement**") as void and frustrated, and the amount aggregating up to ₹ 6.52 crore already paid by the Respondent to GPDL be considered as full and complete discharge of the liability under the Agreement. The matter pertains to denial of the West Bengal Electronic Industries Development Corporation Limited to grant permission or a no-objection certificate, stipulated as a condition precedent as per the terms of the Agreement. The Respondent has also filed a counter claim against GPDL seeking *inter alia* amount aggregating approximately up to ₹ 41.66 crore on account of repayment of the amount already paid, along with the interest, and compensation for loss of profit. The matter is currently pending.

2. GPDL has initiated arbitration proceedings against Mahadev Realcon Udyog Private Limited ("**Respondent**") seeking *inter alia* declaration of agreement entered into between GPDL and the Respondent ("**Agreement**") as void and frustrated, and the amount aggregating up to ₹ 10.58 crore already paid by the Respondent to GPDL be considered as full and complete discharge of the liability under the Agreement. The matter pertains to denial of the West Bengal Electronic Industries Development Corporation Limited to grant permission or a no-objection certificate, stipulated as a condition precedent as per the terms of the Agreement. The Respondent has also filed a counter claim against GPDL seeking *inter alia* amount aggregating approximately up to ₹ 60.26 crore on account of repayment of the amount already paid, along with the interest, and compensation for loss of profit. The matter is currently pending.

3. GPDL has initiated arbitration proceedings against SIMOCO Telecommunication (South Asia) Limited and Ocean Freight Enterprises Private Limited ("**Respondents**") seeking *inter alia* specific performance of the agreements dated December 28, 2007, followed by a an agreement dated March 30, 2009 and a power of attorney dated March 30, 2009 entered between GPDL and the Respondent, and damages/compensation aggregating approximately up to ₹ 573.93 crore on account of loss suffered, interest and finance charges. The dispute pertains to revocation of the power of attorney dated March 30, 2009 by the Respondent vide a registered deed dated October 10, 2015, on account of failure of GPDL to complete the project in timely manner and acting in breach of the essential terms. The Respondents have also filed separate counter claims against GPDL, with Ocean Freight Enterprises Private Limited seeking *inter alia* damages aggregating up to approximately ₹ 68.77 crore and SIMOCO Telecommunications (South Asia) Limited. Seeking *inter alia* damages aggregating approximately up to ₹ 1,042.25 crore. Response to the counter claim of Ocean Freight Enterprises Private Limited have been provided by our Company. The matter is currently pending.

(b) *Oxford Realty LLP*

(i) *Litigation pertaining to Project Land*

a. Oxford Realty LLP and others ("**Plaintiffs**") has filed a suit before the Civil Judge Senior Division, Pune against Hari Daji Kale and others ("**Defendants**") seeking *inter alia* decree of permanent injunction restraining the Defendants themselves or through others from obstructing the construction at the suit property, payment of ₹ 0.01 crore as compensation to the plaintiff. The matter pertains to allegations by the Plaintiff that the Defendants have obstructed the development and construction activities of the Plaintiff on the suit property, where they have valid and subsisting development rights in their favour, with the intentions to extort more amounts from the Plaintiffs. The matter is currently pending.

V. ***Other litigations pertaining to the Project Land of the Subsidiaries and Joint Ventures***

1. There are certain other litigation proceedings filed before various courts across India in relation to the concerned suit properties, wherein the Subsidiaries or Joint Ventures are not impleaded as a party to the matter, but which may impact the title in relation to the Project Land. The proceedings pertain to *inter alia* claiming of ownership rights over the suit property, dispossession of parties from the suit property, frauds or misrepresentation done in relation to the sale deeds, dispute over entries in the revenue records and failure to execute sale deed on being due. The prayers sought in the proceedings include *inter alia* mandatory/temporary injunction against sale or dispossession or creation of third party interest in relation to the suit property, declaration of sale deed as null and void, specific performance and partition of the suit property. The matters are currently pending.

B. ***Inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 in the last three years preceding the year of this Preliminary Placement Document involving our Company and its Subsidiaries, and prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document for our Company and its Subsidiaries.***

GPDL has *suo moto* filed three e-form CG-1 with the Registrar of Companies, Mumbai ("**ROC**") seeking condonation of delay under Section 460 of the Companies Act, 2013 in relation to filing e-form MGT-14 with regard to board resolution dated (a) October 29, 2015 passed *inter alia* to incorporate a private limited company to subscribe to equity shares as subscriber to memorandum of association, to invest an amount not exceeding ₹ 0.01 crore in shares capital; (b) August 21, 2015 passed *inter alia* to invest/divest surplus funds exceeding ₹ 325 crore and (c) February 8, 2016 passed *inter alia* to make investment in share capital not exceeding ₹ 0.01 crore. The ROC passed three respective orders, each dated March 27, 2017 ("**Orders**"), condoning the delay in filing of the e-forms MGT-14, subject to payment of additional fees. Our Company has made payment in relation to the Orders, each of ₹ 0.0006 crore and dated April 17, 2017. Additionally, our Company has also filed the Orders in e-form 28 along with the requisite fees on April 5, 2017.

C. ***Material frauds committed against our Company in the last three fiscal years.***

There are no material frauds committed against our Company in the last three fiscal years.

D. ***Significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.***

There are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

E. ***Defaults in repayment of statutory dues, dues payable to holders of any debentures and interest thereon, dues payable in respect of deposits and interests thereon, or in repayment of any loan obtained from any bank or financial institution and interest thereon.***

As on the date of this Preliminary Placement Document, our Company has no outstanding defaults in relation to dues payable to holders of any debentures and interest thereon, or in respect of deposits and interest thereon, or in repayment of loans obtained from any bank or financial institution and interest thereon.

As on the date of this Preliminary Placement Document, there are no instances of default or non-payment of statutory dues by the Company or its Subsidiaries.

F. ***Defaults in the annual filings of our Company under the Companies Act, 2013.***

As on the date of this Preliminary Placement Document, our Company has not defaulted in annual filings under the Companies Act, 2013.

G. ***Litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years preceding the year of this Preliminary Placement Document and directions issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.***

Six criminal complaints have been filed by the Food Safety Inspector, State of Andhra Pradesh and Maharashtra against GIL before the Magistrate First Class in Andhra Pradesh and with adjudicating officer, Thane for alleged violation of Prevention of Food Adulteration Act on the ground of failed sample test. The matters are currently pending.

OUR STATUTORY AUDITORS

Our Company's current Statutory Auditors, B S R & Co., LLP, Chartered Accountants, are independent auditors with respect to our Company as required by the Companies Act, 2013 and in accordance with the guidelines prescribed by ICAI, and have been appointed as the statutory auditors of our Company, pursuant to the approval of the shareholders of our Company at the AGM held on August 2, 2017. For details of reservations, qualifications or adverse remarks by our Statutory Auditors for the Financial Years 2019 and 2018, see "***Selected Financial Information – Reservations, qualifications or adverse remarks by Auditor***" on page 39 and below:

The audit report covering the 31, March 2019 consolidated financial statements contains an emphasis of matter paragraph that states that the remuneration paid to the Executive Chairman and the Managing Director & CEO of the Company for the year ended 31 March 2019 is in excess of the limits prescribed under Section 197 of the Companies Act by Rs 5.81 crores and subject to the approval of the shareholders. The audit report covering the 31 March 2018 consolidated financial statements contains (1) an other matters paragraph that states that the audit report on consolidated financial statements for the year ended 31 March 2018, as it relates to one subsidiary, is based upon the financial information furnished to the auditors by the management of the Company and is unaudited and not material to the Group, and (2) an other matters paragraph that states that the comparative information for the year ended 31 March 2017 included in the 31 March 2018 consolidated financial statements was audited by another auditor.

The Audited Consolidated Financial Statements for the Fiscal 2019 and Fiscal 2018 included in this Preliminary Placement Document, have been audited by our Statutory Auditors. The 2017 Audited Consolidated Financial Statements included in this Preliminary Placement Document have been audited by Kalyaniwalla & Mistry LLP, Chartered Accountants, our statutory auditors for such period. For details of reservations, qualifications or adverse remarks by our statutory auditors for the prior period of Fiscals 2017, 2016 and 2015, see "***Selected Financial Information – Reservations, qualifications or adverse remarks by Auditor***" on page 39.

The peer review certificate of our current Statutory Auditor, B S R & Co. LLP, Chartered Accountants is valid till June 29, 2019.

GENERAL INFORMATION

- Our Company was originally incorporated as Sea Breeze Constructions and Investments Private Limited on February 8, 1985 under the Companies Act, 1956 with the RoC. The name of our Company was changed to Godrej Properties and Investments Private Limited with effect from July 16, 1990 pursuant to a special resolution of the shareholders dated July 2, 1990. In the year 1991, the status of our Company was changed to a deemed public company by deletion of the word "Private" from the name of the Company. Subsequently the status was changed to a public limited company pursuant to a special resolution of the members passed at the extraordinary general meeting on August 1, 2001. Our name was further changed to Godrej Properties Limited with effect from December 10, 2004 pursuant to a special resolution of the members passed at the extraordinary general meeting on November 23, 2004.

- Our Registered Office and Corporate Office is located at Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079, Maharashtra, India.

- The CIN of the Company is L74120MH1985PLC035308.

- The Equity Shares are listed on BSE and NSE.

- The Issue was authorised and approved by the Board pursuant to a resolution dated April 30, 2019, and by the shareholders of our Company pursuant to a special resolution passed by way of postal ballot on June 8, 2019.

- Our Company has received in-principle approvals under Regulation 28(1) of the SEBI Listing Regulations to list the Equity Shares to be issued pursuant to the Issue, on BSE and NSE, on June 25, 2019 and June 25, 2019, respectively.

- Copies of our Memorandum of Association and Articles of Association will be available for inspection between 9:30 am to 5:30 pm on any weekday (except Saturdays and public holidays) at our Registered Office and Corporate Office.

- Our Company has obtained all necessary consents, approvals and authorisations as may be required in connection with the Issue.

- There has been no material change in the financial or trading position of our Company since March 31, 2019, the date of the latest audited financial statements prepared in accordance with applicable accounting standards included in this Preliminary Placement Document, except as disclosed herein.

- Except as disclosed in this Preliminary Placement Document, there are no litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue. For further details, see "***Legal Proceedings***" on page 185.

- The Floor Price is ₹ 928 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations, as certified by M/s P.G. Bhagwat, Chartered Accountants. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with Regulation 176(1) of the SEBI ICDR Regulations.

- Surender Varma is the Company Secretary and Chief Legal Officer of our Company. His details are as follows:

  Surender Varma
  Godrej One
  5th Floor, Pirojshanagar
  Eastern Express Highway
  Vikhroli (East), Mumbai 400 079
  Maharashtra, India
  Tel: +91 22 6169 8500
  Facsimile: +91 22 6169 8888
  E-mail: secretarial@godrejproperties.com

- Our Company and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including our website, would be doing it at his or her own risk.

- Our Company confirms compliance with the minimum public shareholding requirements as required under the terms of the SEBI ICDR Regulations, Securities Contracts (Regulation) Act, 1956 and the Securities Contracts (Regulation) Rules, 1957.

FINANCIAL INFORMATION

INDEPENDENT AUDITOR'S REPORT

To the Members of Godrej Properties Limited

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated 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 2019, 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 then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('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 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143 (10) of the Act. Our responsibilities under those SAs are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, its associate and its joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 41 to the consolidated financial statements, relating to remuneration paid to the Executive Chairman and the Managing Director & CEO of the Holding Company for the financial year ended 31 March 2019, being in excess of the limits prescribed under Section 197 of the Act by Rs 5.81 crores, which is subject to the approval of the shareholders. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition (refer note 26 to the consolidated financial statements)

The Key Audit Matter	How the matter was addressed in our audit
Revenue from sale of residential and commercial units represents 94.83% of the total revenue from operations of the Group. Revenue is recognised upon transfer of control of residential and commercial units to customers for an amount that reflects the consideration which the Group expects to receive in exchange for those units. The trigger for revenue recognition is normally completion of the project or receipt of approvals on completion from relevant authorities or intimation to the customer of completion, post which the contract becomes	Our audit procedures on Revenue recognition included the following: • Evaluating that the Group's revenue recognition accounting policies are in line with the applicable accounting standards and their application to the key customer contracts including consistent application;

The Key Audit Matter	How the matter was addressed in our audit
non-cancellable by the parties. The Group records revenue over time till the actual possession to the customers or on actual possession to the customers, as determined by the terms of contract with customers. **Revenue recognition prior to completion of the project** Due to the Group's projects being spread across different regions within the country and the competitive business environment, there is a risk that revenue could be overstated (for example, through premature revenue recognition i.e. recording revenue without receipt of approval from authorities or its intimation to the customers) or understated (for example, through improperly shifting revenues to a later period) in order to present consistent financial results. Since revenue recognition has direct impact on the Group's profitability, the element of management bias is likely to be involved. **Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete** Revenue recognition involves significant estimates related to measurement of costs to complete for the projects. Revenue from projects is recorded based on management's assessment of the work completed, costs incurred and accrued and the estimate of the balance costs to complete. Due to the inherent nature of the projects and significant judgment involved in the estimate of costs to complete, there is risk of overstatement or understatement of revenue.	• Sales cut-off procedures for determination of revenue in the correct reporting period; • Scrutinising all the revenue journals raised throughout the reporting period and comparing details of a sample of these journals, which met certain risk-based criteria, with relevant underlying documentation; • Conducting site visits during the year for selected projects to understand the scope and nature of the projects and to assess the progress of the projects; and • Considered the adequacy of the disclosures in note 1 II (c) to the consolidated financial statements in respect of the judgments taken in recognising revenue for residential and commercial property units. In addition, we have the performed the following procedures: **Revenue recognition prior to receipt of OC/ similar approval and intimation to the customer** • Discussing and challenging key management judgments in interpreting contractual terms including obtaining in-house legal interpretations; • Testing sample sales of units for projects with the underlying contracts, completion status and proceeds received from customers; • Identified and tested operating effectiveness of key controls around approvals of contracts, milestone billing, intimation of possession letters / intimation of receipt of occupation certificate and controls over collection from customers; and • We have obtained confirmations, on a sample basis, from major customers for selected projects to confirm revenue recognised during the year and, performing alternative procedures by comparing details with contracts, collection details and other underlying project related documentation for cases where confirmations are not received. **Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete** • Compared, on a sample basis, revenue transactions recorded during the year with the underlying contracts, progress reports, invoices raised on customers and collections in bank accounts and whether the related revenue had been recognised in accordance with the Group's revenue recognition policies;

The Key Audit Matter	How the matter was addressed in our audit
	• Identification and testing operating effectiveness of key controls over recording of actual costs incurred for the projects; • Review of the costs to complete workings, comparing the costs to complete with the budgeted costs and inquiring into reasons for variance; and • Sighting approvals for changes in budgeted costs with the rationale for the changes and assessment of contract costs to determine no revenue nature costs are taken to inventory.

Inventories (refer note 11 to the consolidated financial statements)

The Key Audit Matter	How the matter was addressed in our audit
Inventories comprising of finished goods and construction-work-in progress represent 27.32% of the Group's total assets. **Assessing net realisable value** The Group recognises profit on each sale by reference to the overall project margin, which is the projected profit percentage for a phase that may comprise multiple units and can last a number of years. The recognition of profit is therefore dependent on the estimate of future selling prices and build costs including an allowance for risk. Further estimation uncertainty and exposure to cyclicality exists within the long term projects. Forecasts of future sales are dependent on market conditions, which can be difficult to predict and be influenced by political and economic factors. Inventory represents the capitalised project costs to date less amounts expensed on sales by reference to the aforementioned projections. It is held at the lower of cost and net realisable value, the latter also being based on the forecast for the project. As such inappropriate assumptions in these forecasts can impact the assessment of the carrying value of inventories. Further due to their materiality in the context of total assets of the Group this is considered significant to our overall audit strategy and planning.	Our audit procedures to assess the net realisable value (NRV) of inventories included the following: • Discussion with the management to understand the basis of calculation and justification for the estimated recoverable amounts of the unsold units ("the NRV assessment"); • Evaluating the design and implementation of the Group's internal controls over the NRV assessment. Our evaluation included assessing whether the NRV assessment was prepared and updated by appropriate personnel of the Group and whether the key estimates, including estimated future selling prices and costs of completion for all property development projects, used in the NRV assessment, were discussed and challenged by management as appropriate; • Evaluating the management's valuation methodology and assessing the key estimates, data inputs and assumptions adopted in the valuations, which included comparing expected future average selling prices with available market data such as recently transacted prices for similar properties located in the nearby vicinity of each property development project and the sales budget plans maintained by the Group; and • Re-performing the calculations of the NRV assessment and comparing the estimated construction costs to complete each development with the Group's updated budgets.

Deferred Tax Assets (refer to note 9 to the consolidated financial statements)

The Key Audit Matter	How the matter was addressed in our audit
The carrying amount of the deferred tax assets represents 6.37 % of the Group's total assets. **Recognition and measurement of deferred tax assets** The Group has deferred tax assets in respect of brought forward losses and other temporary differences, as set out in note 9. The recognition of deferred tax assets involves judgment regarding the likelihood of the reasonable certainty of realisation of these assets, in particular whether there will be taxable profits in future periods that support recognition of these assets. Management records deferred tax assets in respect of brought forward business losses in cases where it is reasonably certain based on the projected profitability determined on the basis of approved business plans that sufficient taxable income will be available to absorb the brought forward business loss.	Our audit procedures included: • Through discussions with management, we understood the Group's process for recording deferred tax assets; • We have obtained the approved business plans, projected profitability statements for the existing projects and the future projects which are confirmed through definitive agreements; • We have performed sensitivity analysis and inquired into the basis of the projections for the reasonable certainty of utilisation of the brought forward business losses and therefore recognition of deferred tax assets; and • We tested the underlying data for the key deferred tax and tax provision calculations.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit / loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group, its associate and 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 read with relevant rules issued thereunder. The respective Board of Directors of the companies/Designated Partners of 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 each company and limited liability partnership 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies/ Designated Partners of 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 (Holding Company and subsidiaries), its associate and its joint ventures or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of companies/Designated Partners of limited liability partnerships included in the Group, its associate and its joint ventures, are responsible for overseeing the financial reporting process of each company/limited liability partnership.

Auditors' Responsibility for the audit of the consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group, its associate and its joint ventures companies, have an adequate internal financial controls system in place and the operating effectiveness of such controls as applicable.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Holding Company and subsidiaries), its associate and its joint ventures, to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding financial information of such entities or business activities within the Group, its associate and its joint ventures, to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for direction, supervision and performance of the audit of the financial information of such entities.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

(A) As required by Section 143 (3) of the Act, based on our audit and other financial information of such subsidiaries, its associate and its joint venture companies, we report, to the extent applicable, that:

(a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

(c) the consolidated balance sheet, 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 dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (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, its associate and its joint ventures companies incorporated in India as on 31 March 2019 and taken on record by the Board of Directors of the Group companies, its associate and its joint ventures companies, none of the directors of the Group companies, its associate and its joint ventures incorporated in India are disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act; and

(f) With respect to adequacy of the internal financial controls with reference to financial statements of the Group companies, its associate and its joint ventures companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(B) 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 and also the other financial information of the subsidiaries, its associate and its joint ventures:

i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and its joint ventures – Refer Note 46 to the consolidated financial statements;

ii. the Group, its associate and its joint ventures did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses; and

iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group, its associate and its joint ventures incorporated in India during the year ended 31 March 2019.

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16):

i. we draw attention to note 41 to the consolidated financial statements, relating to remuneration paid to the Executive Chairman and the Managing Director & CEO of the Holding Company for the financial year ended 31 March 2019, being in excess of the limits prescribed under Section 197 of the Act by Rs 5.81 crores, which is subject to the approval of the shareholders. Our opinion is not modified in respect of this matter; and

ii. the Ministry of Corporate Affairs has not prescribed other details under Section 197 (16) of the Act which are required to be commented upon by us.

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

Aniruddha Godbole
Partner
Membership No: 105149

Mumbai
30 April 2019

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2019

Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph (A) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Godrej Properties Limited ("the Holding Company") as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India (the Holding Company and its subsidiary companies incorporated in India together referred to as the "Group"), its associate and its joint venture companies, in respect of companies incorporated in India and to whom the internal financial control with reference to financial statements is applicable, as of that date.

In our opinion, the Group, its associate and its joint venture companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements were 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 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 internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated financial statements

A company's internal financial control with reference to financial statements 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 reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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 with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Aniruddha Godbole
Partner
Membership No: 105149

Mumbai
30 April 2019

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

(Currency in INR Crore)

Particulars	Note	As At March 31, 2019	As At March 31, 2018 (Restated)	As At April 01, 2017 (Restated)
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	2	**71.90**	84.82	74.79
Capital Work-in-Progress	2	**98.77**	71.37	0.01
Investment Property	3	**2.20**	2.48	-
Goodwill on consolidation		**0.04**	0.04	0.04
Other Intangible Assets	4	**22.55**	25.29	27.23
Intangible Assets Under Development	4	**0.77**	0.12	0.02
Investment in Joint Ventures and Associate	5	**722.85**	223.95	18.71
Financial Assets				
Other Investments	6	**862.20**	686.33	312.35
Loans	7	**28.57**	83.81	76.42
Other Non-Current Financial Assets	8	**32.85**	0.01	1.93
Deferred Tax Assets (Net)	9	**515.53**	640.54	566.97
Income Tax Assets (Net)		**157.98**	116.40	118.89
Other Non-Current Non Financial Assets	10	**56.61**	15.28	19.76
Total Non-Current Assets		**2,572.82**	1,950.44	1,217.12
Current Assets				
Inventories	11	**2,210.80**	3,733.40	5,162.15
Financial Assets				
Investments	12	**1,052.10**	543.84	366.26
Trade Receivables	13	**159.91**	156.16	211.36
Cash and Cash Equivalents	14	**152.51**	126.31	66.06
Bank Balances other than above	15	**190.09**	206.39	44.36
Loans	16	**1,030.19**	995.30	677.52
Other Current Financial Assets	17	**343.02**	226.41	219.34
Other Current Non Financial Assets	18	**381.30**	333.62	283.70
Total Current Assets		**5,519.92**	6,321.43	7,030.75
TOTAL ASSETS		**8,092.74**	8,271.87	8,247.87
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	19	**114.66**	108.24	108.18
Other Equity		**2,354.35**	1,102.16	1,013.71
Total Equity		**2,469.01**	1,210.40	1,121.89
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	20	**500.00**	500.00	474.76
Deferred Tax Liabilities (Net)	9	**0.73**	0.59	0.20
Provisions	21	**11.52**	11.34	6.54
Total Non-Current Liabilities		**512.25**	511.93	481.50
Current Liabilities				
Financial Liabilities				
Borrowings	22	**3,015.84**	3,202.86	3,505.65
Trade Payables				
total outstanding dues of micro enterprises and small enterprises		**13.45**	9.00	16.42
total outstanding dues of creditors other than micro enterprises and small enterprises		**234.25**	303.96	500.64
Other Current Financial Liabilities	23	**262.09**	258.40	133.87
Other Current Non Financial Liabilities	24	**1,556.36**	2,722.43	2,471.82
Provisions	25	**11.15**	6.39	0.34
Current Tax Liabilities (Net)		**18.34**	46.50	15.74
Total Current Liabilities		**5,111.48**	6,549.54	6,644.48
TOTAL EQUITY AND LIABILITIES		**8,092.74**	8,271.87	8,247.87
Significant Accounting Policies	1			

The accompanying notes 1 to 55 form an integral part of these 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
April 30, 2019

For and on behalf of the Board of Directors of Godrej Properties Limited
CIN: L74120MH1985PLC035308

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No. A10428
Mumbai
April 30, 2019

RAJENDRA KHETAWAT
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(Currency in INR Crore)

Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018 (Restated)
INCOME			
Revenue from Operations	26	**2,817.40**	1,603.72
Other Income	27	**404.58**	498.64
Total Income		**3,221.98**	2,102.36
EXPENSES			
Cost of Materials Consumed	28	**565.11**	1,111.23
Change in inventories of finished goods and construction work-in-progress	29	**1,628.75**	249.73
Employee Benefits Expense	30	**173.04**	138.42
Finance Costs	31	**234.03**	150.13
Depreciation and Amortisation Expense	32	**14.34**	16.13
Other Expenses	33	**272.46**	283.29
Total Expenses		**2,887.73**	1,948.93
Profit before share of profit in joint ventures and associate and tax		**334.25**	153.43
Share of profit/(loss) of joint ventures and associate (net of tax)		**13.95**	(36.55)
Profit before tax		**348.20**	116.88
Tax Expense			
Current Tax	9(b)	**(31.59)**	101.47
Deferred Tax Charge/(Credit)	9(a)	**126.64**	(71.50)
Total Tax Expense		**95.05**	29.97
Profit for the Year		**253.15**	86.91
Other Comprehensive Income			
Items that will not be subsequently reclassified to profit or loss			
Remeasurements of the defined benefit plan		**(0.50)**	(4.31)
Tax on above	9(a)	**0.17**	1.50
Items that will be subsequently reclassified to profit or loss			
Exchange difference in translating the financial statements of a foreign operations.		**0.10**	-
Other Comprehensive Income for the Year (Net of Tax)		**(0.23)**	(2.81)
Total Comprehensive Income for the Year		**252.92**	84.10
Earnings Per Share (Amount in INR)			
Basic	34	**11.16**	4.01
Diluted	34	**11.15**	4.01
Significant Accounting Policies	1		

The accompanying notes 1 to 55 form an integral part of these 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
April 30, 2019

For and on behalf of the Board of Directors of Godrej Properties Limited
CIN: L74120MH1985PLC035308

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428
Mumbai
April 30, 2019

RAJENDRA KHETAWAT
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

(Currency in INR Crore)

a) Equity Share Capital

Particulars	As At March 31, 2019	As At March 31, 2018 (Restated)	As At April 01, 2017 (Restated)
Balance at the beginning of the year	**108.24**	108.18	108.13
Changes in equity share capital during the year	**6.42**	0.06	0.05
Balance at the end of the year	**114.66**	108.24	108.18

b) Other Equity

Particulars	Reserves and Surplus							Total
	Capital Reserve (refer note (a) below)	Capital Reserve on Account of Amalgamation/ Acquisition (refer note (b) below)	Securities Premium (refer note (c) below)	Debenture Redemption Reserve (refer note (d) below)	Employee Stock Grant Scheme Reserve (refer note (e) below)	Retained Earnings (refer note (f) below)	Exchange differences on translating the financial statements of a foreign operation (refer note (g) below)	
Restated balance as at April 01, 2017 (refer note 43)	7.20	132.62	1,699.22	-	3.69	(828.65)	(0.37)	1,013.71
Total Comprehensive Income:								
i) Restated profit for the year (refer note 43)	-	-	-	-	-	86.91	-	86.91
ii) Remeasurements of the defined benefit plan (net of tax) (refer note 35)	-	-	-	-	-	(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 39)	-	-	-	-	3.99	-	-	3.99
Restated balance as at March 31, 2018 (refer note 43)	7.20	132.61	1,702.25	50.00	4.65	(794.55)	-	1,102.16
Restated balance as at April 01, 2018 (refer note 43)	**7.20**	**132.61**	**1,702.25**	**50.00**	**4.65**	**(794.55)**	**-**	**1,102.16**
Total Comprehensive Income:								
i) Profit for the year	-	-	-	-	-	253.15	-	253.15
ii) Remeasurements of the defined benefit plan (net of tax) (refer note 35)	-	-	-	-	-	(0.33)	-	(0.33)
iii) Exchange difference in translating the financial statements of a foreign operations	-	-	-	-	-	-	0.10	0.10
Adjustments:								
i) On fresh issues of shares (net of expenses INR 3.57 Crore)	-	-	990.18	-	-	-	-	990.18
ii) Additions during the year (refer note 42)	-	5.54	-	-	-	-	-	5.54
iii) Transfer to debenture redemption reserve	-	-	-	50.00	-	(50.00)	-	-
iv) Transfer to securities premium on exercise of stock grants	-	-	2.93	-	(2.93)	-	-	-
v) Share based payments to employees (refer note 39)	-	-	-	-	3.55	-	-	3.55
Balance as at March 31, 2019	**7.20**	**138.15**	**2,695.36**	**100.00**	**5.27**	**(591.73)**	**0.10**	**2,354.35**

(Currency in INR Crore)

(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 / Acquisition

During amalgamation / acquisiton , the excess of net assets taken, over the cost of consideration paid is treated as capital reserve on account of amalgamation / acquisition.

(c) Securities Premium

Securities premium 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) 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.

The accompanying notes 1 to 55 form an integral part of these 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
April 30, 2019

For and on behalf of the Board of Directors of
Godrej Properties Limited
CIN: L74120MH1985PLC035308

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No. A10428
Mumbai
April 30, 2019

RAJENDRA KHETAWAT
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

(Currency in INR Crore)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018 (Restated)
Cash Flow from Operating Activities		
Profit before tax	**348.20**	116.88
Adjustment for:		
Depreciation and amortisation expense	**14.34**	16.13
Finance costs	**234.03**	150.13
Loss /(profit) on sale of property, plant and equipment (net)	**7.35**	(0.08)
Share of (profit)/loss in joint ventures and associate	**(13.95)**	36.55
Share based payments to employees	**3.55**	3.99
Expenses on amalgamation	**0.40**	1.07
Interest income	**(232.40)**	(138.74)
Dividend income	**(0.00)**	-
Profit on sale of investments (net)	**(61.44)**	(209.44)
Income from Investment measured at FVTPL	**(95.63)**	(147.71)
Allowance for bad and doubtful debts	**20.18**	39.95
Liabilities written back	**(10.89)**	-
Write down of inventories	**4.75**	100.87
Lease rent from investment property	**(0.79)**	(0.37)
Operating profit/(loss) before working capital changes	**217.70**	(30.77)
Changes in Working Capital:		
(Decrease)/Increase in Non-financial Liabilities	**(1,172.67)**	187.73
(Decrease) in Financial Liabilities	**(71.77)**	(79.35)
Decrease in Inventories	**1,632.45**	1,124.85
(Increase)/Decrease in Non-financial Assets	**(0.58)**	(51.93)
(Increase) in Financial Assets	**(89.01)**	72.81
	298.42	1,254.11
Taxes Paid (net)	**(38.06)**	(68.52)
Net Cash Flows generated from operating activities	**478.06**	1,154.82
Cash Flow from Investing Activities		
Acquisition of property, plant and equipment, investment property and intangible assets*	**(74.38)**	(150.43)
Proceeds from sale of property, plant and equipment	**0.59**	0.14
Investment in debentures of joint ventures	**(141.33)**	(102.77)
(Purchase) of mutual funds (net)	**(386.45)**	(155.54)
Sale / (Purchase) of investments in fixed deposits (net)	**15.81**	(161.75)
Investment in joint ventures and associate	**(503.93)**	(20.16)
Proceeds from sale of investment in joint ventures	**0.01**	-
Proceeds from sale of investment in subsidiaries (refer note (c) below)	**-**	201.24
Acquisiton of subsidiary, net of cash and cash equivalents (refer note (d) below)	**(42.73)**	-
Loan refunded by/(given) to joint ventures (net)	**29.80**	(670.37)
Loan given to others (net)	**(8.00)**	(0.26)
Expenses on amalgamation	**(0.40)**	(1.07)
Dividend received	**0.00**	-
Interest received	**129.64**	87.17
Lease rent from investment property	**0.79**	0.37
Net Cash Flows (used in) investing activities	**(980.58)**	(973.43)
Cash Flow from financing activities		
Proceeds from issue of equity share capital (net of issue expenses)	**999.53**	0.06
Proceeds from long-term borrowings	**-**	500.00
Repayment of long-term borrowings	**-**	(474.76)
Proceeds from /(Repayment of) short-term borrowings (net)	**265.49**	(221.68)
Interest paid	**(294.97)**	(298.42)
Proceeds from sale of treasury shares	**-**	2.63
Payment of unclaimed dividend	**(0.00)**	(0.01)
Payment of unclaimed fixed deposits	**(0.27)**	(0.69)
Net Cash Flows generated from/ (used in) financing activities	**969.78**	(492.87)
Net Increase / (Decrease) in Cash and Cash Equivalents	**467.26**	(311.48)
Cash and Cash Equivalents - Opening Balance	**(499.99)**	(188.51)
Cash and Cash equivalents of subsidiary acquired during the year (refer note (d) below)	**9.21**	-
Cash and Cash Equivalents - Closing Balance	**(23.52)**	(499.99)

INR 0.00 represent amount less than INR 50,000

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

(Currency in INR Crore)

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 of 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, 2019	For the year ended March 31, 2018 (Restated)
Cash and Cash Equivalents (refer note 14)	**152.51**	126.31
Less: Bank overdrafts repayable on demand (refer note 22)	**176.03**	626.30
Cash and Cash Equivalents as per the Consolidated Statement of Cash Flows	**(23.52)**	(499.99)

(c) Effect of disposal of subsidiaries on the financial position of the Group:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018 (Restated)
Capital work-in-progress	**0.00**	476.72
Investments in joint ventures and associate	**0.00**	0.00
Deferred tax assets (Net)	**0.00**	0.10
Current non-financial assets	**0.00**	2.39
Cash and cash equivalents	**0.01**	0.13
Non current financial liabilities	**0.00**	456.56
Current financial liabilities	**0.06**	21.69
Current non-financial liabilities	**0.00**	0.79
Assets net of Liabilities	**(0.05)**	0.29
Consideration received, satisfied in cash	**-**	136.17
Cash and Cash Equivalents disposed off	**-**	(0.13)
Net Cash Inflows	**-**	136.04

(d) Effect of acquisiton of full control in Joint Venture on the financial position of the Group:

Particulars	For the year ended March 31, 2019
Property, plant and equipment	**0.03**
Intangible assets	**0.02**
Non-current financial assets	**0.10**
Deferred tax assets (Net)	**1.29**
Income tax assets (Net)	**5.17**
Inventories	**106.24**
Current financial assets	**38.15**
Cash and cash equivalents	**9.21**
Bank balances other than above	**0.50**
Current non-financial assets	**41.93**
Current financial liabilities	**(51.61)**
Current non-financial liabilities	**(48.01)**
Current tax liabilities	**(4.01)**
Assets net of liabilities	**99.01**
Consideration paid, satisfied in cash	**42.73**
Cash and cash equivalents acquired	**9.21**
Net Cash outflows	**33.52**

INR 0.00 represent amount less than INR 50,000

(Currency in INR Crore)

(e) 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, 2018 (Restated)	Changes as per the Consolidated Statement of Cash Flows	Non Cash Changes			As at March 31, 2019
			Acquisition	Changes from losing control of subsidiary	Fair Value Changes	
Long-term borrowings	500.00	-	-	-	-	**500.00**
Short-term borrowings	2,570.12	265.49	-	-	-	**2,835.61**

Particulars	As at April 01, 2017 (Restated)	Changes as per the Consolidated Statement of Cash Flows	Non Cash Changes			As at March 31, 2018 (Restated)
			Acquisition	Changes from losing control of subsidiary	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**

(f) The above Consolidated Statement of Cash Flows include INR 1.78 Crore (Previous Year 2018: INR 2.08 Crore) towards Corporate Social Responsibility (CSR) activities (refer note 49).

* During the year, INR Nil (Previous Year 2018: INR 12.79 Crore, INR 64.79 Crore and INR 2.60 Crore) amount of inventories have been transferred to property, plant and equipment, capital work-in-progress and investment property respectively.

The accompanying notes 1 to 55 form an integral part of these 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

For and on behalf of the Board of Directors of Godrej Properties Limited
CIN: L74120MH1985PLC035308

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

ANIRUDDHA GODBOLE
Partner
Membership No: 105149
Mumbai
April 30, 2019

SURENDER VARMA
Company Secretary
ICSI Membership No. A10428
Mumbai
April 30, 2019

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, 2019.

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 ("the 2013 Act") and the relevant provisions and 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.

This is the first set of the Group's consolidated financial statements in which Ind AS 115, Revenue from contracts with customers, has been applied. Changes to significant accounting policies are described in note 1 (III) (i) and (t) and the impact of transition to Ind AS 115 on the consolidated financial statements is disclosed in note 43.

The consolidated financial statements of the Group for the year ended March 31, 2019 were approved by the Board of Directors and authorised for issue on April 30, 2019.

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 satisfaction of performance obligation at a point in time for the purpose of revenue recognition*

  Determination of revenue under the satisfaction of performance obligation at a point in time method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the timing of satisfaction of performance of obligation 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.

- *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.

- *Evaluation of Net realisable Value of Inventories*

  Inventories comprising of completed flats and construction-work-in progress are valued at lower of cost and net realisable value. Net Realisable value is based upon the estimates of the management. The effect of changes, if any, to the estimates is recognised in the consolidated 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. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on internal technical evaluation. Assumptions are also made, when the Group assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

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

- *Recognition and measurement of defined benefit obligations*

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

- *Share based payments*

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

  The assumptions used for estimating fair value for share-based payment transactions are disclosed in Note 39 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. Any changes in the aforesaid assumptions will affect the fair value of financial instruments.

- *Impairment losses on investment*

  The Group reviews its carrying value of investments carried at amortised cost annually or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

- *Recognition of deferred tax asset*

  The deferred tax assets in respect of brought forward business losses is recognised based on reasonable certainty of the projected profitability, determined on the basis of approved business plans, to the extent that sufficient taxable income will be available to absorb the brought forward business losses.

- *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 116, Leases: Ind AS 116 is applicable for financial reporting periods beginning on or after April 01, 2019 and replaces existing lease accounting guidance, namely Ind AS 17 Leases. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses related to those leases will change as Ind AS 116 replaces the operating lease expense (i.e. rent) with depreciation charge for ROU assets and interest expense on lease liabilities. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard - i.e. lessors continue to classify leases as finance or operating leases. Management believes, based upon preliminary analysis that the impact of new lease standard is not material on its consolidated financial statements.

In addition to the above, the following amendments to existing standards have been issued, are not yet effective and are not expected to have a significant impact on the Group's consolidated financial statements:

Amendments to Ind AS 103, Business Combinations, and Ind AS 111, Joint Arrangements: This interpretation clarifies how an entity accounts for increasing its interest in a joint operation that meets the definition of a business.

Amendments to Ind AS 109, Financial Instruments: amendments relating to the classification of particular pre-payable financial assets.

Amendments to Ind AS 12, Income Taxes, clarify that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognised consistently with the transactions that generated the distributable profits - i.e. in profit or loss, other comprehensive income or equity.

Further Appendix C, uncertainty over income tax treatments has been added to clarify how entities should reflect uncertainties over income tax treatments, in particular when assessing the outcome a tax authority might reach with full knowledge and information if it were to make an examination.

Amendment to Ind AS 19, Employee Benefits - The amendment to Ind AS 19 clarifies that on amendment, curtailment or settlement of a defined benefit plan, the current service cost and net interest for the remainder of the annual reporting period are calculated using updated actuarial assumptions - i.e. consistent with the calculation of a gain or loss on the plan amendment, curtailment or settlement. This amendment also clarifies that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss. The entity then determines the effect of the asset ceiling after plan amendment, curtailment or settlement. Any change in that effect is recognised in other comprehensive income (except for amounts included in net interest).

Amendments to Ind AS 23, Borrowing Costs, clarify that the general borrowings pool used to calculate eligible borrowing costs excludes only borrowings that specifically finance qualifying assets that are still under development or construction.

Amendments to Ind AS 28, Investments in Associates and Joint Ventures: When applying the equity method, a non-investment entity that has an interest in an investment entity associate or joint venture can elect to retain the fair value accounting applied by the associate or joint venture to its subsidiaries. Venture capital and other qualifying organisations can elect to measure investments in associates or joint ventures at fair value through profit or loss instead of applying the equity method. The amendments clarify that both these elections apply for each investment entity associate or joint venture separately.

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.
- 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 reserves, 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.
- 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 account 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.

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. 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 an intangible asset 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 their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

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

f. Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Group at exchange rates at the dates of the transactions.

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

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

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

In case of foreign operations whose functional currency is different from the 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

Classification

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

Initial recognition and measurement

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

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:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the 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 within the fair value through profit and 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:

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

Impairment of financial assets

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

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

  The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

II. Financial Liabilities

<u>Classification</u>

The Group classifies all financial liabilities as subsequently measured at amortised cost.

<u>Initial recognition and measurement</u>

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 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.

<u>Derecognition</u>

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.

<u>Offsetting of financial instruments</u>

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

<u>Ordinary equity shares</u>

Incremental costs directly attributable to the issue of ordinary equity shares are recognised as a deduction from equity.

<u>Treasury shares</u>

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

Ind AS 115 has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and is effective from accounting period beginning on or after April 01, 2018.

The Group has applied full retrospective approach in adopting the new standard (for all contracts other than completed contracts) and accordingly recognised revenue in accordance with Ind AS 115 as compared to earlier Percentage of Completion method as per the Guidance Note on Accounting for Real Estate Transaction (for entities to whom Ind AS is applicable).

As these are the first set of the Group's consolidated financial statements prepared in accordance with Ind AS 115, an explanation of how the transition to Ind AS 115 has affected the previously reported financial position, financial performance and cash flows of the Group is provided in Note 43.

The Group derives revenues primarily from sale of properties comprising of both commercial and residential units.

The Group recognises revenue when it determines the satisfaction of performance obligations at a point in time. Revenue is recognised upon transfer of control of promised products to customer in an amount that reflects the consideration which the Group expects to receive in exchange for those products.

In arrangements for sale of units the Group has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering sale of units as distinct performance obligations. For allocating the transaction price, the Group has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

For sale of units the Group recognises revenue when its performance obligations are satisfied and customer obtains control of the asset.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract Liabilities are recognised when there is billing in excess of revenue and advance received from customers.

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 profits 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:

- has a legally enforceable right to set off the recognised amounts; and
- Intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (including those arising from consolidation adjustments such as unrealised profit on inventory etc.).

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- The Group has a legally enforceable right to set off current tax assets against current tax liabilities; and
- The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

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.

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, 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 employee's 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- measurement 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 Cost

Borrowing costs are interest and other costs that the Group incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

Borrowing costs, pertaining to development of long term projects, are transferred to Construction work in progress, as part of the cost of the projects till 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 attributable to the equity shareholders 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 attributable to the equity shareholders 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 consolidated 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.

t. Change in significant accounting policies

The Group has applied Ind AS 115 Revenue from contracts with customers using the full retrospective approach (for all contracts other than completed contracts) i.e. by recognising the cumulative effect of initially applying Ind AS 115 as an adjustment to the opening balance of equity as at April 01, 2017. Due to the transition method chosen by the Group in applying this standard, comparative information throughout these financial statements has been restated to reflect the requirements of the new standard.

Ind AS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Under Ind AS 115, with effect from April 01, 2017, revenue is recognised when a customer obtains control of the goods or services as compared to earlier percentage of completion method as per the Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable).

As these are the first set of the Group's consolidated financial statements prepared in accordance with Ind AS 115, an explanation of how the transition to Ind AS 115 has affected the previously reported financial position, financial performance and cash flows of the Group is provided in Note 43.

(Currency in INR Crore)

2 Property, Plant and Equipment and Capital work-in-progress

Particulars	GROSS BLOCK					ACCUMULATED DEPRECIATION/ AMORTISATION				NET BLOCK	
	As at April 01, 2018 (Restated)	Additions during the year	Acquired through business combinations (refer note 42)	Deductions during the year	As at March 31, 2019	As at April 01, 2018 (Restated)	For the Year	Deductions	As at March 31, 2019	As at March 31, 2019	As At March 31, 2018 (Restated)
Freehold Land	0.06	-	-	-	**0.06**	-	-	-	**-**	**0.06**	0.06
Buildings (Refer Note (a) and (b) below)	73.04	-	-	8.00	**65.04**	8.39	2.84	0.61	**10.62**	**54.42**	64.65
Leasehold Improvements	7.91	0.80	-	-	**8.71**	4.18	1.76	-	**5.94**	**2.77**	3.73
Office Equipments	3.83	0.54	0.01	0.42	**3.96**	2.64	0.57	0.39	**2.82**	**1.14**	1.19
Site Equipments	0.79	0.15	-	-	**0.94**	0.37	0.23	-	**0.60**	**0.34**	0.42
Furniture and Fixtures	14.99	1.17	0.02	0.90	**15.28**	5.96	1.66	0.75	**6.87**	**8.41**	9.03
Computers	12.46	2.55	0.00	0.70	**14.31**	8.61	3.00	0.65	**10.96**	**3.35**	3.85
Vehicles	4.65	0.80	-	0.52	**4.93**	3.41	0.84	0.46	**3.79**	**1.14**	1.24
Electrical Installations and Equipments	1.03	-	-	0.39	**0.64**	0.38	0.13	0.14	**0.37**	**0.27**	0.65
Total Property, Plant and Equipment	**118.76**	**6.01**	**0.03**	**10.93**	**113.87**	**33.94**	**11.03**	**3.00**	**41.97**	**71.90**	**84.82**
Capital Work-in-Progress (refer note (b), (c) and (d) below)										**98.77**	**71.37**

Particulars	GROSS BLOCK					ACCUMULATED DEPRECIATION/ AMORTISATION				NET BLOCK	
	As at April 01, 2017 (Restated)	Additions during the year	Acquired through business combinations (refer note 42)	Deductions during the year	As at March 31, 2018 (Restated)	As at April 01, 2017 (Restated)	For the Year	Deductions	As at March 31, 2018 (Restated)	As at March 31, 2018 (Restated)	As At March 31, 2017 (Restated)
Freehold Land	0.06	-	-	-	0.06	-	-	-	-	0.06	0.06
Buildings (Refer Note (a) and (b) below)	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**
Capital Work-in-Progress (refer note (b), (c) and (d) below)										**71.37**	**0.01**

(a) Of the above, a Building carrying value INR 53.74 Crore (Previous Year 2018 INR: 56.49 Crore, Previous Year 2017: INR 58.50 Crore) is subject to first charge for secured bank loans (Refer Note 22).

(b) During the year, INR Nil (Previous Year 2018: INR 12.79 Crore and INR 69.64 Crore, Previous Year 2017 : INR Nil) amount of inventories have been transferred to property, plant and equipment and capital work-in-progress respectively.

(c) During the year, INR 6.26 Crore (Previous Year 2018: INR 2.94 Crore, Previous Year 2017 : INR Nil) amount of interest cost has been capitalised to capital work-in-progress.

(d) Refer Note 46 for disclosure of Capital Commitments for acquisition of Property, plant and equipment.

INR 0.00 represent amount less than INR 50,000

(Currency in INR Crore)

3 Investment Property

Reconciliation of Carrying Amount

Particulars	Investment Property
Gross Block	
As At April 01, 2017 (Restated)	**-**
Transferred from Inventories (refer note (b) below)	**2.60**
Disposals/Adjustments	**-**
As At March 31, 2018 (Restated)	**2.60**
Additions	**-**
Disposals/Adjustments	**-**
As at March 31, 2019	**2.60**
Accumulated Depreciation	
As At April 01, 2017 (Restated)	**-**
For the Year	**0.12**
Deductions	**-**
As At March 31, 2018 (Restated)	**0.12**
For the Year	**0.28**
Deductions	**-**
As at March 31, 2019	**0.40**
Net Block	
As At April 01, 2017 (Restated)	**-**
As At March 31, 2018 (Restated)	**2.48**
As At March 31, 2019	**2.20**

Information regarding income and expenditure of Investment Property

Particulars	March 31, 2019	March 31, 2018 (Restated)
Rental Income derived from Investment Property	**0.79**	0.37
Direct Operating Expenses	**-**	-
Profit arising from Investment Property before depreciation	**0.79**	0.37
Less: Depreciation	**0.28**	0.12
Profit arising from Investment Property	**0.51**	0.25

(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 during the year ended March 31, 2018.

(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 9.46 Crore (Previous Year 2018: INR 9.23 Crore, Previous Year 2017: INR Nil). The fair value measurement is categorised in level 3 fair value hierarchy.

(Currency in INR Crore)

4 Intangible Assets and Intangible assets under development

Particulars	GROSS BLOCK					ACCUMULATED AMORTISATION				NET BLOCK	
	As at April 01, 2018 (Restated)	Additions during the year	Acquired through business combinations (refer note 42)	Deductions during the year	As at March 31, 2019	As at April 01, 2018 (Restated)	For the Year	Deductions	As at March 31, 2019	As at March 31, 2019	As At March 31, 2018 (Restated)
Licenses and Software	9.51	0.27	0.02	-	9.80	4.69	1.68	-	6.37	3.43	4.82
Trade Mark	24.52	-	-	-	24.52	4.05	1.35	-	5.40	19.12	20.47
Total Intangible Assets	**34.03**	**0.27**	**0.02**	**-**	**34.32**	**8.74**	**3.03**	**-**	**11.77**	**22.55**	**25.29**
Intangible Assets Under Development										**0.77**	**0.12**

Particulars	GROSS BLOCK					ACCUMULATED AMORTISATION				NET BLOCK	
	As at April 01, 2017 (Restated)	Additions during the year	Acquired through business combinations (refer note 42)	Deductions during the year	As at March 31, 2018 (Restated)	As at April 01, 2017 (Restated)	For the Year	Deductions	As at March 31, 2018 (Restated)	As at March 31, 2018 (Restated)	As At April 01, 2017 (Restated)
Licenses and Software	8.41	1.10	-	-	9.51	3.00	1.69	-	4.69	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**	**1.10**	**-**	**-**	**34.03**	**5.70**	**3.04**	**-**	**8.74**	**25.29**	**27.23**
Intangible Assets Under Development										**0.12**	**0.02**

5 Investment in Joint Ventures and Associate

	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
a) Investment in Equity Instruments (Fully Paid-up unless stated otherwise) (Unquoted)			
(i) Investment in Joint Ventures			
Godrej Realty Private Limited	**4.74**	5.11	5.42
884,850 (Previous Year 2018 : 884,850; Previous Year 2017: 884,850) Equity Shares of INR 10/- each			
Wonder Space Properties Private Limited	**1.26**	1.05	0.99
114,191 (Previous Year 2018: 114,191; Previous Year 2017: 111,054) Class B and Ordinary Equity Shares of INR 10/- each			
Wonder City Buildcon Private Limited	**-**	-	-
810,420 (Previous Year 2018: 810,420; Previous Year 2017 810,420) Equity Shares of INR 10/- each			
Godrej Home Constructions Private Limited	**-**	-	-
1,071,770 (Previous Year 2018: 1,071,770; Previous Year 2017: 1,071,770) Equity Shares of INR 10/- each			
Wonder Projects Development Private Limited	**-**	-	-
1,070,060 (Previous Year 2018: 1,050,100; Previous Year 2017: 700,100) Equity Shares of INR 10/- each			
Godrej Real View Developers Private Limited	**-**	-	-
2,068,000 (Previous Year 2018: 1,306,000; Previous Year 2017: 176,000) Equity Shares of INR 10/- each			

(Currency in INR Crore)

	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Pearlite Real Properties Private Limited	**-**	-	-
3,871,000 (Previous Year 2018: 3,552,500; Previous Year 2017: 3,552,500) Class B Equity Shares of INR 10/- each			
Godrej Greenview Housing Private Limited	**-**	-	-
1,264,560 (Previous Year 2018: 1,264,560; Previous Year 2017: 1,192,000) Equity Shares of INR 10/- each			
Godrej Green Homes Limited (Classified as Subsidiary till March 16, 2018)	**206.34**	199.04	-
355,384 (Previous Year 2018: 338,847; Previous Year 2017: Nil) Equity Shares of INR 10/- each			
Godrej Skyline Developers Private Limited	**-**	-	0.17
260,000 (Previous Year 2018: 260,000; Previous Year 2017: 100) Equity Shares of INR 10/- each			
Godrej Landmark Redevelopers Private Limited (Classified as subsidiary w.e.f March 15, 2019)	**-**	-	0.16
Nil (Previous Year 2018: 25,500; Previous Year 2017: 25,500) Equity Shares of INR 10/- each			
Godrej Redevelopers (Mumbai) Private Limited	**-**	-	-
28,567 (Previous Year 2018: 28,567; Previous Year 2017: 28,567) Equity Shares of INR 10/- each			
Ashank Macbricks Private Limited (w.e.f July 31, 2018)	**0.00**	-	-
200 (Previous Year 2018: Nil, Previous Year 2017: Nil) Equity Shares of INR 10/- each			
(ii) Investment in Associate			
Godrej One Premises Management Private Limited	**0.00**	0.00	0.00
3,000 (Previous Year 2018: 3,000; Previous Year 2017: 3,000) Equity Shares of INR 10/- each			
b) Investment in Preference Shares (Fully paid-up unless stated otherwise) (at Amortised Cost) (Unquoted)			
(i) Investment in Joint Ventures			
Godrej Green Homes Limited (Classified as Subsidiary till March 16, 2018)	**-**	0.01	-
Nil (Previous Year 2018: 10,000; Previous Year 2017: Nil) 7% Redeemable Non-cumulative Preference Shares of INR 10/- each			
Godrej Skyline Developers Private Limited	**0.43**	5.34	-
13,000,000 (Previous Year 2018: 13,000,000; Previous Year 2017: Nil) 0.01% Redeemable Non-cumulative Preference Shares of INR 10/- each			

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
c) Investment In Limited Liability Partnerships			
Mosiac Landmarks LLP	**11.18**	11.15	11.04
Caroa Properties LLP	**-**	-	-
Oxford Realty LLP	**-**	-	-
A R Landcraft LLP	**-**	-	-
Dream World Landmarks LLP	**1.69**	-	-
M S Ramaiah Ventures LLP	**0.82**	0.88	0.93
Godrej Developers & Properties LLP	**-**	-	-
Oasis Landmarks LLP	**-**	-	-
Godrej SSPDL Green Acres LLP	**-**	-	-
Amitis Developers LLP	**-**	-	-
Godrej Construction Projects LLP	**-**	-	-
Bavdhan Realty @ Pune 21 LLP	**-**	-	-
Godrej Housing Projects LLP	**-**	-	-
Godrej Projects North Star LLP	**-**	-	-
Prakhhyat Dwellings LLP	**-**	-	-
Godrej Highview LLP	**-**	1.36	-
Godrej Irismark LLP	**-**	0.01	-
Sai Srushti Onehub Projects LLP	**-**	-	-
Godrej Property Developers LLP	**0.00**	0.00	0.00
Suncity Infrastructures (Mumbai) LLP (w.e.f. October 10, 2018)	**0.00**	-	-
Roseberry Estate LLP (w.e.f September 18, 2018)	**-**	-	-
Mahalunge Township Developers LLP (formerly known as Godrej Land Developers LLP) (Classified as subsidiary till January 31, 2019)	**200.99**	-	-
Manjari Housing Projects LLP (formerly known as Godrej Avamark LLP) (Classified as subsidiary till January 31, 2019)	**205.99**	-	-
Maan-Hinge Township Developers LLP (formerly known as Godrej Projects (Pune) LLP) (Classified as subsidiary till January 31, 2019)	**89.41**	-	-
	722.85	223.95	18.71

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

There are no material joint ventures and associate of the Group.

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, 2019**	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Carrying amount of Investment in Joint Ventures	**722.85**	223.95	18.71
Summarised statement of profit and loss			
Profit For the Year	**(29.71)**	(89.42)	-
Other Comprehensive Income for the year	**-**	-	-
Total Comprehensive Income (100%)	**(29.71)**	(89.42)	-
Group's share of total comprehensive income	**13.95**	(36.55)	-

(ii) Investment In Associate

Carrying amount of Investment in Associate	**0.00**	0.00	0.00
Summarised statement of profit and loss			
Profit For the Year	**0.00**	0.00	0.00
Other Comprehensive Income for the year	**0.00**	0.00	0.00
Total Comprehensive Income (100%)	**0.00**	0.00	0.00
Group's share of total comprehensive income	**0.00**	0.00	0.00
	0.00	0.00	0.00

6 Other Investments (Non-Current)

	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
a) Trade Investments (Unquoted)			
(i) Investment in Debentures of Joint Ventures (Fully paid-up) (at Fair Value through Profit or Loss)			
Godrej Realty Private Limited	**2.99**	2.99	2.99
2,989,095 (Previous Year 2018: 2,989,095; Previous Year 2017: 2,989,095), 1% Secured Redeemable Optionally Convertible Debentures of INR 10/- each			
Godrej Green Homes Limited	**316.60**	275.60	-
3,166,000 (Previous Year 2018: 2,756,000; Previous Year 2017: Nil) 12% Unsecured Optionally Convertible Debentures of INR 1,000/- each			
Godrej Skyline Developers Private Limited	**52.55**	50.80	-
5,304,000 (Previous Year 2018: 5,096,000; Previous Year 2017: Nil) 12% Unsecured Optionally Convertible Debentures of INR 100/- each			

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Godrej Landmark Redevelopers Private Limited (Classified as Subsidiary w.e.f March 15, 2019)	**-**	15.13	15.16
Nil (Previous Year 2018 : 1,513,128; Previous Year 2017: 1,513,128) 10% Secured Cumulative Optionally Convertible Debentures of INR 100/- each			
(ii) Investment in Debentures of Joint Ventures (Fully paid-up) (at Amortised Cost)			
Wonder City Buildcon Private Limited	**30.40**	30.50	31.50
307,833 (Previous Year 2018: 307,833; Previous Year 2017: 307,833), 17.45% Unsecured Compulsorily Convertible Class B Debentures of INR 1,000/- each			
Wonder Space Properties Private Limited	**115.58**	-	-
1,019,154 (Previous Year 2018: Nil; Previous Year 2017: Nil), 12% Unsecured Optionally Convertible Class A Debentures of INR 1,000/- each			
Wonder Space Properties Private Limited	**37.75**	-	-
377,464 (Previous Year 2018: Nil; Previous Year 2017: Nil), 12% Unsecured Optionally Convertible Class B Debentures of INR 1,000/- each			
Wonder Space Properties Private Limited	**4.34**	-	-
38,498 (Previous Year 2018: Nil; Previous Year 2017: Nil), 12% Unsecured Optionally Convertible Class C Debentures of INR 1,000/- each			
Wonder Space Properties Private Limited	**-**	37.82	37.96
Nil (Previous Year 2018: 377,464; Previous Year 2017: 365,541), 17.45% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each			
Godrej Home Constructions Private Limited	**41.46**	41.99	41.34
413,949 (Previous Year 2018: 413,949; Previous Year 2017: 413,949), 17.45% Unsecured Compulsorily Convertible Class B Debentures of INR 1,000/- each			
Wonder Projects Development Private Limited	**27.58**	26.60	13.30
275,500 (Previous Year 2018: 266,019; Previous Year 2017: 133,019) 17% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each			
Pearlite Real Properties Private Limited	**81.04**	67.25	67.50
796,005 (Previous Year 2018: 674,975; Previous Year 2017: 674,975) 17 % Unsecured Compulsorily Convertible Debentures of INR 1,000/- each			
Godrej Real View Developers Private Limited	**42.16**	24.78	3.34
427,500 (Previous Year 2018: 248,140; Previous Year 2017: 33,440) 17% Unsecured Compulsorily Convertible Class B Debentures of INR 1,000/- each			

(Currency in INR Crore)

		March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
	Godrej Greenview Housing Private Limited	**25.27**	26.18	13.55
	260,946 (Previous Year 2018: 260,946; Previous Year 2017: 136,880) 17.45% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each			
	Godrej Redevelopers (Mumbai) Private Limited	**84.48**	86.68	85.71
	843,736 (Previous Year 2018: 843,736; Previous Year 2017: 843,736) 17.45% Unsecured Compulsory Convertible Debentures of INR 1,000/- each			
b)	**Non trade Investments**			
	Investment in Fully paid-up Equity Instruments (at Fair Value through Profit or Loss)			
	Quoted Investments			
	Alacrity Housing Limited	**0.00**	0.00	0.00
	100 (Previous Year 2018: 100; Previous Year 2017: 100) Equity Shares of INR 10/- each			
	Ansal Buildwell Limited	**0.00**	0.00	0.00
	100 (Previous Year 2018: 100; Previous Year 2017: 100) Equity Shares of INR 10/- each			
	Ansal Housing Limited	**0.00**	0.00	0.00
	(formerly known as Ansal Housing and Construction Limited)			
	300 (Previous Year 2018: 300; Previous Year 2017: 300) Equity Shares of INR 10/- each			
	Ansal Properties and Infrastructure Limited	**0.00**	0.00	0.00
	600 (Previous Year 2018: 600; Previous Year 2017: 600) Equity Shares of INR 5/- each			
	Lok Housing and Construction Limited	**-**	-	0.00
	Nil (Previous Year 2018: Nil; Previous Year 2017: 100) Equity Shares of INR 10/- each			
	Premier Energy and Infrastructure Limited	**-**	-	0.00
	Nil (Previous Year 2018: Nil; Previous Year 2017: 100) Equity Shares of INR 10/- each			
	Unitech Limited	**0.00**	0.00	0.00
	13,000 (Previous Year 2018: 13,000; Previous Year 2017: 13,000) Equity Shares of INR 2/- each			
	The Great Eastern Shipping Company Limited	**0.00**	0.00	0.00
	72 (Previous Year 2018: 72; Previous Year 2017: 72) Equity Shares of INR 10/- each			
	GOL Offshore Limited	**-**	-	0.00
	Nil (Previous Year 2018: Nil; Previous Year 2017: 18) Equity Shares of INR 10/- each			

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Radhe Developers (India) Limited	**0.00**	0.00	0.00
100 (Previous Year 2018: 100; Previous Year 2017: 100) Equity Shares of INR 10/- each			
United Textiles Limited	**0.00**	0.00	0.00
23,700 (Previous Year 2018: 23,700; Previous Year 2017: 23,700) Equity Shares of INR 10/- each			
Unquoted Investments			
Saraswat Co-operative Bank Limited	**0.00**	0.00	0.00
1,000 (Previous Year 2018: 1,000; Previous Year 2017: 1,000) Equity Shares of INR 10/- each			
AB Corp Limited	**0.00**	0.00	0.00
25,000 (Previous Year 2018: 25,000; Previous Year 2017: 25,000) Equity Shares of INR 10/- each			
Lok Housing and Constructions Limited	**0.00**	0.00	-
100 (Previous Year 2018: 100, Previous Year 2017: Nil) Equity Shares of INR 10/- each			
Global Infrastructure & Technologies Limited	**0.00**	0.00	0.00
100 (Previous Year 2018: 100, Previous Year 2017: 100) Equity Shares of INR 10/- each			
Premier Energy and Infrastructure Limited	**0.00**	0.00	-
100 (Previous Year 2018: 100, Previous Year 2017: Nil) Equity Shares of INR 10/- each			
D.S. Kulkarni Developers Limited	**0.00**	0.00	0.00
100 (Previous Year 2018: 100, Previous Year 2017: 100) Equity Shares of INR 10/- each			
GOL Offshore Limited	**0.00**	0.00	-
18 (Previous Year 2018: 18, Previous Year 2017: Nil) Equity Shares of INR 10/- each			
Modella Textiles Private Limited	**0.00**	-	-
2 (Previous Year 2018: Nil, Previous Year 2017: Nil) Equity Shares of INR 100/-each			
Lotus Green Construction Private Limited	**0.00**	-	-
1 (Previous Year 2018: Nil, Previous Year 2017: Nil) Equity Shares of INR 100/- each			
	862.20	686.33	312.35
Aggregate book value of Quoted Investments and Market Value thereof	**0.00**	0.00	0.00
Aggregate book value of Unquoted Investments	**862.20**	686.33	312.35

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

7 Loans (Non-Current)

	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Secured, Considered Good			
Deposits - Projects (Refer Note (a) below)	**28.57**	83.81	76.42
Unsecured, Considered Good			
Deposits - Projects	**-**	-	0.00
	28.57	83.81	76.42

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

8 Other Non-Current Financial Assets

	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Unsecured, Considered Good			
Deposit With Banks (Refer Note (a) below)	**-**	0.01	0.76
Deposits - Others	**32.85**	-	1.17
	32.85	0.01	1.93

(a) Deposit with Banks amounting to INR Nil (Previous Year 2018: INR 0.01 Crore; Previous Year 2017: INR 0.76 Crore) is received from flat buyers and held in trust on their behalf in a corpus fund.

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

9 Deferred Tax Assets, Deferred Tax Liabilities and Tax Expense

a) Movement in Deferred Tax Balances

Particulars	As at April 01, 2018 (Restated)		Movement during the year					As at March 31, 2019	
	Deferred Tax Asset	Deferred Tax Liabilities	Recognised in Profit or Loss	Recognised in Other Equity	Recognised in OCI	Acquired through business combination (refer note 42)	Others	Deferred Tax Asset	Deferred Tax Liabilities
Deferred Tax Assets/ (Liabilities)									
Property, Plant and Equipment	(0.28)	-	2.39	-	-	-	-	2.11	-
Brought Forward Loss	564.36	0.59	(166.28)	-	-	-	-	398.22	0.73
Inventories	39.14	-	(8.18)	-	-	-	-	30.96	-
Unabsorbed Depreciation	0.27	-	6.00	-	-	-	-	6.27	-
Employee Benefits	6.30	-	0.69	-	0.17	-	-	7.16	-
Equity-settled share-based payments	1.63	-	0.22	-	-	-	-	1.85	-
MAT Credit	20.90	-	5.64	-	-	-	0.03	26.57	-
Investments	(3.86)	-	(8.86)	-	-	-	-	(12.72)	-
Provision for doubtful receivables	1.91	-	19.82	-	-	-	-	21.73	-
Other Items	10.17	-	21.92	-	-	1.29	-	33.38	-
Deferred Tax Assets/ (Liabilities)	**640.54**	**0.59**	**(126.64)**	**-**	**0.17**	**1.29**	**0.03**	**515.53**	**0.73**

Particulars	As at April 01, 2017 (Restated)		Movement during the year					As At March 31, 2018 (Restated)	
	Deferred Tax Asset	Deferred Tax Liabilities	Recognised in Profit or Loss	Recognised in Other Equity	Recognised in OCI	Acquired through business combination (refer note 42)	Others	Deferred Tax Asset	Deferred Tax Liabilities
Deferred Tax Assets/ (Liabilities)									
Property, Plant and Equipment	(4.10)	-	3.82	-	-	-	-	(0.28)	-
Brought Forward Loss	471.40	0.20	92.57	-	-	-	-	564.36	0.59
Inventories	61.76	-	(22.62)	-	-	-	-	39.14	-
Unabsorbed Depreciation	6.39	-	(6.12)	-	-	-	-	0.27	-
Employee Benefits	2.57	-	2.23	-	1.50	-	-	6.30	-
Equity-settled share-based payments	1.28	-	0.35	-	-	-	-	1.63	-
MAT Credit	20.89	-	-	-	-	-	0.01	20.90	-
Investments	(0.54)	-	(3.32)	-	-	-	-	(3.86)	-
Provision for doubtful receivables	0.11	-	1.80	-	-	-	-	1.91	-
Other Items	7.21	-	2.79	-	-	-	0.17	10.17	-
Deferred Tax Assets/ (Liabilities)	**566.97**	**0.20**	**71.50**	**-**	**1.50**	**-**	**0.18**	**640.54**	**0.59**

b) Amounts recognised in the Consolidated Statement of Profit and Loss

Particulars	March 31, 2019	March 31, 2018 (Restated)
Current Tax	**(31.59)**	101.47
Current Tax	**(22.69)**	101.12
Tax Adjustment of Prior Years	**(8.90)**	0.35
Deferred Tax Charge/ (Credit)	**126.64**	(71.50)
Deferred Tax	**121.00**	(71.50)
MAT Credit Entitlement	**5.64**	-
Tax Expense for the year	**95.05**	29.97

c) Reconciliation of Effective Tax Rate

Particulars	March 31, 2019	March 31, 2018 (Restated)
Profit Before Tax	**348.20**	116.88
Tax using the Company's domestic tax rate of 34.944% (Previous Year 2018: 34.608%)	**121.67**	40.45
Tax effect of:		
Difference in Rate of Subsidiaries	**1.04**	(0.92)
Non-deductible expenses	**1.18**	(2.08)
Tax-exempt income	**(0.27)**	-
Changes in recognised deductible temporary differences	**(8.79)**	2.81
Adjustment for tax of prior years	**(8.90)**	0.66
MAT credit of previous year recognised in current year	**(5.64)**	-
Unabsorbed Losses	**(0.36)**	(4.44)
Share of profit of joint ventures	**(7.47)**	15.23
Other Adjustments	**2.59**	(21.74)
Tax expense recognised	**95.05**	29.97

(d) Unrecognised deferred tax liabilities

As at March 31, 2019, undistributed earnings of subsidiaries and joint ventures amounted to INR 130.61 Crore (Previous Year 2018: INR 6.76 Crore). The corresponding deferred tax liability is not recognised because the Company controls the dividend policy of its subsidiaries and is able to veto the payment of dividends of its joint ventures - i.e. the Company controls the timing of reversal of the related taxable temporary differences and management is satisfied that they will not reverse in the foreseeable future.

(e) Unrecognised deferred tax assets

Deferred tax assets amounting to INR 0.30 Crores have not been recognised in respect of tax losses amounting to INR 0.97 Crore because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

The tax losses expire in 2025-27.

(Currency in INR Crore)

	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
10 Other Non-Current Non-Financial Assets			
Unsecured, Considered Good			
Capital advance	**56.61**	15.28	19.76
	56.61	15.28	19.76
11 Inventories (Valued at lower of Cost and Net Realisable Value)			
Finished Goods	**71.37**	64.46	56.74
Construction Work-in-Progress (Refer Note 52)	**2,139.43**	3,668.94	5,105.41
	2,210.80	3,733.40	5,162.15
12 Investments			
Quoted			
Investment in Mutual Funds carried at Fair Value through Profit or Loss	**1,052.10**	543.84	366.26
	1,052.10	543.84	366.26
Market Value of Quoted Investments			
Aggregate book value of Quoted Investments and Market Value thereof	**1,052.10**	543.84	366.26
13 Trade Receivables			
To related parties			
Unsecured, Considered Good	**34.71**	31.12	22.89
To parties other than related parties			
Unsecured, Considered Good	**125.20**	125.04	188.47
Unsecured, Credit Impaired	**60.68**	40.50	0.55
Less: Allowance for Credit Risk	**(60.68)**	(40.50)	(0.55)
	159.91	156.16	211.36
14 Cash and Cash Equivalents			
Particulars			
Balances With Banks			
In Current Accounts	**65.38**	34.17	42.22
In Fixed Deposit Accounts with maturity less than 3 months	**82.31**	90.30	20.91
Cheques On Hand	**4.79**	1.80	2.89
Cash On Hand	**0.03**	0.04	0.04
	152.51	126.31	66.06

(Currency in INR Crore)

15 Bank Balances other than above

	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Balances With Banks			
In Current Accounts (Refer Note (a) below)	**1.20**	1.69	2.16
In Fixed Deposit Accounts with maturity more than 3 months but less than 12 months (Refer Note (b) below)	**188.89**	204.70	42.20
	190.09	206.39	44.36

(a) Includes

(i) Balances with Banks in current accounts INR 0.04 Crore (Previous Year 2018: INR 0.04 Crore; Previous Year 2017: INR 0.05 Crore) is on account of earmarked balance for unclaimed dividend.

(ii) Balances with Banks in current accounts INR 1.16 Crore (Previous Year 2018: INR 1.65 Crore; Previous Year 2017: INR 2.11 Crore) is amount received from buyers towards maintenance charges.

(b) Includes

(i) INR 8.48 Crore (Previous Year 2018: INR 9.07 Crore; Previous Year 2017: 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 0.10 Crore (Previous Year 2018: INR 0.20 Crore; Previous Year 2017: INR 1.15 Crore).

(iii) Fixed deposits held as margin money and lien marked for issuing bank guarantees amounting to INR 0.86 Crore (Previous Year 2018: INR 5.62 Crore; Previous Year 2017 : INR 9.53 Crore).

16 Loans (Current)

Secured, Considered Good			
To related parties			
Loan to Related Party (Refer Note (a) below)	**7.50**	7.50	7.50
To parties other than related parties			
Deposits - Projects (Refer Note (b) below)	**222.58**	142.89	161.17
Unsecured, Considered Good			
To related parties			
Loan to Related Parties	**763.59**	823.64	489.58
To parties other than related parties			
Loan to others	**12.88**	4.89	4.63
Recoverable from projects	**23.64**	16.38	14.64
	1,030.19	995.30	677.52

(a) Loan to related party represents loan given to Prakhhyat Dwelling LLP, a joint venture of the Company and is secured against immovable property of the LLP.

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

(Currency in INR Crore)

17 Other Current Financial Assets

	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Unsecured, Considered Good			
To related parties			
Interest Accrued	**265.21**	148.91	57.66
Deposits - Others (refer note (a) below)	**1.90**	1.90	1.66
To parties other than related parties			
Deposits - Others	**44.89**	43.05	48.09
Interest Accrued	**11.12**	20.32	82.61
Others (includes expenses recoverable etc.)	**19.90**	12.23	29.32
	343.02	226.41	219.34

(a) Represents entities where directors are interested, viz Godrej Industries Limited INR 0.36 Crore (Previous Year 2018: INR 0.36 Crore, Previous Year 2017: INR 0.12 Crore), Annamudi Real Estates LLP INR 1.51 Crore (Previous Year 2018: INR 1.51 Crore, Previous Year 2017: INR 1.51 Crore) and Godrej One Premises Management Private Limited INR 0.03 Crore (Previous Year 2018: INR 0.03 Crore, Previous Year 2017: INR 0.03 Crore).

18 Other Current Non Financial Assets

	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Secured, Considered Good			
To parties other than related parties			
Advance to Suppliers and Contractors (refer note (a) below)	**10.78**	16.11	27.02
Unsecured, Considered Good			
To related parties			
Unbilled Revenue (refer note (b) below)	**0.20**	-	-
To parties other than related parties			
Unbilled Revenue	**75.63**	89.49	86.34
Balances with Government Authorities	**118.38**	117.09	78.24
Advance to Suppliers and Contractors	**65.06**	40.62	33.12
Prepayments	**2.13**	1.81	1.95
Others	**109.12**	68.50	57.03
	381.30	333.62	283.70

(a) Advance to Suppliers and Contractors includes advances amounting to INR 10.78 Crore (Previous Year 2018: INR 16.11 Crore; Previous Year 2017: INR 27.02 Crore) secured against bank guarantees.

(b) Represents entities where directors are interested, viz Godrej Agrovet Limited INR 0.02 Crore (Previous Year 2018: INR Nil, Previous Year 2017: INR Nil), Godrej Consumer Products Limited INR 0.09 Crore (Previous Year 2018: INR Nil, Previous Year 2017: INR Nil) and Godrej Industries Limited INR 0.09 Crore (Previous Year 2018: INR Nil, Previous Year 2017: INR Nil).

(Currency in INR Crore)

19 Equity Share Capital

	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
a) Authorised :			
1,338,000,000 Equity Shares of INR 5/- each (Previous Year 2018: 1,338,000,000, Previous Year 2017: 538,000,000 Equity Share of INR 5/- each)	**669.00**	669.00	269.00
	669.00	669.00	269.00
b) Issued, Subscribed and Paid-up:			
229,323,713 Equity Shares of INR 5/- each (Previous Year 2018: 216,480,128, Previous Year 2017: 216,364,692 Equity Shares of INR 5/- each) fully paid-up	**114.66**	108.24	108.18
	114.66	108.24	108.18

c) During the year, the Company has issued 78,585 equity shares (Previous Year 2018 : 115,436 equity shares; Previous Year 2017 : 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 :

	March 31, 2019		March 31, 2018 (Restated)		April 01, 2017 (Restated)	
	No. of Shares	**INR (in Crore)**	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
Equity Shares :						
Outstanding at the beginning of the year	**216,480,128**	**108.24**	216,364,692	108.18	216,260,366	108.13
Issued during the year	**12,843,585**	**6.42**	115,436	0.06	104,326	0.05
Outstanding at the end of the year	**229,323,713**	**114.66**	216,480,128	108.24	216,364,692	108.18

e) Shareholding Information

Equity Shares are held by:						
Godrej Industries Limited (Holding Company)	**123,027,510**	**61.51**	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	10,650,688	5.33
Ensemble Holdings & Finance Limited (Subsidiary of Holding Company)	**1,382,310**	**0.69**	1,382,310	0.69	1,382,310	0.69
Innovia Multiventures Private Limited (Subsidiary of Holding Company)	**7,440,862**	**3.72**	-	-	-	-

(Currency in INR Crore)

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:

Particulars	**March 31, 2019**		March 31, 2018 (Restated)		April 01, 2017 (Restated)	
	No. of Shares	**%**	No. of Shares	%	No. of Shares	%
Equity shares						
Godrej Industries Limited	**123,027,510**	**53.65%**	122,681,066	56.67%	122,681,066	56.70%

h) Equity Shares allotted as fully paid-up without payment being received in cash

Particulars	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 (refer note 39)

Particulars	**March 31, 2019**		March 31, 2018 (Restated)		April 01, 2017 (Restated)	
	No. of Shares	**INR (in Crore)**	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

(Currency in INR Crore)

Particulars	March 31, 2019		March 31, 2018 (Restated)		April 01, 2017 (Restated)	
	No. of Shares	**INR (in Crore)**	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
(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) 26,242 Employee Stock Grants eligible for 26,242 equity shares of INR 5/- each, out of which 26,242 is vesting on June 01, 2019.	**26,242**	**0.01**	64,045	0.03	113,423	0.06
(viii) 871 Employee Stock Grants eligible for 871 equity shares of INR 5/- each, out of which 871 is vesting on January 01, 2020	**871**	**0.00**	1,741	0.00	2,612	0.00
(ix) 204 Employee Stock Grants eligible for 204 equity shares of INR 5/- each, out of which 204 is vesting on March 01, 2020	**204**	**0.00**	408	0.00	613	0.00
(x) 49,573 Employee Stock Grants eligible for 49,573 equity shares of INR 5/- each, out of which 24,787 is vesting on May 31, 2019 and 24,786 is vesting on May 31, 2020.	**49,573**	**0.02**	85,616	0.04	-	-

INR 0.00 represents amount less than INR 50,000

Particulars	March 31, 2019		March 31, 2018 (Restated)		April 01, 2017 (Restated)	
	No. of Shares	**INR (in Crore)**	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
(xi) 1,953 Employee Stock Grants eligible for 1,953 equity shares of INR 5/- each, out of which 977 is vesting on June 09, 2019 and 976 is vesting on June 09, 2020.	**1,953**	**0.00**	2,930	0.00	-	-
xii) 54,749 Employee Stock Grants eligible for 54,749 equity shares of INR 5/- each, out of which 18,250 is vesting on May 15, 2019, 18,250 is vesting on May 15, 2020 and 18,249 is vesting on May 15, 2021	**54,749**	**0.03**	-	-	-	-
xiii) 321 Employee Stock Grants eligible for 321 equity shares of INR 5/- each, out of which 107 is vesting on May 18, 2019, 107 is vesting on May 18, 2020 and 107 is vesting on May 18, 2021	**321**	**0.00**	-	-	-	-

20 Borrowings (Non-Current)

	Maturity Date	Terms of repayment	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Secured Loan					
From Others					
Term Loan (Refer Note (a) below)			**-**	-	474.76
Unsecured Debentures					
From Others					
7.82% 5,000 (Previous Year: 2018: 5,000; Previous Year 2017: 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	-
			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 ended March 31, 2018, the term loan has been repaid.

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

21 Provisions (Non-Current)

	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Provision for Employee Benefits			
Gratuity	**11.52**	11.34	6.54
	11.52	11.34	6.54

22 Borrowings (Current)

	Interest Rate p.a	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Secured Loans				
From Banks	8.30%-8.60%			
Working Capital Demand Loan (Refer Note (a) below)		**803.84**	804.73	801.93
Cash Credit Loan (Refer Note (b) below)		**108.46**	135.58	460.43
Unsecured Loans				
From Banks	7.48%-9.00%			
Overdraft Facilities		**176.03**	626.30	255.20
Other Loans		**1,271.51**	697.84	598.60
From Others	7.49%-7.91%			
Commercial Papers		**656.00**	938.41	1,389.49
		3,015.84	3,202.86	3,505.65

(a) Secured Working Capital Demand Loan of INR 800 Crore (Previous Year 2018: INR 800 Crore, Previous Year 2017: 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 (wholly owned subsidiary), mortgage of Immovable property (including all fit-outs therein) 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 (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 (wholly owned subsidiary), mortgage of Immovable property (including all fit-outs therein) 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 (wholly owned subsidiary) is provided as collateral security, and payable on demand.

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

23 Other Current Financial Liabilities

	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Interest payable	**20.14**	20.14	-
Unclaimed Fixed Deposits and Interest	**0.52**	0.79	1.48
Unclaimed Dividend	**0.04**	0.04	0.05
Deposits - Others	**3.99**	17.42	2.06
Advance Share of Profit from Joint Ventures	**35.42**	42.21	41.76
Employee Benefits Payable	**109.24**	66.27	27.20
Other Liabilities (includes advance for development rights etc)	**92.74**	111.53	61.32
	262.09	258.40	133.87

24 Other Current Non Financial Liabilities

	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Statutory Dues	**39.23**	39.41	37.17
Advances Received Against Sale of Flats/ Units	**1,484.43**	2,633.75	2,390.91
Other liabilities (includes advance from customer for maintenance, etc.)	**32.70**	49.27	43.74
	1,556.36	2,722.43	2,471.82

25 Provisions (Current)

	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Provision for Employee Benefits			
Gratuity	**2.11**	0.39	0.12
Compensated Absences	**2.63**	1.57	0.22
Others (Refer Note (a) below)	**1.75**	1.50	-
Provision for Tax Dues (Refer Note (b) below)	**4.66**	2.93	-
	11.15	6.39	0.34

(a) Others include provision made during the year for Legal Cases. The same is expected to be settled in foreseeable future. (Utilised: INR Nil (Previous Year 2018: INR Nil, Previous Year 2017: INR Nil), Accrued: INR 0.25 Crore (Previous Year 2018: INR 1.50 Crore, Previous Year 2017: INR Nil)).

(b) Provision for tax dues (Utilised: INR Nil (Previous year 2018: INR Nil, Previous year 2017: INR Nil) and Accrued - INR 1.73 Crore (Previous year 2018: INR 2.93 Crore, Previous Year 2017 : INR Nil)).

(Currency in INR Crore)

26 Revenue from Operations

	March 31, 2019	March 31, 2018 (Restated)
Sale of Real Estate Development	**2,671.77**	1,414.25
Sale of Services	**63.75**	103.91
Other Operating Revenue		
Other Income from Customers	**77.33**	83.09
Lease Rent	**4.55**	2.47
	2,817.40	1,603.72

27 Other Income

Interest Income	**232.40**	138.74
Dividend income	**0.00**	-
Profit on Sale of Property, Plant and Equipment (Net)	**-**	0.08
Income from investment measured at FVTPL	**95.63**	147.71
Profit on Sale of Investments (net)	**61.44**	209.44
Miscellaneous Income	**15.11**	2.67
	404.58	498.64

28 Cost of materials consumed

Land / Development Rights	**65.13**	244.02
Construction, Material and Labour	**251.62**	473.88
Architect Fees	**2.23**	18.98
Other Costs	**98.01**	127.70
Finance Costs	**148.12**	246.65
	565.11	1,111.23

(Currency in INR Crore)

29 Change in inventories of finished goods and construction work-in-progress

	March 31, 2019	March 31, 2018 (Restated)
Inventories at the beginning of the year		
Finished Goods	64.46	56.74
Construction Work-in-Progress	3,668.94	5,105.41
	3,733.40	5,162.15
Inventories at the end of the year		
Finished Goods	71.37	64.46
Construction Work-in-Progress	2,139.43	3,668.94
	2,210.80	3,733.40
Add : Acquired through business combination (Refer Note 42)	106.24	-
Less : Transferred to Property, Plant and Equipment	-	12.79
Less : Transferred to Investment Property	-	2.60
Less : Transferred to Capital Work-in-Progress	-	69.64
Less : Transferred to Expenses	-	0.33
Less : Transferred on loss of control	-	476.72
Less : Recovery of cost towards area	-	616.94
Less : Transferred to current asset	0.09	-
	1,628.75	249.73

30 Employee Benefits Expense

Salaries, Bonus and Allowances	161.60	126.71
Contribution to Provident and Other Funds	2.95	1.38
Share Based Payments to Employees	3.55	3.99
Staff Welfare Expenses	4.94	6.34
	173.04	138.42

31 Finance Costs

Interest Expense	301.13	319.82
Interest on Income Tax	0.38	1.42
Total Interest Expense	301.51	321.24
Other Borrowing costs	90.54	86.68
Total Finance Costs	392.05	407.92
Less : Transferred to Construction work-in-progress, Capital work-in-progress and others	(158.02)	(249.59)
Less: Recovery of Finance Cost	-	(8.20)
Net Finance Costs	234.03	150.13

(Currency in INR Crore)

32 Depreciation and Amortisation Expense

	March 31, 2019	March 31, 2018 (Restated)
Depreciation and amortisation on Property, Plant and Equipment	**11.03**	12.97
Depreciation on Investment Property	**0.28**	0.12
Amortisation of Intangible Assets	**3.03**	3.04
	14.34	16.13

33 Other Expenses

Consultancy Charges	**35.99**	30.40
Rent	**9.68**	9.12
Insurance	**1.35**	1.18
Rates and Taxes	**1.29**	9.50
Advertisement and Marketing Expense	**64.57**	60.87
Other Expenses	**159.58**	172.22
	272.46	283.29

34 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	**253.15**	86.91
	253.15	86.91
(ii) Weighted average number of ordinary shares (basic)		
Weighted Average number of Equity Shares at the beginning of the year	**216,480,128**	216,364,692
Add: Weighted average number of equity shares issued during the year	**10,386,863**	-
Add: Weighted average effect of share options exercised	**63,456**	79,812
Weighted Average number of Equity Shares outstanding at the end of the year	**226,930,447**	216,444,504
Basic Earnings Per Share (INR) (Face value INR 5 each) (Previous year 2018: INR 5 each)	**11.16**	4.01

(Currency in INR Crore)

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, 2019	March 31, 2018 (Restated)
(i) Profit attributable to ordinary shareholders (diluted)		
Profit for the year, attributable to ordinary shareholders of the Company	**253.15**	86.91
	253.15	86.91
(ii) Weighted average number of ordinary shares (diluted)		
Weighted Average number of Equity shares outstanding (basic)	**226,930,447**	216,444,504
Add: Weighted average effect of Potential equity shares under ESGS plan	**87,722**	132,923
Weighted Average number of Equity shares outstanding (diluted)	**227,018,169**	216,577,427
Diluted Earnings Per Share (INR) (Face value INR 5 each) (Previous year 2018: INR 5 each)	**11.15**	4.01

35 Employee benefits

a) Defined Contribution Plans:

Contribution to Defined Contribution Plans recognised as expense for the year are as under:

Employer's Contribution to Provident Fund (Gross before Allocation)	**8.00**	7.37
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) Changes in present value of defined benefit obligation

Particulars	**March 31, 2019**	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Changes in present value of obligation			
Present value of obligation as at beginning of the year	**11.73**	6.66	5.52
Interest Cost	**0.91**	0.52	0.44
Current Service Cost	**2.42**	1.44	1.24
Benefits Paid	**(1.51)**	(1.23)	(1.05)

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

Particulars	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Effect of Liability Transfer in	**0.10**	0.03	0.03
Effect of Liability Transfer out	**(0.52)**	-	(0.00)
Actuarial (gains) / losses on obligations - due to change in demographic assumptions	**(0.79)**	0.23	-
Actuarial (gains) / losses on obligations - due to change in financial assumptions	**0.42**	3.53	0.19
Actuarial (gains) / losses on obligations - due to change in experience	**0.87**	0.55	0.29
Present value of obligation as at the end of the year	**13.63**	11.73	6.66

(ii) Amount recognised in the Consolidated Balance Sheet

Present value of obligation as at end of the year	**13.63**	11.73	6.66
Fair value of plan assets as at end of the year	**-**	-	-
Net obligation as at end of the year	**13.63**	11.73	6.66

(iii) Net gratuity cost for the year

Particulars	March 31, 2019	March 31, 2018 (Restated)
Recognised in the Consolidated Statement of Profit and Loss		
Current Service Cost	**2.42**	1.44
Interest Cost	**0.91**	0.52
Total	**3.33**	1.96
Recognised in Other Comprehensive Income (OCI)		
Remeasurements due to:		
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	**(0.79)**	0.23
Actuarial (gains)/losses on obligations - due to change in financial assumptions	**0.42**	3.53
Actuarial (gains)/losses on obligations - due to change in experience	**0.87**	0.55
Total	**0.50**	4.31
Net gratuity cost in Total Comprehensive Income (TCI)	**3.83**	6.27

The cumulative amount of actuarial (gains) / losses on obligations recognised in other comprehensive income as at March 31, 2019 is INR 4.08 Crore (Previous Year 2018: INR 3.75 Crore, Previous Year 2017: INR 0.94 Crore).

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

(iv) The Principal assumptions used in determining the present value of defined benefit obligation for the Group's plan are given below:

Particulars	**March 31, 2019**	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Discount rate	**7.07%-7.79%**	7.78%	7.74%
Salary Escalation rate	**8%**	8%	5%
Attrition Rate	**17%/1%**	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)	Indian Assured Lives Mortality (2006-08)

(v) Sensitivity analysis

A quantitative sensitivity analysis on Defined Benefit Obligation for significant assumptions as at March 31, 2019 is shown below:

Particulars	**March 31, 2019**		March 31, 2018 (Restated)		April 01, 2017 (Restated)	
	Increase	**Decrease**	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	**(0.61)**	**0.67**	(1.38)	1.66	(0.83)	1.01
Salary escalation rate (1% movement)	**0.66**	**(0.61)**	1.64	(1.39)	1.03	(0.86)
Attrition rate (1% movement)	**(0.09)**	**0.10**	(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, 2019 were as follows:

Maturity Analysis of Projected Benefit Obligation: From the Employer

Projected Benefits Payable in Future Years from the Reporting Date	**March 31, 2019**	March 31, 2018 (Restated)	April 01, 2017 (Restated)
1st Following Year	**1.94**	0.26	0.13
2nd Following Year	**1.80**	0.46	0.11
3rd Following Year	**1.88**	0.46	0.28
4th Following Year	**1.62**	0.63	0.20
5th Following Year	**1.59**	0.42	0.35
Sum of Years 6 to 10	**5.75**	3.86	2.18

Compensated absences

Compensated absences for employee benefits of INR 1.33 Crore (Previous Year: INR 1.49 Crore) expected to be paid in exchange for the services recognised as an expense during the year.

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

36 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, 2019	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	-	0.43	0.43	-	-	-	-
Other Investments							
Investment in Debentures	372.14	490.06	862.20	-	372.14	-	372.14
Investment in Equity Instruments	0.00	-	0.00	0.00	-	-	0.00
Loans	-	28.57	28.57	-	-	-	-
Other Non-Current Financial Assets	-	32.85	32.85	-	-	-	-
Current							
Investments	1,052.10	-	1,052.10	1,052.10	-	-	1,052.10
Trade receivables	-	159.91	159.91	-	-	-	-
Cash and cash equivalents	-	152.51	152.51	-	-	-	-
Bank balances other than above	-	190.09	190.09	-	-	-	-
Loans	-	1,030.19	1,030.19	-	-	-	-
Other Current Financial Assets	-	343.02	343.02	-	-	-	-
	1,424.24	**2,427.63**	**3,851.87**	**1,052.10**	**372.14**	**-**	**1,424.24**
Financial Liabilities							
Non-Current							
Borrowings	-	500.00	500.00	-	500.00	-	500.00
Current							
Borrowings	-	3,015.84	3,015.84	-	-	-	-
Trade Payables	-	247.70	247.70	-	-	-	-
Other Current Financial Liabilities	-	262.09	262.09	-	-	-	-
	-	**4,025.63**	**4,025.63**	**-**	**500.00**	**-**	**500.00**

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

March 31, 2018 (Restated)	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	-	156.16	156.16	-	-	-	-
Cash and cash equivalents	-	126.31	126.31	-	-	-	-
Bank Balances other than above	-	206.39	206.39	-	-	-	-
Loans	-	995.30	995.30	-	-	-	-
Other Current Financial Assets	-	226.41	226.41	-	-	-	-
	888.36	**2,141.55**	**3,029.91**	**543.84**	**344.52**	**-**	**888.36**
Financial Liabilities							
Non-Current							
Borrowings	-	500.00	500.00	-	500.00	-	500.00
Current							
Borrowings	-	3,202.86	3,202.86	-	-	-	-
Trade Payables	-	312.96	312.96	-	-	-	-
Other Current Financial Liabilities	-	258.40	258.40	-	-	-	-
	-	**4,274.22**	**4,274.22**	**-**	**500.00**	**-**	**500.00**

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

April 01, 2017 (Restated)	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Non-Current							
Other Investments							
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	-	211.36	211.36	-	-	-	-
Cash and cash equivalents	-	66.06	66.06	-	-	-	-
Bank Balances other than above	-	44.36	44.36	-	-	-	-
Loans	-	677.52	677.52	-	-	-	-
Other Current Financial Assets	-	219.34	219.34	-	-	-	-
	384.41	**1,591.19**	**1,975.60**	**366.26**	**18.15**	**-**	**384.41**
Financial Liabilities							
Non-Current							
Loans	-	474.76	474.76	-	474.76	-	474.76
Current							
Borrowings	-	3,505.65	3,505.65	-	-	-	-
Trade Payables	-	517.06	517.06	-	-	-	-
Other Current Financial Liabilities	-	133.87	133.87	-	-	-	-
	-	**4,631.34**	**4,631.34**	**-**	**474.76**	**-**	**474.76**

INR 0.00 represents amount less than INR 50,000

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.

(iii) The Group uses the discounted cash flow valuation technique (in relation to financial liabilities measured at amortised cost) which involves determination of the present value of expected payments, discounted using bank rate.

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.

(Currency in INR Crore)

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

Particulars	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Opening balance	**40.50**	0.55	0.55
Add: Impairment loss recognised	**22.50**	39.95	-
Less: Impairment loss reversed	**2.32**	-	-
Closing balance	**60.68**	40.50	0.55

Investment in Debt Securities, Loans to Related Parties and Project Deposits

The Group has investments in compulsorily convertible debentures / optionally convertible debentures, preference share, 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, 2019	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**	**558.06**	**18.96**	**539.10**	**-**	**-**
Current						
Borrowings	**3,015.84**	**3,067.00**	**3,067.00**	**-**	**-**	**-**
Trade Payables	**247.70**	**248.86**	**237.69**	**9.88**	**1.29**	**-**
Other Current Financial Liabilities	**262.09**	**262.09**	**262.09**	**-**	**-**	**-**

March 31, 2018 (Restated)	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	312.96	316.21	278.28	28.70	9.23	-
Other Current Financial Liabilities	258.40	258.40	252.90	4.93	-	0.57

(Currency in INR Crore)

April 01, 2017 (Restated)	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	133.87	133.87	133.71	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 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, 2019**	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Financial liabilities			
Variable rate instruments	**684.49**	1,160.24	1,689.75
Fixed rate instruments	**2,827.14**	2,536.17	2,286.74
	3,511.63	3,696.41	3,976.49
Financial assets			
Variable rate instruments	**-**	-	-
Fixed rate instruments	**2,168.95**	2,049.41	1,152.52
	2,168.95	2,049.41	1,152.52

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.

Particulars	Profit or Loss INR (in Crore)	
	100 BP increase	100 BP decrease
March 31, 2019		
Financial Liabilities		
Variable rate instruments		
Borrowings	**(6.84)**	**6.84**
Cash flow sensitivity (net)	**(6.84)**	**6.84**
March 31, 2018 (Restated)		
Financial Liabilities		
Variable rate instruments		
Borrowings	(11.60)	11.60
Cash flow sensitivity (net)	(11.60)	11.60
April 01, 2017 (Restated)		
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.

37 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 (including interest accrued) less cash and bank balances and other current investments.

The Group's net debt to equity ratio is as follows:

Particulars	**March 31, 2019**	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Net debt	**2,141.28**	2,846.45	3,502.97
Total equity	**2,469.01**	1,210.40	1,121.89
Net debt to equity ratio	**0.87**	2.35	3.12

38 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.

(Currency in INR Crore)

Particulars	No. of Options			Weighted Average Exercise Price
	As at March 31, 2019	As At March 31, 2018 (Restated)	As At April 01, 2017 (Restated)	
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)

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.

39 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 (₹)	Weighted average Share Price (₹)
	As at March 31, 2019	As At March 31, 2018 (Restated)	As At April 01, 2017 (Restated)		
Options Outstanding at the beginning of the year	**181,859**	214,537	254,597	5.00	712.74
Options granted	**58,635**	88,546	122,127		
Less: Options exercised	**78,585**	115,436	104,326		
Less: Option lapsed	**27,996**	5,788	57,861		
Options Outstanding at end of the year	**133,913**	181,859	214,537		

b) The weighted average exercise price of the options outstanding as at March 31, 2019 is INR 5 per share (Previous Year 2018: INR 5 per share; Previous Year 2017: INR 5 per share) and the weighted average remaining contractual life of the options outstanding as at March 31, 2019 is 0.76 years (Previous Year 2018: 0.38 years; Previous Year 2017: 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 593.60 (Previous Year 2018: INR 414.32; Previous Year 2017: INR 279.78).

The following table lists the average inputs to the model used for the plan for the year ended March 31, 2019:

Particulars	**March 31, 2019**	March 31, 2018 (Restated)	April 01, 2017 (Restated)	**Description of the Inputs used**
Dividend yield %	**-**	-	-	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	**32% - 42%**	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 % - 7.20%**	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	1 to 3 years	
Weighted Average Market price on date of granting the options	**INR 598.00**	INR 419.47	INR 286.40	

d) The expense arising from ESGS scheme during the year is INR 3.55 Crore (Previous Year 2018: INR 3.99 Crore).

40 Leases

a) The Group has recognised INR 9.68 Crore (Previous Year 2018: INR 9.12 Crore) during the year towards minimum lease payments and INR 4.55 Crore (Previous Year 2018: INR 2.47 Crore) towards minimum lease receipt in the Consolidated Statement of Profit and Loss.

b) **As a Lessor**

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, 2019**	March 31, 2018	April 01, 2017
As a Lessor		(Restated)	(Restated)
Future minimum lease receipts under operating leases			
Not later than 1 year	**2.83**	3.79	1.84
Later than 1 year and not later than 5 years	**12.42**	16.24	7.78
Later than 5 years	**46.36**	53.47	48.95

c) **As a Lessee**

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	**10.40**	8.89	7.43
Later than 1 year and not later than 5 years	**10.31**	14.53	17.44
Later than 5 years	**-**	-	0.38

(Currency in INR Crore)

41 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)

GIL is the subsidiary of Vora Soaps Limited, the Ultimate Holding Company (w.e.f. March 30, 2017 upto December 14, 2018)

ii) Other Related Parties in Godrej Group:

1 Godrej & Boyce Manufacturing Company Limited (w.e.f March 30, 2017)

2 Godrej Investments Private Limited

3 Annamudi Real Estates LLP

4 Godrej Investment Advisors Private Limited

5 Ensemble Holdings & Finance Limited

6 Godrej Agrovet Limited

7 Natures Basket Limited

8 Cream Line Dairy Products Limited

9 Godrej Consumer Products Limited

10 Innovia Multiventures Private Limited

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 (upto March 14, 2019)

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

15 Wonder Space Properties Private Limited

16 Wonder City Buildcon Private Limited

17 Godrej Home Constructions Private Limited

18 Wonder Projects Development Private Limited

19 Godrej Property Developers LLP

20 AR Landcraft LLP

21 Godrej Real View Developers Private Limited

22 Pearlite Real Properties Private Limited

23 Bavdhan Realty @ Pune 21 LLP

24 Prakhhyat Dwellings LLP

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 One Hub Projects LLP (w.e.f. January 31, 2018)

31 Godrej Irismark LLP (w.e.f. January 24, 2018)

32 Roseberry Estate LLP (w.e.f. September 18, 2018)

33 Ashank Macbricks Private Limited (w.e.f. July 31, 2018)

34 Suncity Infrastructures (Mumbai) LLP (w.e.f. October 10, 2018)

35 Manjari Housing Projects LLP (formerly known as Godrej Avamark LLP) (w.e.f. February 01, 2019)

36 Maan-Hinge Township Developers LLP (formerly known as Godrej Projects (Pune) LLP) (w.e.f. February 01, 2019)

37 Mahalunge Township Developers LLP (formerly known as Godrej Land Developers LLP) (w.e.f. February 01, 2019)

iv) Key Management Personnel and their Relatives :

1 Mr Adi B Godrej

2 Mr. Nadir B Godrej

3 Mr. Pirojsha Godrej

4 Mr. Mohit Malhotra

5 Mr. Jamshyd N. Godrej

6 Mr. Amit Choudhury

7 Mr. K. B. Dadiseth

8 Mrs. Lalita D. Gupte

(Currency in INR Crore)

9 Mr.Pranay Vakil

10 Dr. Pritam Singh

11 Mr. S. Narayan (Upto August 02, 2017)

12 Mr. Amitava Mukherjee

13 Mrs Tanya Dubash

14 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 Industries Limited (i)	Other Related Parties in Godrej Group (ii)	Associate (iii) (a)	Joint Ventures (iii) (b)	Total
Transaction during the Year					
Purchase of property, plant and equipment					
Current Year	-	0.20	-	1.09	1.29
Previous Year (restated)	*-*	*0.13*	*-*	*-*	*0.13*
Expenses charged by other Companies / Entities					
Current Year	9.94	21.61	4.16	-	35.71
Previous Year (restated)	*9.45*	*20.33*	*4.06*	*-*	*33.84*
Amount paid on transfer of Employee (Net)					
Current Year	1.76	-	-	-	1.76
Previous Year (restated)	*0.05*	*0.07*	*-*	*-*	*0.12*
Sale of Units					
Current Year	12.35	294.39	-	-	306.74
Previous Year (restated)	*1.07*	*3.29*	*-*	*-*	*4.36*
Income Received from other Companies / Entities					
Current Year	-	0.07	-	0.27	0.34
Previous Year (restated)	*-*	*0.03*	*-*	*1.23*	*1.26*
Development Management Fees Received					
Current Year	-	2.96	-	26.06	29.02
Previous Year (restated)	*-*	*3.09*	*-*	*49.64*	*52.73*

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Currency in INR Crore)

Nature of Transaction	Godrej Industries Limited (i)	Other Related Parties in Godrej Group (ii)	Associate (iii) (a)	Joint Ventures (iii) (b)	Total
Expenses charged to other Companies / Entities					
Current Year	0.00	-	-	148.16	148.16
Previous Year (restated)	-	-	-	*91.59*	*91.59*
Interest Income on Debenture					
Current Year	-	-	-	61.42	61.42
Previous Year (restated)	-	-	-	*39.13*	*39.13*
Interest Income					
Current Year	-	-	-	137.63	137.63
Previous Year (restated)	-	-	-	*86.24*	*86.24*
Share of Profit/ (Loss) in Joint Ventures and Associate					
Current Year	-	-	-	13.97	13.97
Previous Year (restated)	-	-	-	*(36.55)*	*(36.55)*
Amount received on transfer of Employee (Net)					
Current Year	-	-	-	-	-
Previous Year (restated)	*0.01*	*0.00*	-	-	*0.01*
Commitments / Bank Guarantee / Letter of Credit issued / Corporate/ Performance Guarantee					
Current Year	-	-	-	0.15	0.15
Previous Year (restated)	-	-	-	-	-
Investment made in Equity/ Preference Share#					
Current Year	-	-	-	24.89	24.89
Previous Year (restated)	-	-	-	*84.23*	*84.23*
Investments made in LLP					
Current Year	-	-	-	494.01	494.01
Previous Year (restated)	-	-	-	*4.83*	*4.83*

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

Nature of Transaction	**Godrej Industries Limited (i)**	**Other Related Parties in Godrej Group (ii)**	**Associate (iii) (a)**	**Joint Ventures (iii) (b)**	**Total**
Investment made in Debenture#					
Current Year	-	-	-	74.07	74.07
Previous Year (restated)	-	-	-	*99.33*	*99.33*
Sale of Investments/ Redemption of Preference Share / Repayment of Partners Capital / Withdrawal of Share of Profit	-	-	-	-	
Current Year	-	-	-	0.66	0.66
Previous Year (restated)	-	*65.20*	-	*0.00*	*65.20*
Loan and Advances given / (Taken)#					
Current Year	-	-	-	716.12	716.12
Previous Year (restated)	-	-	-	*778.58*	*778.58*
Loans and Advances Repaid					
Current Year	-	-	-	763.46	763.46
Previous Year (restated)	-	-	-	*550.21*	*550.21*
Deposit given					
Current Year	-	-	-	-	-
Previous Year (restated)	*0.25*	*1.66*	-	-	*1.91*
Deposit repaid					
Current Year	0.01	-	-	-	0.01
Previous Year (restated)	*0.29*	-	-	-	*0.29*
Amount received against Sale of Unit					
Current Year	14.12	177.33	-	-	191.45
Previous Year (restated)	7.45	51.38	-	-	58.83

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

Balance Outstanding as at March 31, 2019

Nature of Transaction	Godrej Industries Limited (i)	Other Related Parties in Godrej Group (ii)	Associate (iii) (a)	Joint Ventures (iii) (b)	Total
Amount Receivable*					
As at March 31, 2019	-	0.00	-	1,134.62	1,134.62
As at March 31, 2018 (restated)	*-*	*-*	*-*	*1,047.92*	*1,047.92*
As at March 31, 2017 (restated)	*-*	*-*	*-*	*616.50*	*616.50*
Unbilled Revenue					
As at March 31, 2019	0.09	0.11	-	-	0.20
As at March 31, 2018 (restated)	*-*	*-*	*-*	*-*	*-*
As at March 31, 2017 (restated)	*-*	*-*	*-*	*-*	*-*
Amount Payable					
As at March 31, 2019	2.58	9.10	0.29	-	11.97
As at March 31, 2018 (restated)	*1.48*	*10.82*	*0.09*	*-*	*12.39*
As at March 31, 2017 (restated)	*0.97*	*116.91*	*-*	*-*	*117.88*
Deposit Receivable					
As at March 31, 2019	0.36	3.17	-	-	3.53
As at March 31, 2018 (restated)	*0.19*	*3.17*	*0.03*	*-*	*3.39*
As at March 31, 2017 (restated)	*0.41*	*3.17*	*0.03*	*-*	*3.61*
Advance received against Share of Profit					
As at March 31, 2019	-	-	-	19.65	19.65
As at March 31, 2018 (restated)	*-*	*-*	*-*	*16.80*	*16.80*
As at March 31, 2017 (restated)	*-*	*-*	*-*	*23.54*	*23.54*
Debenture Outstanding					
As at March 31, 2019	-	-	-	840.72	840.72
As at March 31, 2018 (restated)	*-*	*-*	*-*	*686.33*	*686.33*
As at March 31, 2017 (restated)	*-*	*-*	*-*	*312.33*	*312.33*
Debenture Interest Outstanding					
As at March 31, 2019	-	-	-	131.78	131.78
As at March 31, 2018 (restated)	*-*	*-*	*-*	*80.51*	*80.51*
As at March 31, 2017 (restated)	*-*	*-*	*-*	*88.57*	*88.57*
Advances received against Sale of Units					
As at March 31, 2019	0.72	295.58	-	1.26	297.56
As at March 31, 2018 (restated)	*12.69*	*141.08*	*-*	*20.45*	*174.22*
As at March 31, 2017 (restated)	*5.24*	*107.00*	*-*	*3.16*	*115.40*

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

Nature of Transaction	Godrej Industries Limited (i)	Other Related Parties in Godrej Group (ii)	Associate (iii) (a)	Joint Ventures (iii) (b)	Total
Commitments / Bank Guarantee / Letter of credit / Corporate/ Performance Guarantee					
As at March 31, 2019	-	-	-	28.71	28.71
As at March 31, 2018 (restated)	-	-	-	*93.18*	*93.18*
As at March 31, 2017 (restated)	-	-	-	*160.65*	*160.65*

Includes Loan amount converted into Debenture INR NIL (Previous year 2018: INR 275.60 Crore) and Equity INR NIL (Previous year 2018: INR 68.90 Crore).

* Amount receivable includes loan given to Prakhhyat Dwellings LLP, a joint venture, of INR 7.50 Crore (Previous year 2018: INR 7.50 Crore, Previous year 2017: INR 7.50 Crore) which is secured against immovable property of the LLP (refer note 16).

(ii) Details relating to parties referred to in items 1(iv) above

Particulars	**March 31, 2019**	March 31, 2018 (Restated)
Short term employee benefits*	**28.13**	16.08
Post retirement benefits	**0.25**	0.24
Share based payment transactions	**0.89**	0.69
Total Compensation paid to Key Management Personnel	**29.27**	17.01
Revenue recognised for sale of flats / units to KMP and their relatives	**7.52**	-
Amount received from sale of flats / units to KMP and their relatives	**7.21**	21.56
Trade receivable / (advance) on account of sale of flats / units to KMP and their relatives	**(28.71)**	(32.53)
Sale of assets	**-**	0.01

*The managerial remuneration paid by the Company to its Executive Chairman and the Managing Director & CEO is in excess of the limits laid down under Section 197 of the Companies Act, 2013 read with Schedule V to the Act by INR 5.81 crores (Previous Year 2018: INR Nil). The Company is in the process of obtaining approval from its shareholders at the forthcoming annual general meeting for such excess remuneration paid.

42 Business Combination

Acquisition of Godrej Landmark Redevelopers Private Limited (GLRPL)

On March 15, 2019, the Group acquired 49 percent of the voting shares of GLRPL, a company engaged primarily in the business of real estate construction, development and other related activities. As a result, the Group's equity interest in GLRPL increased from 51 percent to 100 percent, giving it control of GLRPL.

(a) Consideration transferred

The following table summarises the acquisition date fair value of major class of consideration transferred:

Particulars	**Amount**
Consideration paid in cash	42.73
Total consideration	**42.73**

(b) Acquisition-related costs

The Group incurred acquisition-related costs of INR 0.01 Crore on legal fees and due diligence costs. These costs have been included in legal and professional fees under other expenses.

(c) Identifiable assets acquired and liabilities assumed

The following table summarises the acquisition date fair value of assets acquired, fair value of the consideration transferred

Description	Amount
Property, plant and equipment	0.03
Intangible assets	0.02
Non-current financial assets	0.10
Deferred tax assets (Net)	1.29
Income tax assets (Net)	5.17
Inventories	106.24
Current financial assets	47.86
Other Current Non Financial Assets	41.93
Current financial liabilities	(51.61)
Other Current Non Financial Liabilities	(48.01)
Current Tax Liabilities (Net)	(4.01)
Net Assets	99.01

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets (inventories) acquired are fair market value of the flats in the multi storeyed building based on the existing market condition as on February 26, 2019. The main inputs used are locality, specifications and amenities provided in project.

(d) Capital Reserve

Capital Reserve arising from the acquisition has been determined as follows

Description	Amount
Consideration transferred (refer note (a) above)	42.73
Fair value of pre-existing equity interest in GLRPL	50.74
Fair value of net identifiable assets (refer note (c) above)	99.01
Capital reserve	5.54

(e) From the date of acquisition, GLRPL contributed INR (13.27) Crore of revenue from operations and INR 0.44 Crore of loss to the Group. If the acquisition had taken place at the beginning of the year, the Group's revenue from operations would have increased by INR 762.27 Crore and profit would have increased by INR 46.69 Crore.

43 First time adoption of Ind AS 115 - Revenue from Contracts with Customers

a) Ind AS 115 has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and is effective from accounting period beginning on or after April 01, 2018. The Group has applied full retrospective approach in adopting the new standard (for all contracts other than completed contracts) and accordingly has given an cumulative effect of applying this standard on the opening balance of retained earnings as at April 01, 2017 and also restated the previous period numbers as per point in time (Project Completion Method) of revenue recognition.

(Currency in INR Crore)

(b) Explanation of transition to Ind AS 115

(i) Reconciliation of financial line item as previously reported to post adoption of Ind AS 115

	Note	As at date of transition April 01, 2017			As at March 31, 2018		
		As reported *	Adjustments on account of adoption of Ind AS 115	Post adoption of Ind AS 115	As reported *	Adjustments on account of adoption of Ind AS 115	Post adoption of Ind AS 115
Assets							
Non-current assets							
Investment in Joint Ventures and Associate	(a)	81.40	(62.69)	18.71	290.54	(66.59)	223.95
Deferred tax assets (net)		159.28	407.69	566.97	160.82	479.72	640.54
Current assets							
Inventories	(a)	3,966.12	1,196.03	5,162.15	2,343.69	1,389.71	3,733.40
Financial assets							
(i) Trade receivables	(a)	246.63	(35.27)	211.36	224.77	(68.61)	156.16
(ii) Loans	(a)	703.61	(26.09)	677.52	1,049.59	(54.29)	995.30
Other current non-financial assets	(a)	696.36	(412.66)	283.70	864.23	(530.61)	333.62
Equity and liabilities							
Equity							
Other equity							
- Retained earnings	(a)	53.19	(881.84)	(828.65)	235.34	(1,029.89)	(794.55)
Liabilities							
Current liabilities							
Financial liabilities							
(i) Other financial liabilities	(a)	158.56	(24.69)	133.87	226.80	31.60	258.40
Other current non financial liabilities	(a)	498.28	1,973.54	2,471.82	574.81	2,147.62	2,722.43

*The figures as reported have been reclassified to confirm to the current year's classification.

(ii) Reconciliation of net-worth

Particulars	**Note**	**As at March 31, 2018**	As at April 01, 2017
Reconciliation of Equity as reported earlier:			
Net worth as reported		**2,240.29**	2,003.73
Summary of adjustments on account of adoption of Ind AS 115:			
(Decrease) in Profit before tax on account of adoption of Ind AS 115	(a)	**(1,509.61)**	(1,289.53)
Increase in deferred tax (credit) on account of adoption of Ind AS 115	(a)	**479.72**	407.69
Total adjustments on account of adoption of Ind AS 115		**(1,029.89)**	(881.84)
Net worth post adoption of Ind AS 115		**1,210.40**	1,121.89

(iii) Reconciliation of Total comprehensive income for the year ended on March 31, 2018

Particulars	Note	Year ended March 31, 2018
Total comprehensive income as reported		232.15
Summary of adjustments on account of adoption of Ind AS 115:		
(Decrease) in Revenue from operation	(a)	(285.48)
(Decrease) in Other income	(a)	(2.83)
(Decrease) in Cost of materials consumed	(a)	(85.99)
(Decrease) in Changes in inventories of finished goods and construction work-in-progress		193.69
(Decrease) in Other expenses	(a)	3.23
(Decrease) in Share of Profit of joint ventures and associate	(a)	(42.57)
Tax effect on Ind AS adjustments	(a)	71.90
Total adjustments on account of adoption of Ind AS 115		(148.05)
Total comprehensive income post adoption of Ind AS 115		84.10

(iv) Reconciliation of Earnings per share for the year ended on March 31, 2018

Particulars	As reported	Adjustments on account of adoption of Ind AS 115	Post adoption of Ind AS 115
Profit after tax	234.96	(148.05)	86.91
Weighted average number of equity shares outstanding (basic)	216,444,504		216,444,504
Basic Earnings Per Share (INR)	10.86		4.01
Weighted average number of equity shares outstanding (diluted)	216,577,427		216,577,427
Diluted Earnings Per Share (INR)	10.85		4.01

Notes to reconciliation:

a) Under Ind AS 18, related interpretations and Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable), revenue was recognised based on percentage of completion method. On transition to Ind AS 115, the Group recognises revenue when it determines the satisfaction of performance obligation at a point in time. Revenue is recognised upon transfer of promised products to customer in an amount that reflects the consideration which the Group expects to receive in exchange for those products. In determining the said transaction price, the Group has adjusted the promised amount of consideration for the effects of the time value of money where the contracts with customers contains a significant financing component.

(c) The amount of INR 1,734.08 Crore (Previous Year 2018: INR 962.12 Crore) recognised in contract liabilities at the beginning of the year has been recognised as revenue during the year ended March 31, 2019.

(Currency in INR Crore)

d) Significant changes in contract asset and contract liabilities balances are as follows:

Particulars	March 31, 2019	March 31, 2018 (Restated)
Contract asset		
At the beginning of the reporting period	**89.49**	86.34
Cumulative catch-up adjustments to revenue affecting contract asset	**(13.66)**	3.15
Significant change due to business combination	**-**	-
At the end of the reporting period	**75.83**	89.49
Contract liability		
At the beginning of the reporting period	**2,633.75**	2,390.91
Cumulative catch-up adjustments affecting contract liability	**(1,143.89)**	174.64
Significant financing component	**(40.98)**	70.20
Significant change due to business combination	**35.55**	-
At the end of the reporting period	**1,484.43**	2,633.75

e) Performance obligation

The Group engaged primarily in the business of real estate construction, development and other related activities.

All the Contracts entered with the customers consists of a single performance obligation thereby the consideration allocated to the performance obligation is based on standalone selling prices.

Revenue is recognised upon transfer of control of residential and commercial units to customers for an amount that reflects the consideration which the Group expects to receive in exchange for those units. The trigger for revenue recognition is normally completion of the project or receipt of approvals on completion from relevant authorities or intimation to the customer of completion, post which the contract becomes non-cancellable by the parties.

The revenue is measured at the transaction price agreed under the contract. In certain cases, the Group has contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group adjusts the transaction price for the effects of a significant financing component.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Group's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Group recognises the entire estimated loss in the period the loss becomes known.

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at March 31, 2019 is INR 1,903.21 Crore, which will be recognised as revenue over a period of 1-3 years and INR 280.50 Crore which will be recognized over a period of 1-4 years.

The Group applies practical expedient in paragraph C5(d) of Ind AS 115 and does not disclose information about the amount of the transaction price allocated to the remaining performance obligation and an explanation of when the entity expects to recognise that amount as revenue for all reporting periods presented before the date of initial application.

(Currency in INR Crore)

f) Reconciliation of revenue recognised in the Consolidated Statement of Profit and Loss

The following table discloses the reconciliation of amount of revenue recognised as at March 31, 2019:

Particulars	**March 31, 2019**	March 31, 2018 (Restated)
Contract price of the revenue recognised	**2,546.79**	1,396.61
Add: Significant financing component	**141.41**	15.44
Less: Customer incentive/benefits	**16.42**	-
Revenue recognised in the consolidated statement of profit and loss	**2,671.77**	1,414.25

44 Information on Subsidiaries, Joint Ventures and Associate

a) Information on Subsidiaries

Sr. No.	**Name of the entity**	**Country of Incorporation**	**Percentage of Holding**		
			As on March 31, 2019 %	As on March 31, 2018 %	As on April 01, 2017 %
(i)	**Companies:**				
1	Godrej Buildcon Private Limited (merged with Godrej Projects Development Limited w.e.f December 01, 2017)	India	**NA**	100%	100%
2	Godrej Projects Development Limited	India	**100%**	100%	100%
3	Godrej Garden City Properties Private Limited	India	**100%**	100%	100%
4	Godrej Hillside Properties Private Limited	India	**100%**	100%	100%
5	Godrej Home Developers Private Limited	India	**100%**	100%	100%
6	Godrej Investment Advisors Private Limited (ceased to be Subsidiary from June 21, 2017)	India	**NA**	NA	100%
7	Godrej Prakriti Facilities Private Limited	India	**100%**	100%	100%
8	Prakritiplaza Facilities Management Private Limited	India	**100%**	100%	100%
9	Godrej Highrises Properties Private Limited	India	**100%**	100%	100%
10	Godrej Genesis Facilities Management Private Limited	India	**100%**	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	**NA**	NA	100%
12	Citystar InfraProjects Limited	India	**100%**	100%	100%
13	Godrej Green Homes Limited (Classified as Joint Venture w.e.f March 17, 2018)	India	**N.A**	N.A	100%
14	Godrej Residency Private Limited	India	**100%**	100%	100%
15	Godrej Properties Worldwide Inc., USA (w.e.f August 10, 2017)	USA	**100%**	100%	N.A
16	Godrej Landmark Redevelopers Private Limited (w.e.f. March 15, 2019)	India	**100%**	N.A	N.A
17	Godrej Skyline Developers Private Limited	India	**N.A**	N.A	100%

(Currency in INR Crore)

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding		
			As on March 31, 2019 %	As on March 31, 2018 %	As on April 01, 2017 %
(ii)	**LLPs**				
1	Mahalunge Township Developers LLP (formerly known as Godrej Land Developers LLP) (Classified as Joint Venture w.e.f. February 01, 2019)	India	**N.A**	100%	100%
2	Godrej Highrises Realty LLP	India	**100%**	100%	100%
3	Godrej Project Developers & Properties LLP	India	**100%**	100%	100%
4	Godrej Skyview LLP	India	**100%**	100%	100%
5	Godrej Green Properties LLP	India	**100%**	100%	100%
6	Maan-Hinge Township Developers LLP (formerly known as Godrej Projects (Pune) LLP) (classified as Joint Venture w.e.f February 01, 2019)	India	**N.A.**	100%	100%
7	Godrej Projects (Soma) LLP	India	**100%**	100%	N.A.
8	Godrej Projects North LLP	India	**100%**	100%	N.A.
9	Godrej Athenmark LLP	India	**100%**	100%	N.A.
10	Godrej Vestamark LLP	India	**100%**	100%	N.A.
11	Godrej Irishmark LLP (w.e.f April 20, 2017 to January 23, 2018)	India	**N.A.**	N.A.	100%
12	Manjari Housing Projects LLP (formerly known as Godrej Avamark LLP) (classified as Joint Venture w.e.f February 01, 2019)	India	**N.A**	100%	N.A.
13	Godrej Developers & Properties LLP (Classified as Joint Venture w.e.f. October 30, 2017)	India	**N.A**	N.A	100%
14	Godrej Projects North Star LLP (Classified as Joint Venture w.e.f. September 27, 2017)	India	**N.A**	N.A	100%
15	Godrej Highview LLP (Classified as Joint Venture w.e.f. June 15, 2017)	India	**N.A**	N.A	100%
16	Godrej City Facilities Management LLP (w.e.f. March 18, 2019)	India	**100%**	N.A	N.A
17	Embellish Houses LLP (w.e.f February 13, 2019)	India	**100%**	N.A	N.A

(Currency in INR Crore)

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, 2019 %	As on March 31, 2018 %	As on April 01, 2017 %	**As on March 31, 2019 %**	As on March 31, 2018 %	As on April 01, 2017 %
(i)	**Companies:**							
1	Godrej Realty Private Limited	India	**51%**	51%	51%			
2	Godrej Landmark Redevelopers Private Limited (Classified as Subsidiary w.e.f. March 15, 2019)	India	**NA**	51%	51%			
3	Godrej Redevelopers (Mumbai) Private Limited	India	**51%**	51%	51%			
4	Wonder Space Properties Private Limited	India	**25.10%**	25.10%	25.10%			
5	Wonder City Buildcon Private Limited	India	**25.10%**	25.10%	25.10%			
6	Godrej Home Constructions Private Limited	India	**25.10%**	25.10%	25.10%			
7	Godrej Greenview Housing Private Limited	India	**20%**	20%	20%			
8	Wonder Projects Development Private Limited	India	**20%**	20%	20%			
9	Godrej Real View Developers Private Limited	India	**20%**	20%	20%			
10	Pearlite Real Properties Private Limited	India	**49%**	49%	49%			
11	Godrej Skyline Developers Private Limited	India	**26%**	26%	N.A.			
12	Godrej Green Homes Limited (Considered as Subsidiary till March 16, 2018)	India	**50%**	50%	N.A.			
13	Ashank Macbricks Private Limited (w.e.f. July 31, 2018)	India	**20%**	N.A.	N.A.			
(ii)	**LLPs**							
1	Godrej Property Developers LLP	India	**32%**	32%	32%	**50%**	50%	50%
2	Mosiac Landmarks LLP	India	**1%**	1%	1%	**66.66%**	66.66%	66.66%
3	Dream World Landmarks LLP	India	**40%**	40%	40%	**66.66%**	66.66%	66.66%
4	Oxford Realty LLP	India	**35%**	35%	35%	**51%**	51%	51%
5	Godrej SSPDL Green Acres LLP	India	**37%**	37%	37%	**66.66%**	66.66%	66.66%
6	Oasis Landmarks LLP	India	**38%**	38%	38%	**66.66%**	66.66%	66.66%
7	M S Ramaiah Ventures LLP	India	**49.50%**	49.50%	49.50%	**51%**	51%	51%
8	Caroa Properties LLP	India	**35%**	35%	35%	**66.66%**	66.66%	66.66%
9	Godrej Construction Projects LLP	India	**34%**	34%	34%	**51%**	51%	51%
10	Godrej Housing Projects LLP	India	**50%**	50%	50%	**51%**	51%	51%
11	Amitis Developers LLP	India	**46%**	46%	46%	**50%**	50%	50%
12	A R Landcraft LLP	India	**40%**	40%	40%	**50%**	50%	50%

(Currency in INR Crore)

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding			Percentage of Voting Rights		
			As on March 31, 2019 %	As on March 31, 2018 %	As on April 01, 2017 %	**As on March 31, 2019 %**	As on March 31, 2018 %	As on April 01, 2017 %
13	Prakhhyat Dwellings LLP	India	**42.50%**	42.50%	42.50%	**50%**	50%	50%
14	Bavdhan Realty @ Pune 21 LLP	India	**45%**	45%	45%	**45%**	45%	45%
15	Godrej Highview LLP (Considered as Subsidiary till June 14, 2017)	India	**40%**	40%	N.A	**50%**	50%	N.A
16	Godrej Irismark LLP (w.e.f. January 24, 2018)	India	**50%**	50%	N.A	**50%**	50%	N.A
17	Godrej Projects North Star LLP (Considered as Subsidiary till September 26, 2017)	India	**55%**	55%	N.A	**50%**	50%	N.A
18	Godrej Developers & Properties LLP (Considered as Subsidiary till October 29, 2017)	India	**37.50%**	37.50%	N.A	**50%**	50%	N.A
19	Roseberry Estate LLP (w.e.f. September 18, 2018)	India	**49%**	N.A	N.A	**50%**	N.A	N.A
20	Suncity Infrastructures (Mumbai) LLP (w.e.f. October 10, 2018)	India	**50%**	N.A	N.A	**50%**	N.A	N.A
21	Sai Srushti Onehub Projects LLP (w.e.f. January 31, 2018)	India	**21.70%**	75%	N.A	**50%**	50%	N.A
22	Maan-Hinge Township Developers LLP (formerly known as Godrej Projects (Pune) LLP) (Considered as subsidiary till January 31, 2019)	India	**40%**	N.A	N.A	**50%**	N.A	N.A
23	Mahalunge Township Developers LLP (formerly known as Godrej Land Developers LLP) (Considered as subsidiary till January 31, 2019)	India	**40%**	N.A	N.A	**50%**	N.A	N.A
24	Manjari Housing Projects LLP (formerly known as Godrej Avamark LLP) (Considered as subsidiary till January 31, 2019)	India	**40%**	N.A	N.A	**50%**	N.A	N.A

In case of LLPs percentage of holding in the above table denotes the Share of Profits in the LLP.

c) Information on Associate:

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding		
			As on March 31, 2019	As on March 31, 2018	As on April 01, 2017
(i)	**Company:**				
1	Godrej One Premises Management Private Limited	India	**30%**	30%	30%

45 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 INR (in Crore)	As % of consolidated profit or loss	Amount INR (in Crore)	As % of consolidated OCI	Amount	As % of TCI	Amount INR (in Crore)
	Parent:								
	Godrej Properties Limited	107.62%	2,657.05	82.70%	209.35	143.48%	(0.33)	82.64%	209.02
	Subsidiaries (Indian):								
1	Godrej Projects Development Limited	2.78%	68.61	23.99%	60.74	0.00%	-	24.01%	60.74
2	Godrej Garden City Properties Private Limited	0.30%	7.34	0.59%	1.49	0.00%	-	0.59%	1.49
3	Godrej Hillside Properties Private Limited	0.00%	0.09	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
4	Godrej Home Developers Private Limited	0.00%	0.11	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
5	Godrej Prakriti Facilities Private Limited	0.02%	0.56	0.07%	0.17	0.00%	-	0.07%	0.17
6	Prakritiplaza Facilities Management Private Limited	0.00%	0.01	0.00%	0.00	0.00%	-	0.00%	0.00
7	Godrej Highrises Properties Private Limited	0.00%	(0.12)	-0.06%	(0.16)	0.00%	-	-0.06%	(0.16)
8	Godrej Genesis Facilities Management Private Limited	0.02%	0.42	0.02%	0.05	0.00%	-	0.02%	0.05
9	Citystar Infra Projects Limited	0.00%	(0.02)	-0.01%	(0.01)	0.00%	-	-0.01%	(0.01)
10	Godrej Residency Private Limited	0.00%	(0.02)	-0.01%	(0.02)	0.00%	-	-0.01%	(0.02)
11	Mahalunge Township Developers LLP (formerly known as Godrej Land Developers LLP) (Considered as subsidiary till January 31, 2019)	0.00%	-	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
12	Godrej Highrises Realty LLP	-0.02%	(0.42)	-0.16%	(0.41)	0.00%	-	-0.16%	(0.41)

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 INR (in Crore)	As % of consolidated profit or loss	Amount INR (in Crore)	As % of consolidated OCI	Amount	As % of TCI	Amount INR (in Crore)
13	Godrej Project Developers & Properties LLP	0.00%	(0.02)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
14	Godrej Skyview LLP	0.00%	(0.02)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
15	Godrej Green Properties LLP	0.00%	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
16	Maan-Hinge Township Developers LLP (formerly known as Godrej Projects (Pune) LLP) (Considered as subsidiary till January 31, 2019)	0.00%	-	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
17	Godrej Projects (Soma) LLP	0.00%	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
18	Godrej Projects North LLP	0.00%	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
19	Godrej Athenmark LLP	0.00%	(0.03)	-0.01%	(0.02)	0.00%	-	-0.01%	(0.02)
20	Godrej Vestamark LLP	-0.02%	(0.40)	-0.15%	(0.39)	0.00%	-	-0.15%	(0.39)
21	Godrej City Facilities Management LLP (w.e.f. March 18, 2019)	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
22	Embellish Houses LLP (w.e.f February 13, 2019)	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
23	Godrej Properties Worldwide, USA (w.e.f August 10, 2017)	0.13%	3.12	-0.14%	(0.35)	-43.48%	0.10	-0.10%	(0.25)
24	Godrej Landmark Redevelopers Private Limited (w.e.f. March 15, 2019)	3.99%	98.57	-0.17%	(0.44)	0.00%	-	-0.17%	(0.44)
25	Manjari Housing Projects LLP (formerly known as Godrej Avamark LLP) (Considered as subsidiary till January 31, 2019)	0.00%	-	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
	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

Sr. No.	Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		As % of consolidated net assets	Amount INR (in Crore)	As % of consolidated profit or loss	Amount INR (in Crore)	As % of consolidated OCI	Amount	As % of TCI	Amount INR (in Crore)
	Joint Ventures (Indian) (Investment as per the Equity Method)								
1	Godrej Realty Private Limited	0.00%	-	-0.15%	(0.37)	0.00%	-	-0.15%	(0.37)
2	Godrej Landmark Redevelopers Private Limited (Upto March 14, 2019)	0.00%	-	19.95%	50.51	0.00%	-	19.97%	50.51
3	Godrej Redevelopers (Mumbai) Private Limited	0.00%	-	-1.05%	(2.65)	0.00%	-	-1.05%	(2.65)
4	Wonder Space Properties Private Limited	0.00%	-	-0.07%	(0.17)	0.00%	-	-0.07%	(0.17)
5	Wonder City Buildcon Private Limited	0.00%	-	-0.21%	(0.53)	0.00%	-	-0.21%	(0.53)
6	Godrej Home Constructions Private Limited	0.00%	-	-2.47%	(6.25)	0.00%	-	-2.47%	(6.25)
7	Godrej Greenview Housing Private Limited	0.00%	-	-0.73%	(1.86)	0.00%	-	-0.73%	(1.86)
8	Wonder Projects Development Private Limited	0.00%	-	-0.75%	(1.89)	0.00%	-	-0.75%	(1.89)
9	Godrej Real View Developers Private Limited	0.00%	-	-1.17%	(2.96)	0.00%	-	-1.17%	(2.96)
10	Pearlite Real Properties Private Limited	0.00%	-	-2.66%	(6.74)	0.00%	-	-2.67%	(6.74)
11	Godrej Skyline Developers Private Limited	0.00%	-	-1.39%	(3.51)	0.00%	-	-1.39%	(3.51)
12	Godrej Green Homes Limited	0.00%	-	-0.10%	(0.25)	0.00%	-	-0.10%	(0.25)
13	Godrej Property Developers LLP	0.00%	-	-0.01%	(0.01)	0.00%	-	-0.01%	(0.01)
14	Mosiac Landmarks LLP	0.00%	-	0.01%	0.03	0.00%	-	0.01%	0.03
15	Dream World Landmarks LLP	0.00%	-	5.03%	12.73	0.00%	-	5.03%	12.73
16	Oxford Realty LLP	0.00%	-	-1.89%	(4.79)	0.00%	-	-1.90%	(4.79)
17	Godrej SSPDL Green Acres LLP	0.00%	-	0.40%	1.00	0.00%	-	0.40%	1.00
18	Oasis Landmarks LLP	0.00%	-	4.38%	11.09	0.00%	-	4.39%	11.09
19	M S Ramaiah Ventures LLP	0.00%	-	-0.01%	(0.02)	0.00%	-	-0.01%	(0.02)
20	Caroa Properties LLP	0.00%	-	-1.88%	(4.75)	0.00%	-	-1.88%	(4.75)
21	Godrej Construction Projects LLP	0.00%	-	-0.31%	(0.79)	0.00%	-	-0.31%	(0.79)

INR 0.00 represents amount less than INR 50,000

Sr. No.	Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		As % of consolidated net assets	Amount INR (in Crore)	As % of consolidated profit or loss	Amount INR (in Crore)	As % of consolidated OCI	Amount	As % of TCI	Amount INR (in Crore)
22	Godrej Housing Projects LLP	0.00%	-	-0.94%	(2.37)	0.00%	-	-0.94%	(2.37)
23	Amitis Developers LLP	0.00%	-	-0.39%	(0.99)	0.00%	-	-0.39%	(0.99)
24	A R Landcraft LLP	0.00%	-	-4.00%	(10.13)	0.00%	-	-4.00%	(10.13)
25	Prakhhyat Dwellings LLP	0.00%	-	-0.05%	(0.14)	0.00%	-	-0.05%	(0.14)
26	Bavdhan Realty @ Pune 21 LLP	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
27	Godrej Highview LLP	0.00%	-	-2.46%	(6.23)	0.00%	-	-2.46%	(6.23)
28	Godrej Irismark LLP	0.00%	-	-0.05%	(0.13)	0.00%	-	-0.05%	(0.13)
29	Godrej Projects North Star LLP	0.00%	-	-0.01%	(0.03)	0.00%	-	-0.01%	(0.03)
30	Godrej Developers & Properties LLP	0.00%	-	-1.03%	(2.60)	0.00%	-	-1.03%	(2.60)
31	Sai Srushti Onehub Projects LLP	0.00%	-	-1.78%	(4.50)	0.00%	-	-1.78%	(4.50)
32	Roseberry Estate LLP (w.e.f. September 18, 2018)	0.00%	-	-0.01%	(0.02)	0.00%	-	-0.01%	(0.02)
33	Maan-Hinge Township Developers LLP (formerly known as Godrej Projects (Pune) LLP) (w.e.f. February 01, 2019)	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
34	Ashank Macbricks Private Limited (w.e.f. July 31, 2018)	0.00%	-	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
35	Suncity Infrastructures (Mumbai) LLP (w.e.f. October 10, 2018)	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
36	Mahalunge Township Developers LLP (formerly known as Godrej Land Developers LLP) (w.e.f. February 01, 2019)	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
37	Manjari Housing Projects LLP (formerly known as Godrej Avamark LLP) (w.e.f. February 01, 2019)	0.00%	-	0.00%	0.00	0.00%	-	0.00%	0.00
	Inter-company Elimination and Consolidation Adjustments	-14.82%	(365.79)	-10.83%	(27.41)	0.00%	-	-10.84%	(27.41)
	Total	**100.00%**	**2,469.01**	**100.00%**	**253.15**	**100.00%**	**(0.23)**	**100.00%**	**252.92**

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

46 Contingent Liabilities and Commitments

a) Contingent Liabilities

Matters	**March 31, 2019**	March 31, 2018 (Restated)	April 01, 2017 (Restated)
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	**179.82**	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)	**50.06**	26.10	25.36
vi) Claims under MVAT, Appeal preferred to The Deputy Commissioner/Joint Commissioner of Sales Taxes ((Appeals) IV/V), Mumbai	**3.34**	20.04	21.33
vii) Appeal preferred to Customs, Excise and Service Tax Appellate tribunal at Bengaluru and others	**74.36**	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**	0.77	0.79
II) Guarantees:			
i) Guarantees given by Bank, counter guaranteed by the Group	**32.17**	16.15	20.71
ii) Guarantees given by the Group relating to Joint Ventures	**66.31**	88.58	156.00

b) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

In view of the management, the liability for the period from date of the SC order to March 31, 2019 is not significant and has been provided in the consolidated financial statements. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.

(Currency in INR Crore)

c) Commitments

(i) Particulars	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
Capital Commitment (includes CWIP under Construction)	**49.88**	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.

47 Payment to Auditors (net of taxes)

Particulars	March 31, 2019	March 31, 2018 (Restated)
Audit Fees	**0.88**	0.54
Audit Under Other Statutes	**0.24**	0.24
Certification	**0.05**	-
Reimbursement of Expenses	**0.04**	0.01
Total	**1.21**	**0.79**

48 Foreign Exchange Difference

The amount of exchange difference included in the Consolidated statement of profit and loss, is INR 0.04 Crore (Net Loss) (Previous Year 2018: INR (0.03) Crore (Net Loss)).

49 Corporate Social Responsibility

The Group has spent INR 1.78 Crore during the year (Previous Year 2018: INR 2.82 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 1.72 Crore (Previous Year 2018: INR 2.73 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, 2019			
(i) Construction / Acquisition of any Asset	**-**	**-**	**-**
(ii) On purposes other than (i) above	**1.78**	**-**	**1.78**
Year ended March 31, 2018			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	2.08	0.74	2.82

(Currency in INR Crore)

50 Utilisation of proceeds from issue of Shares

During the year, the Company raised a sum of INR 1,000.14 Crore (Previous Year 2018: INR Nil) by allotting 12,765,000 equity shares on a preferential basis.

Particulars	March 31, 2019
Proceeds from the issue of shares during the year	**1,000.14**
Utilisation during the year:	
Issue related expenses	3.57
Utilised for business development deals	613.65
Balance unutilised amount invested in mutual funds	382.92

51 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.

C. Information about major customers

Revenue from one customer is INR 519.73 Crore for the year ended March 31, 2019 (Previous Year 2018 INR Nil) constituted more than 10% of the total revenue of the company.

52 The write-down of inventories to net realisable value during the year amounted to INR 4.75 Crore (Previous Year 2018: INR 100.87 Crore).

53 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 during the years ended and as at March 31, 2019, March 31, 2018 and March 31, 2017 to Micro, Small and Medium Enterprises on account of principal or interest.

54 The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 have not been made since the requirement does not pertain to financial year ended 31 March 2019.

55 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.

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
April 30, 2019

For and on behalf of the Board of Directors of Godrej Properties Limited
CIN: L74120MH1985PLC035308

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428
Mumbai
April 30, 2019

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 Projects Development Limited	INR	2018-19	0.23	68.38	1,239.54	1,170.93	313.72	1,421.81	98.61	(23.23)	61.10	37.87	60.74	100%	India
2	Godrej Garden City Properties Private Limited	INR	2018-19	0.05	7.29	27.79	20.45	21.64	19.50	2.12	0.45	0.18	0.63	1.49	100%	India
3	Godrej Hillside Properties Private Limited	INR	2018-19	0.41	(0.31)	0.11	0.01	0.11	0.01	(0.01)	-	-	-	(0.01)	100%	India
4	Godrej Home Developers Private Limited	INR	2018-19	0.41	(0.30)	0.12	0.01	0.12	0.01	(0.01)	-	-	-	(0.01)	100%	India
5	Godrej Prakriti Facilities Private Limited	INR	2018-19	0.01	0.55	10.09	9.53	-	4.44	0.23	0.06	-	0.06	0.17	100%	India
6	Prakritiplaza Facilities Management Private Limited	INR	2018-19	0.01	0.00	0.70	0.69	-	0.03	0.00	0.00	-	0.00	0.00	100%	India
7	Godrej Highrises Properties Private Limited	INR	2018-19	0.01	(0.13)	95.87	95.99	-	-	(0.21)	-	(0.05)	(0.05)	(0.16)	100%	India
8	Godrej Genesis Facilities Management Private Limited (Refer Note (a) below)	INR	2018-19	0.01	0.41	4.03	3.61	-	4.17	0.07	0.02	(0.00)	0.02	0.05	100%	India
9	Citystar Infra Projects Limited	INR	2018-19	0.05	(0.07)	0.36	0.38	-	-	(0.01)	-	-	-	(0.01)	100%	India
10	Godrej Residency Private Limited	INR	2018-19	0.00	(0.02)	0.00	0.02	-	-	(0.02)	-	-	-	(0.02)	100%	India
11	Godrej Highrises Realty LLP (Refer Note (a) below)	INR	2018-19	0.00	(0.43)	3.29	3.72	-	-	(0.41)	-	-	-	(0.41)	100%	India
12	Godrej Project Developers & Properties LLP	INR	2018-19	0.00	(0.02)	0.60	0.62	-	-	(0.00)	-	-	-	(0.00)	100%	India
13	Godrej Skyview LLP (Refer Note (a) below)	INR	2018-19	0.00	(0.02)	0.00	0.02	-	0.01	(0.01)	-	-	-	(0.01)	100%	India
14	Godrej Green Properties LLP (Refer Note (a) below)	INR	2018-19	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	-	-	(0.01)	100%	India
15	Maan-Hinge Township Developers LLP (formerly known as Godrej Projects (Pune) LLP) (Considered as subsidiary till January 31, 2019)	INR	2018-19	-	-	-	-	-	-	(0.01)	-	-	-	(0.01)	100%	India

INR 0.00 represents amount less than INR 50,000

(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
16	Godrej Projects (Soma) LLP (Refer Note (a) below)	INR	2018-19	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	-	-	(0.01)	100%	India
17	Godrej Projects North LLP (formerly known as Godrej Projects (BlueJay) LLP) (Refer Note (a) below)	INR	2018-19	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	-	-	(0.01)	100%	India
18	Godrej Athenmark LLP (Refer Note (a) below)	INR	2018-19	0.00	(0.03)	0.27	0.30	-	-	(0.02)	-	-	-	(0.02)	100%	India
19	Godrej Vestamark LLP (Refer Note (a) below)	INR	2018-19	0.00	(0.40)	43.52	43.91	-	-	(0.39)	-	-	-	(0.39)	100%	India
20	Manjari Housing Projects LLP (formerly known as Godrej Avamark LLP) (Upto January 31, 2019)	INR	2018-19	-	-	-	-	-	-	(0.01)	-	-	-	(0.01)	100%	India
21	Mahalunge Township Developers LLP (formerly known as Godrej Land Developers LLP) (Upto January 31, 2019)	INR	2018-19	-	-	-	-	-	-	(0.01)	-	-	-	(0.01)	100%	India
22	Godrej Landmark Redevelopers Private Limited (w.e.f. March 15, 2019) (Refer Note (a) below)	INR	2018-19	0.05	98.52	254.83	156.26	57.48	(13.08)	(1.35)	0.00	(0.91)	(0.91)	(0.44)	100%	India
23	Godrej City Facilities Management LLP (w.e.f March 18, 2019)	INR	2018-19	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	-	-	(0.01)	100%	India
24	Embellish Houses LLP (w.e.f February 13, 2019)	INR	2018-19	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	-	-	(0.01)	100%	India
25	Godrej Properties Worldwide Inc., USA	INR	2018-19	3.36	(0.24)	3.12	(0.00)	-	0.00	(0.35)	-	-	-	(0.35)	100%	USA

*Percentage holding in LLPs denotes the Share of Profit in the LLPs

(a) Subsidiaries 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	Net worth 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	31.03.2019	884,850	5.52	51%	through % of holding	NA	0.53	(0.37)	-
2	Godrej Landmark Redevelopers Private Limited (Upto March 14, 2019)	31.03.2019	-	-	-	through % of holding	NA	-	50.51	-
3	Godrej Redevelopers (Mumbai) Private Limited	31.03.2019	28,567	4.44	51%	through % of holding	NA	(2.30)	(2.65)	-
4	Wonder Space Properties Private Limited	31.03.2019	114,191	1.78	25.10%	through % of holding	NA	1.52	(0.17)	-
5	Wonder City Buildcon Private Limited	31.03.2019	810,420	1.61	25.10%	through % of holding	NA	(2.08)	(0.53)	-
6	Godrej Home Constructions Private Limited	31.03.2019	1,071,770	2.18	25.10%	through % of holding	NA	(6.79)	(6.29)	-
7	Godrej Greenview Housing Private Limited	31.03.2019	1,264,560	1.37	20%	through % of holding	NA	(4.66)	(1.86)	-
8	Wonder Projects Development Private Limited	31.03.2019	1,070,060	1.45	20%	through % of holding	NA	(1.02)	(1.89)	-
9	Godrej Real View Developers Private Limited	31.03.2019	1,306,000	2.25	20%	through % of holding	NA	(1.28)	(2.96)	-
10	Pearlite Real Properties Private Limited	31.03.2019	3,871,000	4.19	49%	through % of holding	NA	(6.77)	(6.74)	-
11	Godrej Skyline Developers Private Limited	31.03.2019	260,000	0.26	26%	through % of holding	NA	4.38	(3.51)	-
12	Godrej Green Homes Limited	31.03.2019	355,384	79.38	50%	through % of holding	NA	139.54	(0.25)	-
13	Ashank Macbricks Private Limited (w.e.f. July 31, 2018)	31.03.2019	1,000	0.00	20%	through % of holding	NA	(0.01)	(0.01)	-
14	Godrej Property Developers LLP	31.03.2019	NA	0.00	32%	through % of holding and Voting rights	NA	(0.02)	(0.01)	-
15	Mosiac Landmarks LLP	31.03.2019	NA	0.11	1%	through % of holding and Voting rights	NA	10.53	0.03	-
16	Dream World Landmarks LLP	31.03.2019	NA	0.04	40%	through % of holding and Voting rights	NA	6.86	12.73	-
17	Oxford Realty LLP	31.03.2019	NA	0.00	35%	through % of holding and Voting rights	NA	(13.51)	(4.79)	-
18	Godrej SSPDL Green Acres LLP	31.03.2019	NA	0.05	37%	through % of holding and Voting rights	NA	(2.47)	1.00	-
19	Oasis Landmarks LLP	31.03.2019	NA	0.00	38%	through % of holding and Voting rights	NA	0.00	11.09	-
20	M S Ramaiah Ventures LLP	31.03.2019	NA	1.01	49.50%	through % of holding and Voting rights	NA	0.94	(0.02)	-

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	Net worth 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
21	Caroa Properties LLP	31.03.2019	NA	0.04	35%	through % of holding and Voting rights	NA	(7.44)	(4.75)	-
22	Godrej Construction Projects LLP	31.03.2019	NA	0.00	34%	through % of holding and Voting rights	NA	(1.54)	(0.79)	-
23	Godrej Housing Projects LLP	31.03.2019	NA	0.01	50%	through % of holding and Voting rights	NA	4.46	(2.37)	-
24	Amitis Developers LLP	31.03.2019	NA	0.05	46%	through % of holding and Voting rights	NA	(2.69)	(0.99)	-
25	A R Landcraft LLP	31.03.2019	NA	0.10	40%	through % of holding and Voting rights	NA	5.43	(10.13)	-
26	Prakhhyat Dwellings LLP	31.03.2019	NA	0.00	42.50%	through % of holding and Voting rights	NA	(0.11)	(0.14)	-
27	Bavdhan Realty @ Pune 21 LLP	31.03.2019	NA	0.00	45%	through % of holding and Voting rights	NA	(0.00)	(0.00)	-
28	Godrej Highview LLP	31.03.2019	NA	4.80	40%	through % of holding and Voting rights	NA	(7.35)	(6.23)	-
29	Godrej Irismark LLP	31.03.2019	NA	0.01	50%	through % of holding and Voting rights	NA	(0.13)	(0.13)	-
30	Godrej Projects North Star LLP	31.03.2019	NA	0.01	55%	through % of holding and Voting rights	NA	(0.03)	(0.03)	-
31	Godrej Developers & Properties LLP	31.03.2019	NA	0.00	37.50%	through % of holding and Voting rights	NA	(0.01)	(2.60)	-
32	Roseberry Estate LLP	31.03.2019	NA	0.00	49%	through % of holding and Voting rights	NA	35.95	(0.02)	-
33	Suncity Infrastructures (Mumbai) LLP (w.e.f. October 10, 2018)	31.03.2019	NA	0.01	50%	through % of holding and Voting rights	NA	0.00	(0.00)	-
34	Manjari Housing Projects LLP (formerly known as Godrej Avamark LLP) (w.e.f February 01, 2019)	31.03.2019	NA	205.00	40%	through % of holding and Voting rights	NA	205.00	0.00	-
35	Maan-Hinge Township Developers LLP (formerly known as Godrej Projects (Pune) LLP) (w.e.f February 01, 2019)	31.03.2019	NA	89.00	40%	through % of holding and Voting rights	NA	89.00	(0.00)	-
36	Mahalunge Township Developers LLP (formerly known as Godrej Land Developers LLP) (w.e.f February 01, 2019)	31.03.2019	NA	200.00	40%	through % of holding and Voting rights	NA	200.00	(0.00)	-
37	Sai Srushti Onehub Projects LLP (Profit sharing % upto November 22, 2018 was 75%)	31.03.2019	NA	0.01	21.70%	through % of holding and Voting rights	NA	(4.49)	(4.50)	-

INR 0.00 represents amount less than INR 50,000

(Currency in INR Crore)

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	Net worth attributable to Shareholding as per latest audited Balance Sheet	Share of Profit/(Loss) for the year	
			No of Share	Amount of Investment in Associate	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
1	Godrej One Premises Management Private Limited	31.03.2019	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

RAJENDRA KHETAWAT
Chief Financial Officer

Mumbai
April 30, 2019

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

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

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

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

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.

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

Classification

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

Initial recognition and measurement

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

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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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

	March 31, 2018	March 31, 2017
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

	March 31, 2018	March 31, 2017
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

	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.

(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

Equity Share held by :	March 31, 2018		March 31, 2017	
	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:

Particulars	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

Particulars	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.

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

(Currency in INR Crore)

(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.

(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.

(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)

(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.

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
	<u>Joint Ventures (Indian) (Investment as per the Equity Method)</u>								
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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GODREJ PROPERTIES LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **GODREJ PROPERTIES LIMITED** ("the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries collectively referred to as "the Group"), its associate and its joint ventures comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Cash Flows, consolidated Statement of Changes in Equity, for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including its associate and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act. The respective Board of Directors of the companies / Designated Partners of the Limited Liability Partnerships included in the group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Group and its associate and its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by another auditor in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of another auditor on separate financial statements and on the other financial information of a subsidiary, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group, its associate and joint ventures as at March 31, 2017, and their consolidated profit (financial performance including other comprehensive income), their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matter

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹ 9.39 Crore as at March 31, 2017 and net assets of ₹ 7.49 Crore as at March 31, 2017, total revenue of ₹ 9.78 Crore and net cash inflows amounting to ₹ 8.23 Crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by another auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

Our opinion above on the consolidated financial statements, and our report on Other Legal & Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of another auditor on separate financial statements and the other financial information of the subsidiary, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

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

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

   c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Group Companies, associate and joint venture companies incorporated in India as on March 31, 2017, and taken on record by the Board of Directors of the respective Group Companies, associate and joint venture companies incorporated in India, none of the directors of the Group companies, are disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Group, associate and joint ventures and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**; and

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of another auditor on separate financial statements as also the other financial information of the subsidiary as noted in the 'Other Matter' paragraph:

      i. The Group, it's associate and joint ventures have disclosed the impact of pending litigations on their consolidated financial position in its consolidated financial statements - Refer Note 42 (a) (I) to the consolidated financial statements.

ii. The Group, it's associate and joint ventures have made provision, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies, its associate and joint venture companies incorporated in India.

iv. The Company has provided requisite disclosures in the consolidated financial statements as to its holdings as well as dealings in Specified Bank Notes as specified in the Notification G.S.R. 308(E) dated March 30, 2017 of the Ministry of Corporate Affairs, during the period from November 8, 2016 to December 30, 2016 of the Group entities as applicable. Based on audit procedures performed and relying on the management representation we report that the disclosures are in accordance with the relevant books of account maintained by those entities for the purpose of preparation of the consolidated financial statements and as produced to us by the management of the respective Group entities – Refer Note 50 to the consolidated financial statements.

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

FARHAD M. BHESANIA
PARTNER
Membership Number 127355

Place: Mumbai
Dated: May 04, 2017

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 1 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the consolidated Ind AS financial statements for the year ended March 31, 2017.

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

We have audited the internal financial controls over financial reporting of **GODREJ PROPERTIES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate company and joint venture companies, incorporated in India, as at March 31, 2017 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

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

FARHAD M. BHESANIA
PARTNER
Membership Number 127355

Place: Mumbai
Dated: May 04, 2017

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

INR (in Crore)

Particulars	Note	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
Non Current Assets				
Property, Plant and Equipment	2	**74.79**	77.77	10.36
Capital Work-in-Progress	2	**0.01**	0.21	57.13
Goodwill		**0.04**	-	53.27
Other Intangible Assets	2	**27.23**	28.92	30.53
Intangible Assets Under Development	2	**0.02**	0.32	0.10
Investment In Joint Ventures And Associate	3	**81.40**	58.25	39.41
Financial Assets				
Investments	4	**312.36**	239.18	208.16
Loans	5	**74.72**	97.09	99.57
Other Non Current Financial Assets	6	**2.01**	4.18	7.33
Deferred Tax Assets (Net)	7(a)	**138.39**	122.26	124.16
Income Tax Assets (Net)	8	**136.32**	81.59	40.63
Other Non Current Non Financial Assets	9	**15.28**	15.28	15.28
Total Non Current Assets		**862.57**	725.05	685.93
Current Assets				
Inventories	10	**3,966.12**	3,923.08	3,787.11
Financial Assets				
Investments	11	**366.26**	366.51	542.76
Trade Receivables	12	**221.82**	171.88	179.10
Cash And Cash Equivalents	13	**73.82**	47.49	27.21
Bank Balances Other Than Above	14	**36.58**	58.15	58.75
Loans	15	**741.67**	525.79	536.55
Other Current Financial Assets	16	**730.41**	604.23	570.91
Other Current Non Financial Assets	17	**179.84**	156.28	186.79
Total Current Assets		**6,316.52**	5,853.41	5,889.18
TOTAL ASSETS		**7,179.09**	6,578.46	6,575.11
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	18	**108.18**	108.13	99.68
Other Equity	19	**1,895.55**	1,656.69	1,500.54
Non Controlling Interest	47	**-**	-	133.71
Total Equity		**2,003.73**	1,764.82	1,733.93
LIABILITIES				
Non Current Liabilities				
Financial Liabilities				
Borrowings	20	**474.75**	500.00	505.48
Trade Payables	21	**0.52**	-	1.42
Deferred Tax Liabilities (Net)	7(a)	**0.20**	-	-
Provisions	22	**6.71**	5.49	4.59
Total Non Current Liabilities		**482.18**	505.49	511.49
Current Liabilities				
Financial Liabilities				
Borrowings	23	**3,501.73**	2,617.46	2,628.21
Trade Payables	24	**467.89**	594.89	504.90
Other Current Financial Liabilities	25	**200.60**	424.99	542.87
Other Current Non Financial Liabilities	26	**510.49**	662.55	645.92
Provisions	27	**0.17**	0.14	1.29
Current Tax Liabilities (Net)	28	**12.30**	8.12	6.50
Total Current Liabilities		**4,693.18**	4,308.15	4,329.69
Total Liabilities		**5,175.36**	4,813.64	4,841.18
TOTAL EQUITY AND LIABILITIES		**7,179.09**	6,578.46	6,575.11
Accounting Policies	1			

The accompanying notes 1 to 52 form an integral part of the Financial Statements

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

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

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

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428

RAJENDRA KHETAWAT
Chief Financial Officer

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

INR (in Crore)

Particulars	Note	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
INCOME			
Revenue from Operations	29	**1,582.93**	2,122.61
Other Income	30	**125.42**	129.45
Total Income		**1,708.35**	2,252.06
EXPENSES			
Cost of Sales	31	**1,080.90**	1,734.16
Employee Benefits Expense	32	**47.53**	44.98
Finance Costs	33	**101.53**	40.57
Depreciation and Amortisation	2	**14.50**	14.19
Other Expenses	34	**204.10**	206.83
Total Expenses		**1,448.56**	2,040.73
Profit before share of profit/(loss) in Joint ventures and tax		**259.79**	211.33
Share of Profit/(Loss) of Joint Ventures (net of tax)	3	**24.71**	16.34
Profit before Tax		**284.50**	227.67
Tax Expense			
Current Tax	7 (b)	**109.77**	65.60
Deferred Tax	7 (a)	**(32.07)**	2.31
Profit for the Year		**206.80**	159.76
Other Comprehensive Income			
Items that will not be subsequently reclassified to profit or loss			
Remeasurements of the defined benefit plan		**(0.48)**	(0.94)
Tax on above	7 (c)	**0.16**	0.32
Items that will be reclassified to profit or loss			
Exchange difference in translating the financial statements of foreign operation		**(0.36)**	(0.01)
Total Comprehensive Income for the Year		**206.12**	159.13
Profit attributable to:			
Equity holders of Parent		**206.80**	158.56
Non Controlling Interest		**-**	1.20
Total Comprehensive attributable to:			
Equity holders of Parent		**206.12**	157.93
Non Controlling Interest		**-**	1.20
Earnings Per Equity Share (Amount in INR)			
Basic	35	**9.60**	7.56
Diluted	35	**9.55**	7.52
Accounting Policies	1		

The accompanying notes 1 to 52 form an integral part of the Financial Statements

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

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

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

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428

RAJENDRA KHETAWAT
Chief Financial Officer

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

a) Equity Share Capital

INR (in Crore)

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

b) Other Equity

INR (in Crore)

Particulars	Reserves and Surplus						Exchange differences on translating the financial statements of a foreign operation	Total Before Non Controlling Interest	Non Controlling Interest	Total
	Capital Reserve	Capital Reserve on Account of Amalgamation	Securities Premium	Employee Stock Grant Scheme Reserve	Retained Earnings	Treasury shares				
Balance as at April 1, 2015	-	-	1,693.28	4.72	(167.34)	(30.12)	-	1,500.54	133.71	1,634.25
Total Comprehensive Income for the year										
i) Adjustment arising on Amalgamation/ Conversion of Subsidiaries	-	132.62	-	-	(53.35)	-	-	79.27	-	79.27
ii) Additions during the year	-	-	3.84	2.99	(3.34)	-	-	3.49	(134.91)	(131.42)
iii) Utilisations during the year	-	-	(0.45)	(3.85)	-	-	-	(4.30)	-	(4.30)
iv) Adjustment towards Put Option Liability	-	-	-	-	(32.21)	-	-	(32.21)	-	(32.21)
v) Profit for the year	-	-	-	-	158.56	-	-	158.56	1.20	159.76
vi) Other Comprehensive Income	-	-	-	-	(0.62)	-	(0.01)	(0.63)	-	(0.63)
Total	-	132.62	1,696.67	3.86	(98.31)	(30.12)	(0.01)	1,704.71	-	1,704.71
Contributions and Distributions										
Dividends (including DDT)	-	-	-	-	(48.02)	-	-	(48.02)	-	(48.02)
Balance as at March 31, 2016	-	132.62	1,696.67	3.86	(146.33)	(30.12)	(0.01)	1,656.69	-	1,656.69
Total Comprehensive Income for the year										
i) Adjustment arising on Amalgamation/ Conversion of Subsidiaries	-	-	-	-	(2.44)	-	-	(2.44)	-	(2.44)
ii) Additions during the year	7.20	-	2.55	2.38	0.12	30.12	-	42.37	-	42.37
iii) Utilisations during the year	-	-	-	(2.55)	-	-	-	(2.55)	-	(2.55)
iv) Adjustment towards Put Option Liability	-	-	-	-	(4.65)	-	-	(4.65)	-	(4.65)
v) Profit for the year	-	-	-	-	206.80	-	-	206.80	-	206.80
vi) Other Comprehensive Income	-	-	-	-	(0.31)	-	(0.36)	(0.67)	-	(0.67)
Balance as at March 31, 2017	**7.20**	**132.62**	**1,699.22**	**3.69**	**53.19**	**-**	**(0.37)**	**1,895.55**	**-**	**1,895.55**

The accompanying notes 1 to 52 form an integral part of the Financial Statements

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

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

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

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428

RAJENDRA KHETAWAT
Chief Financial Officer

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

INR (in Crore)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Cash Flow from Operating Activities		
Profit before Taxation	**284.50**	227.67
Adjustment for:		
Depreciation and Amortisation	**14.50**	14.19
Finance Costs	**101.53**	40.57
(Profit) / Loss on sale of Property, Plant & Equipment and Intangible Assets (Net)	**(0.20)**	(0.02)
Assets Written Off	**0.00**	0.25
Provision for Doubtful Advances /(written back) (Net)	**-**	0.55
Share of (Profit) / Loss of Joint Ventures (net of tax)	**(24.71)**	(16.34)
Share Based Payments	**2.49**	2.98
Expenses of Amalgamation	**1.35**	3.90
Diminution in value of investments	**-**	0.00
Interest Income	**(102.39)**	(82.11)
Dividend Income	**-**	(0.00)
Income from Investment measured at FVTPL	**(21.77)**	(44.86)
Operating Profit before working capital changes	**255.30**	146.78
Adjustment for:		
Increase / (Decrease) in Non financial Liabilities	**(151.04)**	12.40
Increase / (Decrease) in Financial Liabilities	**(356.79)**	123.62
(Increase) / Decrease in Inventories	**171.61**	235.37
(Increase) / Decrease in Non financial Assets	**20.28**	89.07
(Increase) / Decrease in Financial Assets	**(345.33)**	(12.51)
	(661.27)	447.95
Taxes Paid (Net)	**(160.32)**	(104.94)
Net Cash Flow from Operating activities	**(566.29)**	489.79
Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment and Intangible Assets	**(9.42)**	(23.60)
Sale of Property, Plant & Equipment and Intangible Assets	**0.29**	0.09
Sale / (Purchase) of Investments	**(48.56)**	192.17
(Investment in) / Withdrawal from Joint Ventures	**1.56**	(2.50)
Expenses of Amalgamation	**(1.35)**	(0.47)
Interest Received	**71.59**	20.40
Dividend Received	**-**	0.00
Net Cash Flow from Investing Activities	**14.11**	186.09

INR 0.00 represents amount less than INR 50,000

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

INR (in Crore)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital (net of issue expenses)	**0.05**	0.08
Proceeds from / (Repayment of) Long Term Borrowings (net)	**(30.73)**	(196.68)
Proceeds from / (Repayment of) Short Term Borrowings (net)	**642.50**	98.54
Interest Paid	**(311.90)**	(408.29)
Proceeds from Sale of Treasury Shares	**34.82**	-
Payment of Dividend	**(0.00)**	(39.89)
Tax on Distributed Profits	**-**	(8.12)
Net Cash Flow from Financing Activities	**334.74**	(554.36)
Net Increase in Cash & Cash Equivalent	**(217.44)**	121.52
Cash & Cash Equivalent - Opening Balance	**36.68**	(89.39)
Acquired Pursuant to the Scheme of Amalgamation	**-**	4.55
Cash & Cash Equivalent - Closing Balance	**(180.76)**	36.68

Notes :

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

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

Particulars	March 31, 2017	March 31, 2016
Cash and Cash Equivalents (Refer Note 13)	**73.82**	47.49
Less: Bank Overdrafts repayable on Demand (Refer Note 23)	**254.56**	10.81
Cash and Cash Equivalents	**(180.76)**	36.68

2. The above Statement of Cash Flow include INR 2.86 Crore (Previous Year 2016: INR 2.05 Crore) towards Corporate Social Responsibility (CSR) activities (Refer Note 45).

INR 0.00 represents amount less than INR 50,000

The accompanying notes 1 to 52 form an integral part of the Financial Statements

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

For and on behalf of the Board

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

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

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428

RAJENDRA KHETAWAT
Chief Financial Officer

Note 1

Basis of accounting and preparation of Consolidated Financial Statements

a) Group Overview

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

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

b) Basis of accounting

The financial statements of the subsidiaries, jointly controlled entities and associate used in the consolidation are drawn upto the same reporting date as that of the Company, i.e. March 31, 2017.

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

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

c) Operating cycle

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed & realisation of project into cash & cash equivalents and range from 3 to 7 years. Accordingly project related assets & liabilities have been classified into current & non current based on operating cycle of respective projects. All other assets and liabilities have been classified into current and non current based on a period of twelve months.

d) Functional and Presentation Currency

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

e) Use of Estimates and Judgements

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

i) Evaluation of percentage completion

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

ii) Evaluation of control

The assessment as to whether the Group exercises control, joint control or significant influence over the entities in which it holds less than 100 percent voting rights.

The Group makes assumptions, when assessing whether it exercises control, joint control or significant influence over entities in which it holds less than 100 percent of the voting rights. These assumptions are made based on the contractual rights with the other shareholders, relevant facts and circumstances which indicate that the Group has power over the potential subsidiary or that joint control exists. Changes to contractual arrangements or facts and circumstances are monitored and are evaluated to determine whether they have a potential impact on the assessment as to whether the Group is exercising control over its investment.

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

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

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

iv) Recognition and measurement of defined benefit obligations

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

v) Share based Payments

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

vi) Fair value measurement of financial instruments

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

f) Standards issued but not yet effective

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

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

g) Measurement of fair values

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

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

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

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

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

Significant Accounting Policies

a) Basis of Consolidation

i) Business combination

- The Group accounts for each business combination (other than common control transactions) by applying the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.
- The Group measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (measured at fair value) of the identifiable assets acquired and liabilities (including contingent liabilities in case such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably) assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognised as capital reserve.
- Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to settlement of pre-existing relationships.
- Transaction costs that the Group incurs in connection with a business combination are expensed as incurred.
- On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- Put options issued to non-controlling interests are recognised as a liability and the subsequent changes in the put option are recognised directly in reserves.
- Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders. The difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.
- Common control transactions are accounted for based on pooling of interests method where the assets and liabilities of the acquiree are recorded at their existing carrying values, the identity of reserves of the acquiree is preserved and the difference between consideration and the face value of the share capital of the acquiree is adjusted with capital reserves.

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

ii) Subsidiaries

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Group is exposed to, or has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the consolidated statement of Profit & Loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost and the differential is recognised in Statement of profit or loss. Subsequently, it is accounted for as an equity-accounted investee depending on the level of influence retained.

iii) Associates and jointly controlled entities (equity accounted investees)

Associates are those entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entities but is not control or joint control of those policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity.

Joint arrangements are those arrangements over which the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Investments in associates and jointly controlled entities are accounted for using the equity method (equity accounted investees) and are initially recognised at cost. The carrying value of the Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The Group does not consolidate entities where the non-controlling interest ("NCI") holders have certain significant participating rights that provide for effective involvement in significant decisions in the ordinary course of business of such entities. Investments in such entities are accounted by the equity method of accounting. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the

Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in full while preparing these consolidated financial statements. Unrealised gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

v) Acquisition of non-controlling interests

Acquisition of some or all of the non-controlling interest ("NCI") is accounted for as a transaction with equity holders in their capacity as equity holders. Consequently, the difference arising between the fair value of the purchase consideration paid and the carrying value of the NCI is recorded as an adjustment to retained earnings that is attributable to the parent company. The associated cash flows are classified as financing activities. No goodwill is recognised as a result of such transactions.

b) Property, Plant and Equipment & Depreciation

i) Recognition and Measurement

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

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

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

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

ii) Subsequent expenditure

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

iii) Depreciation

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

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

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

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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

c) Intangible Assets

i) Recognition and Measurement:

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

- its purchase price, including import duties and non-refundable purchase

  taxes, after deducting trade discounts and rebates; and

- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ii) Subsequent Expenditure

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

iii) Amortisation

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

Trademark is amortised over a period of 20 years.

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

d) Impairment of Non Financial Assets

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

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

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

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

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

e) Foreign currency transactions/translations

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Group at exchange rates at the dates of the transactions.

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

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

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

In case of foreign operations whose functional currency is different from the parent company's functional currency, the assets and liabilities of such foreign operations, including goodwill and fair value adjustments arising upon acquisition, are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the average exchange rates prevailing during the year. Resulting foreign currency differences are recognised in other comprehensive income/ (loss) and presented within equity as part of FCTR. When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to the consolidated income statement.

f) Financial instruments

I) Financial Assets

i) Classification

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

ii) Initial recognition and measurement

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

iii) Subsequent measurement

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

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

iv) Debt instruments at amortised cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Debt instruments at Fair Value through Profit or Loss

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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

v) Equity investments

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

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

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

vi) Derecognition

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

- The rights to receive cash flows from the asset have expired, or

- the Group has transferred substantially all the risks and rewards of the asset, or
- the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

vii) Impairment of financial assets

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

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

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss at each reporting date, right from its initial recognition.

II Financial Liabilities

i) Classification

The Group classifies all financial liabilities as subsequently measured at amortised cost.

ii) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

iii) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transactions costs. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to loans and borrowings.

iv) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

v) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

III. Share Capital

i) Ordinary equity shares

Incremental costs directly attributable to the issue of ordinary equity shares, are recognised as a deduction from equity.

ii) Treasury shares

The group has created an Employee Stock Options Trust (ESOP) for providing share-based payment to its employees. The group uses ESOP as a vehicle for distributing shares to employees under the employee remuneration schemes. The ESOP buys shares of the company from the market, for giving shares to employees. The group treats ESOP as its extension and shares held by ESOP are treated as treasury shares.

Treasury shares are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting period are deducted from treasury shares.

g) Inventories

Inventories comprising of completed flats and construction Work-in-Progress are valued at lower of cost or net realisable value.

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

h) Revenue Recognition

The Group is following the "Percentage of Completion Method" of accounting. As per this method, revenue from sale of properties is recognised in Statement of Profit & Loss in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the Group on transfer of significant risk and rewards to the buyer.

In accordance with the "Guidance Note on Accounting for Real Estate Transactions" (for entities to whom Ind AS is applicable), construction revenue on such projects, measured at the fair value (i.e. adjusted for discounts, incentives, time value of money adjustments etc.), have been recognised on percentage of completion method provided the following thresholds have been met:

i) All critical approvals necessary for the commencement of the project have been obtained;

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

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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

iv) At least 10 percent of the contract consideration is realised at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

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

The Group has been entering into Development & Project Management agreements with land-owners. Accounting for income from such projects, measured at fair value, is done on accrual basis as per the terms of the agreement.

Group receives maintenance amount from the customers and utilises the same towards the maintenance of the respective projects. Revenue is recognised to the extent of maintenance expenses incurred by the Group towards maintenance of respective projects. Balance amount of maintenance expenses to be incurred is reflected as liability under the head other current liabilities.

Interest income is accounted on an accrual basis at effective interest rate.

Dividend income including share of profit in LLP is recognised when the right to receive the same is established.

i) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity or in OCI.

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

- has a legally enforceable right to set off the recognised amounts; and
- Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (including those arising from consolidation adjustments such as unrealised profit on inventory etc.).

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and
- The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

j) Employee Benefits

i) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, after discounting the same.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in Consolidated Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Consolidated Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

ii) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurement are recognised in Consolidated Statement of Profit and Loss in the period in which they arise.

k) Share-based payment transactions

Employees Stock Options Plans ("ESOPs") and Employee Stock Grant Scheme ("ESGS"): The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "Employee stock grant scheme reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

l) Leases

i) Finance Lease

Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

ii) Operating Lease

Agreements which are not classified as finance leases are considered as operating lease.

Operating lease payments/income are recognised as an expense/income in the statement of profit or loss on a straight line basis over the lease term.

m) Borrowing Cost

Borrowing costs are interest and other costs that the Group incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

Borrowing costs, pertaining to development of long term projects, are transferred to Construction work in progress, as part of the cost of the projects upto the time all the activities necessary to prepare these projects for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period which they are incurred.

n) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

o) Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

p) Provisions and Contingent Liabilities

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the Notes. Contingent liabilities are disclosed for

i) possible obligations which will be confirmed only by future events not wholly within the control of the Group or

ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the Consolidated Financial Statements.

q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

r) Transition to Ind AS

As stated in Note b, the Group's consolidated financial statements for the year ended March 31, 2017 are the first annual consolidated financial statements prepared in compliance with Ind AS.

The adoption of Ind AS was carried out in accordance with Ind AS 101, using April 1, 2015 as the transition date. Ind AS 101 requires that all Ind AS standards that are effective for the first Ind AS Consolidated Financial Statements for the year ended March 31, 2017, be applied consistently and retrospectively for all fiscal years presented.

All applicable Ind AS have been applied consistently and retrospectively wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the consolidated financial statements under both Ind AS and Previous GAAP as of the Transition Date have been recognised directly in equity at the Transition Date.

In preparing these consolidated financial statements, the Group has availed certain exemptions and exceptions in accordance with Ind AS 101 as explained below:

i) Exemptions from retrospective application:

- Business combination exemption: The Group has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, "Business Combinations" to business combinations consummated prior to the date of transition (April 1, 2015). Pursuant to this exemption, goodwill arising from business combination has been stated at the carrying amount under Previous GAAP.
- Share-based payment exemption: The Group has elected to apply the share based payment exemption available under Ind AS 101 on application of Ind AS 102, "Share Based Payment", to grants which remain unvested on April 1, 2015.
- Property, plant and equipment and intangibles exemption: The Group has elected to apply the exemption available under Ind AS 101 to continue the carrying value for all of its property, plant and equipment, investment properties and intangibles as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (April 1, 2015).
- The following requirements of Ind AS 110 are applied prospectively from the date of transition to Ind AS (provided that Ind AS 103 is not applied retrospectively to past business combinations):
  - To attribute total comprehensive income to non-controlling interests irrespective of whether this results in a deficit balance
  - To treat changes in a parents ownership interest as equity transactions
  - To apply Ind AS 110 to loss of control of a subsidiary

ii) Reconciliations: The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

- equity as at April 1, 2015;
- as at March 31, 2016;
- total comprehensive income for the year ended March 31, 2016; and
- cash flow statement as on March 31, 2016.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 2 Property, Plant & Equipment and Other Intangible Assets

INR (in Crore)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2016	Additions during the year	Deductions during the year	As at March 31, 2017	Upto March 31, 2016	For the year	Deductions	Upto March 31, 2017	As at March 31, 2017	As at March 31, 2016
a) Property, Plant & Equipment										
Land	0.06	-	-	0.06	-	-	-	-	0.06	0.06
Building	59.12	0.87	-	59.99	2.66	2.70	-	5.36	54.63	56.46
Leasehold Improvements	7.97	0.61	0.86	7.72	1.65	1.68	0.87	2.46	5.26	6.32
Office Equipment	2.93	0.60	0.02	3.51	0.92	0.99	0.01	1.91	1.60	2.01
Site Equipments	-	0.63	-	0.63	-	0.05	-	0.05	0.59	-
Furniture & Fixtures	9.95	0.56	0.01	10.50	1.99	2.18	0.00	4.16	6.33	7.96
Computers	6.51	3.39	0.12	9.78	3.07	2.94	0.09	5.92	3.86	3.44
Vehicles	2.08	2.00	0.47	3.61	0.89	0.92	0.42	1.38	2.22	1.20
Electrical Installations and Equipments	0.44	-	-	0.44	0.12	0.08	-	0.20	0.24	0.32
Total Property Plant & Equipment	**89.06**	**8.66**	**1.48**	**96.24**	**11.30**	**11.54**	**1.39**	**21.44**	**74.79**	**77.77**
b) Other Intangible Assets										
Licences & Software	7.14	1.26	-	8.40	1.39	1.61	-	3.00	5.40	5.75
Trade Mark	24.52	-	-	24.52	1.35	1.35	-	2.70	21.83	23.17
Total Other Intangible Assets	**31.66**	**1.26**	**-**	**32.92**	**2.74**	**2.96**	**-**	**5.70**	**27.23**	**28.92**
c) Capital Work-in-progress									0.01	0.21
d) Intangible Assets under Development									0.02	0.32

INR (in Crore)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2015 (Refer Note (i) below)	Additions during the year	Deductions during the year	As at March 31, 2016	Upto April 1, 2015	For the year	Deductions	Upto March 31, 2016	As at March 31, 2016	As at April 1, 2015
e) Property, Plant & Equipment										
Land	0.06	-	-	0.06	-	-	-	-	0.06	0.06
Building	1.32	57.80	-	59.12	-	2.66	-	2.66	56.46	1.32
Leasehold Improvements	1.67	6.30	-	7.97	-	1.65	-	1.65	6.32	1.67
Office Equipment	0.97	2.14	0.17	2.93	-	0.99	0.06	0.92	2.01	0.97
Site Equipments	-	-	-	-	-	-	-	-	-	-
Furniture & Fixtures	2.40	7.76	0.22	9.95	-	2.05	0.06	1.99	7.96	2.40
Computers	2.69	3.84	0.02	6.51	-	3.08	0.01	3.07	3.44	2.69
Vehicles	1.25	0.88	0.05	2.08	-	0.90	0.01	0.89	1.20	1.25
Electrical Installations and Equipment	-	0.44	-	0.44	-	0.12	-	0.12	0.32	-
Total Property Plant & Equipment	**10.36**	**79.16**	**0.46**	**89.06**	**-**	**11.45**	**0.14**	**11.30**	**77.77**	**10.36**

INR 0.00 represents amount less than INR 50,000

INR (in Crore)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2015 (Refer Note (i) below)	Additions during the year	Deductions during the year	As at March 31, 2016	Upto April 1, 2015	For the year	Deductions	Upto March 31, 2016	As at March 31, 2016	As at April 1, 2015
f) Other Intangible Assets										
Licenses & Software	6.01	1.13	-	7.14	-	1.39	-	1.39	5.75	6.01
Trade Mark	24.52	-	-	24.52	-	1.35	-	1.35	23.17	24.52
Total Other Intangible Assets	**30.53**	**1.13**	**-**	**31.66**	**-**	**2.74**	**-**	**2.74**	**28.92**	**30.53**
g) Capital Work-in-progress									**0.21**	**57.13**
h) Intangible Assets under Development									**0.32**	**0.10**

Refer Note 23(a) & (b) for details of Fixed Assets pledged

Note (i): Table showing information regarding gross block of assets and accumulated depreciation and amortisation of Property, Plant and Equipment and Intangible Assets under Indian GAAP as on April 1, 2015 which is adjusted as the Gross block under Ind AS as on April 1, 2015

Particulars	As at April 1, 2015 INR (in Crore)		
	Gross Block (At Cost)	Accumulated Depreciation & Amortisation	Net Block
Property, Plant and Equity			
Land	0.06	-	0.06
Building	1.70	0.38	1.32
Leasehold Improvement	7.13	5.46	1.67
Office Equipment	4.26	3.29	0.97
Site Equipments	0.02	0.02	-
Furniture & Fixtures	6.04	3.64	2.40
Computer	7.66	4.97	2.69
Vehicles	3.95	2.70	1.25
	30.83	**20.47**	**10.36**
Other Intangible assets			
Licenses & Software	12.54	6.53	6.01
Trade Mark	27.00	2.48	24.52
	39.54	**9.01**	**30.53**
Total	**70.37**	**29.48**	**40.89**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 3 Investment In Joint Ventures and Associate

The Group does not have any material Joint Ventures and Associate. Aggregate information for Investments in Joint Ventures and Associate that are not material to the Group are as under:

a) Details of Joint Ventures:

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Carrying amount of Investment in Joint Ventures	**81.39**	58.24	39.41
Summarised Statement of Profit and Loss account			
Profit for the year	**60.84**	46.54	-
Other Comprehensive Income for the year	**-**	-	-
Total comprehensive Income (100%)	**60.84**	46.54	-
Share of Profit of Joint Ventures	**24.71**	16.34	-

b) Details of Associate

(INR in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Carrying amount of Investment in Associate	**0.00**	0.00	0.00
Summarised Statement of Profit and Loss account			
Profit for the year	**-**	-	-
Other Comprehensive Income for the year	**-**	-	-
Total Comprehensive Income (100%)	**-**	-	-
Share of Profit of Associate	**-**	-	-

Note 4 Investments

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
a) Investment in Debentures of Joint Ventures (Fully Paid) (at Amortised Cost)			
2,989,095 (Previous Year 2016: 2,989,095; Previous Year 2015: 2,989,095), 1% Secured Redeemable optionally Convertible Debentures of INR 10/- each of **Godrej Realty Private Limited**	**2.99**	2.99	2.99
307,833 (Previous Year 2016: 307,833; Previous Year 2015: 307,833), 17.45% Compulsorily Convertible Debentures Class B of INR 1,000/- each of **Wonder City Buildcon Private Limited**	**31.94**	30.59	30.48
365,541 (Previous Year 2016: 353,618; Previous Year 2015: 353,618), 17.45% Compulsorily Convertible Debentures of INR 1,000/- each of **Wonder Space Properties Private Limited**	**37.52**	35.40	34.84
413,949 (Previous Year 2016: 413,949; Previous Year 2015: Nil), 17.45% Compulsorily Convertible Debentures of INR 1,000/- each of **Godrej Home Constructions Private Limited**	**41.34**	41.23	-
843,736 (Previour Year 2016: 843,736; Previous Year 2015: 611,182), 17.45% Unsecured Compulsorily Convertible Debentures of INR. 1000/- each of **Godrej Redevelopers (Mumbai) Private Limited**	**85.71**	85.33	60.49

INR 0.00 represents amount less than INR 50,000

Note 4 Investments INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
1,513,328 (Previous Year 2016: 4,364,039; Previous Year 2015: 7,936,120) 10% Secured Cumulative Optionally Convertible Debentures (Class-A) of INR. 100/- each of **Godrej Landmark Redevelopers Private Limited**	**15.16**	43.64	79.36
133,019 (Previous Year 2016: Nil; Previous Year 2015: Nil), 17.45% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each of **Wonder Projects Development Private Limited**	**13.30**	-	-
674,975 (Previous Year 2016: Nil; Previous Year 2015: Nil) 17 % Unsecured Compulsorily Convertible Debentures of INR. 1000/- each of **Pearlite Real Properties Private Limited**	**67.50**	-	-
33,440 (Previous Year 2016: Nil; Previous Year 2015: Nil) 17 % Unsecured Compulsorily Convertible Debentures of INR.1000/- each of **Godrej Real View Deveopers Private Limited**	**3.34**	-	-
136,880 (Previous Year 2016: Nil; Previous Year 2015: Nil) 17.45% Unsecured Compulsorily Convertible Debentures of INR 1000/- each of **Godrej Greenview Housing Private Limited**	**13.55**	-	-
b) Investment in Fully paid up Equity Instruments (at Fair Value through Profit or Loss)			
(i) Quoted Investments			
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **Alacrity Housing Limited**	**-**	-	0.00
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **Ansal Buildwell Limited**	**0.00**	0.00	0.00
300 (Previous Year 2016: 300; Previous Year 2015: 300) of INR 10/- each of **Ansal Housing & Construction Limited**	**0.00**	0.00	0.00
600 (Previous Year 2016: 600; Previous Year 2015: 600) Equity Shares of INR 5/- each of **Ansal Properties & Infrastructure Limited**	**0.00**	0.00	0.00
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **Lok Housing & Construction Limited**	**0.00**	0.00	0.00
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **Global Infrastructure & Technologies Limited**	**-**	-	0.00
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **Premier Energy & Infrastructure Limited**	**0.00**	0.00	0.00

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 4 Investments

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **D.S. Kulkarni Developers Limited**	**0.00**	0.00	0.00
13,000 (Previous Year 2016: 13,000; Previous Year 2015: 13,000) Equity Shares of INR 2/- each of **Unitech Limited**	**0.00**	0.00	0.00
72 (Previous Year 2016: 72; Previous Year 2015: 72) Equity Shares of INR 10/- each of **The Great Eastern Shipping Company Limited**	**0.00**	0.00	0.00
18 (Previous Year 2016: 18; Previous Year 2015: 18) Equity Shares of INR 10/- each of **GOL Offshore Limited**	**0.00**	0.00	0.00
100 (Previous Year 2016: 100; Previous Year 2015: 100) Equity Shares of INR 10/- each of **Radhe Developers (India) Limited**	**0.00**	0.00	0.00
23,700 (Previous Year 2016: 23,700; Previous Year 2015: 23,700) Equity Shares of INR 10/- each of **United Textiles Limited**	**0.00**	0.00	0.00
(ii) Unquoted Investments			
1,000 (Previous Year 2016: 1,000; Previous Year 2015: 1,000) Equity Shares of INR 10/- each of **Saraswat Co-operative Bank Limited**	**0.00**	0.00	0.00
25,000 (Previous Year 2016: 25,000; Previous Year 2015: 25,000) Equity Shares of INR 10/- each of **AB Corp Limited**	**0.00**	0.00	0.00
	312.36	239.18	208.16
Aggregate Amount of Quoted Investments & Market Value there of	**0.00**	0.00	0.00

Note 5 Loans (Non Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Secured			
Deposits - Projects (Refer Note (a) below)	**74.72**	97.08	99.35
Unsecured, Considered Good			
Deposits - Projects	**0.00**	-	-
Loans and Advances to Others	**-**	0.01	0.22
	74.72	97.09	99.57

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

INR 0.00 represents amount less than INR 50,000

Note 6 Other Non Current Financial Assets

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Deposit With Banks (Refer Note (a) below)	**0.78**	1.04	0.34
Deposits - Others	**1.14**	3.05	6.25
Interest Accrued	**-**	0.09	-
Expenses Recoverable	**0.09**	-	0.74
	2.01	4.18	7.33

(a) (i) Includes INR 0.76 Crore (Previous Year 2016: INR 0.71 Crore; Previous Year 2015: Nil) received from flat buyers and held in trust on their behalf in a corpus fund.

(ii) Includes INR 0.01 Crore (Previous Year 2016: INR 0.33 Crore; Previous Year 2015: INR 0.34 Crore) held as margin money and lien marked for issuing bank guarantee.

Note 7 Deferred Tax Assets / Liabilities and Tax Expense

a) Movement in Deferred Tax balances

INR (in Crore)

Particulars	**Net balance March 31, 2016**	**Movement during the year**			**As at March 31, 2017**		
		Recognised in profit or loss	**Recognised in Equity**	**Others**	**Net**	**Deferred Tax Asset**	**Deferred Tax Liability**
Deferred Tax Asset/ (Liabilities)							
Property, plant and equipment	(3.30)	(1.01)	-	-	(4.31)	(4.31)	-
Inventories	102.76	(8.86)	-	-	93.90	94.10	0.20
Employee benefits	1.94	0.43	0.16	-	2.53	2.53	-
Equity-settled Share-Based Payments	0.26	1.02	-	-	1.28	1.28	-
Unused Tax Credit	17.42	-	-	(17.42)	-	-	-
Other items	3.18	40.49	1.12	-	44.80	44.80	-
Deferred Tax Assets / (Liabilities)	**122.26**	**32.07**	**1.29**	**(17.42)**	**138.19**	**138.39**	**0.20**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

INR (in Crore)

Particulars	Net balance April 1, 2015	Movement during the year			As at March 31, 2016		
		Recognised in profit or loss	Recognised in Equity	Others	Net	Deferred Tax Asset	Deferred Tax Liability
Deferred Tax Asset/ (Liabilities)							
Property, plant and equipment	(1.83)	(1.47)	-	-	(3.30)	(3.30)	-
Inventories	119.46	(16.70)	-	-	102.76	102.76	-
Employee benefits	1.77	(0.16)	0.32	-	1.94	1.94	-
Equity-settled Share-Based Payments	2.45	(2.28)	0.09	-	0.26	0.26	-
Unused Tax Credit	9.09	8.33	-	-	17.42	17.42	-
Other items	(6.79)	9.97	-	-	3.18	3.18	-
Deferred Tax Assets / (Liabilities)	124.16	(2.31)	0.41	-	122.26	122.26	-

b) Amounts recognised in profit and loss

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Current Income Tax	**109.77**	65.60
Deferred Income Tax (Net)		
Origination and Reversal of Tax on Temperorary Differences	**(32.07)**	2.31
Tax expense for the year	**77.70**	67.91

c) Amounts recognised in Other Comprehensive Income

INR (in Crore)

Particulars	For the Year Ended March 31, 2017			For the Year Ended March 31, 2016		
	Before Tax	Tax (Expense) / Benefit	Net of Tax	Before Tax	Tax (Expense) / Benefit	Net of Tax
Remeasurements of defined benefit Liability	**(0.48)**	**0.16**	**(0.31)**	(0.94)	0.32	(0.61)
	(0.48)	**0.16**	**(0.31)**	(0.94)	0.32	(0.61)

d) Amounts recognised in Equity

During the Year Amount recognised in equity relates to Share Issue Expenses amounting to INR 1.12 Crore and in previous year it relates to Shares Based payments amounting to INR 0.09 Crore.

e) Reconciliation of effective tax rate

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Profit before tax	**284.50**	227.67
Tax using the Company's domestic tax rate	**98.46**	78.79
Tax effect of:		
Difference in Rate of Subsidiaries	**0.41**	0.00
Non-deductible expenses	**0.59**	6.14
Tax-exempt income	**0.00**	0.00
Change in recognised deductible temporary differences	**(6.49)**	(10.37)
Adjustment for tax of prior years	**3.26**	(4.00)
Unabsorbed Losses	**(9.94)**	(8.04)
Share of profit of joint venture	**(10.35)**	7.65
Other Adjustments	**1.76**	(2.28)
Tax expense recognised	**77.70**	67.91

f) As on April 1 2015, the Company has proposed dividend of INR 39.91 Crore. The corresponding dividend distribution tax to that extent of INR 8.12 Crore has not been recognised as a liability.

g) As at March 31, 2017, undistributed earning of Subsidiaries and Joint ventures amounted to INR 341.97 Crore (Previous Year 2016: INR 276.27 Crore Previous Year 2015: INR 157.65 Crore.) The corresponding deferred tax liability is not recognised because the Company controls the dividend policy of its subsidiaries and is able to veto the payment of dividends of its joint ventures i.e. the Company controls the timing of reversal of the related taxable temporary differences and management is satisfied that they will not reverse in the foreseeable future.

Note 8 Income Tax Assets (Net)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Advance Tax & Tax Deducted At Source (Net)	**136.32**	81.59	40.63
	136.32	81.59	40.63

Note 9 Other Non Current Non Financial Assets

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Capital Advance	**15.28**	15.28	15.28
	15.28	15.28	15.28

Note 10 Inventories

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Finished Goods (Refer Note (a) below)	**56.74**	56.74	46.16
Construction Work in Progress	**3,909.38**	3,866.34	3,740.95
	3,966.12	3,923.08	3,787.11

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

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

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

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 11 Investments (Current)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Quoted			
Investment in Mutual Funds carried at Fair Value through Profit or Loss	**366.26**	366.51	542.76
	366.26	366.51	542.76
Aggregate Amount of Quoted Investments & Market Value thereof	**366.26**	366.51	542.76

Note 12 Trade Receivables

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Unsecured, Considered Good	**221.82**	171.88	179.10
	221.82	171.88	179.10

Note 13 Cash and Cash Equivalents

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Balance With Banks			
on Current Accounts	**44.32**	32.97	16.76
on Fixed Deposit Accounts	**26.57**	11.86	9.64
Cash On Hand	**0.04**	0.04	0.03
Cheques On Hand	**2.89**	2.62	0.78
	73.82	47.49	27.21

Note 14 Bank Balances other than above

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Balance With Banks			
on Current Accounts (Refer Note (a) below)	**0.05**	0.05	0.04
on Fixed Deposit Accounts (Refer Note (b) below)	**36.53**	58.10	58.71
	36.58	58.15	58.75

(a) Balances with Banks in current accounts include INR 0.05 Crore (Previous Year 2016: INR 0.05 Crore; Previous Year 2015: INR 0.04 Crore) is on account of earmarked balance for unclaimed dividend.

(b) Includes:

(i) INR 3.15 Crore (Previous Year 2016: INR 3.14 Crore; Previous Year 2015: INR 3.80 Crore) received from flat buyers and held in trust on their behalf in a corpus fund.

(ii) Deposits held as Deposit Repayment Reserve amouting to INR 1.15 Crore (Previous Year 2016: INR 31 Crore; Previous Year 2015: INR 22 Crore)

(iii) Fixed deposits held as margin money and lien marked for issuing bank guarantee of INR 9.53 Crore (Previous Year 2016: INR 4.99 Crore; Previous Year 2015: INR 2.56 Crore)

Note 15 Loans (Current)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Secured			
Deposits - Projects (Refer Note (a) below)	**169.54**	183.53	207.00
Unsecured, Considered Good			
Loans and Advances to Related Parties	**536.96**	296.23	280.78
Loans and Advances to Others	**14.08**	21.60	19.49
Loan To GIL ESOP Trust	**-**	4.04	5.10
(Net of provision for doubtful loan of INR Nil (Previous Year 2016: INR 0.46 Crore, Previous Year 2015: INR 0.46 Crore)			
Others	**21.09**	20.39	24.18
	741.67	525.79	536.55

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

Note 16 Other Current Financial Assets

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Deposits - Others	**43.02**	40.30	33.19
Unbilled Revenue	**518.23**	452.32	485.64
Interest Accrued	**139.84**	111.57	52.04
Others	**29.32**	0.04	0.04
	730.41	604.23	570.91

Note 17 Other Current Non Financial Assets

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Balances with Government Authorities	**79.90**	57.67	48.45
Advance to Suppliers & Contractors (Refer Note (a) below)	**59.56**	67.86	91.04
Capital Advance	**4.48**	1.00	-
Others	**35.90**	29.75	47.30
	179.84	156.28	186.79

(a) Advances to Suppliers and Contractors include advances amounting to INR 30.09 Crore (Previous Year 2016: 17.7 Crore; Previous Year 2015: 49.02 Crore) secured against Bank Guarantee.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 18 Equity Share Capital

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
a) Authorised			
538,000,000 Equity Shares of INR 5/- each (Previous Year 2016: 538,000,000 Equity Share of INR 5/- each; Previous Year 2015: 234,000,000 Equity Share of INR 5/- each)	**269.00**	269.00	117.00
	269.00	269.00	117.00
b) Issued, Subscribed & Paid Up			
216,364,692 Equity Shares of INR 5/- each (Previous Year 2016: 216,260,366 Equity Shares of INR 5/- each; Previous Year 2015: 199,357,788 Equity Shares of INR 5/- each) fully paid up	**108.18**	108.13	99.68
	108.18	108.13	99.68

c) During the year, the Company has issued 104,326 equity shares (Previous Year 2016: 156,816 equity shares; Previous Year 2015: 123,758 equity shares) under the Employee Stock Grant Scheme.

d) Reconciliation of number of shares outstanding at the beginning and end of the year :

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of Shares	**INR (in Crore)**	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
Equity Shares						
Outstanding at the beginning of the year	**216,260,366**	**108.13**	199,357,788	99.68	199,234,030	99.62
Issued during the year	**104,326**	**0.05**	16,902,578	8.45	123,758	0.06
Outstanding at the end of the year	**216,364,692**	**108.18**	216,260,366	108.13	199,357,788	99.68

e) Shareholding Information

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Equity Shares are held by			
Godrej Industries Limited (Holding Company)	**122,681,066**	122,681,066	112,450,304
Godrej & Boyce Manufacturing Company Limited (Ultimate Holding Company upto March 29, 2017)	**10,650,688**	10,650,688	9,395,688
Ensemble Holdings & Finance Limited (Subsidiary of Holding Company)	**1,382,310**	1,382,310	1,382,310

f) Rights, preferences and restrictions attached to Equity shares

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

g) Equity Shares allotted as fully paid up shares other than cash

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
Equity Share:						
Godrej Industries Limited	-	-	16,745,762	8.37	-	-

h) Shareholders holding more than 5% shares in the company

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Equity Share:						
Godrej Industries Limited	122,681,066	56.70%	122,681,066	56.73%	112,450,304	56.41%

i) Equity Shares Reserved for Issue Under Options

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
(i) 19,446 Employee Stock Grants eligible for 19,446 equity shares of INR 5/- each vesting on May 31, 2015	-	-	-	-	19,446	0.01
(ii) 230 Employee Stock Grants eligible for 230 equity shares of INR 5/- each vesting on October 31, 2015	-	-	-	-	230	0.00
(iii) 240 Employee Stock Grants eligible for 240 equity shares of INR 5/- each vesting on January 31, 2016	-	-	-	-	240	0.00
(iv) 30,422 Employee Stock Grants eligible for 30,422 equity shares of INR 5/- each vesting on May 31, 2016	-	-	30,422	0.02	74,966	0.04
(v) 29,294 Employee Stock Grants eligible for 29,294 equity shares of INR 5/- each vesting on May 31, 2017	29,294	0.01	84,165	0.04	161,193	0.08
(vi) 40,000 Employee Stock Grants eligible for 40,000 equity shares of INR 5/- each vesting on May 31, 2015	-	-	-	-	40,000	0.02
(vii) 769 Employee Stock Grants eligible for 769 equity shares of INR 5/- each. vesting on October 31, 2017	769	0.00	1,537	0.00	2,305	0.00
(viii) 50,432 Employee Stock Grants eligible for 50,432 equity shares of INR 5/- each. Out of which 25,219 is vesting on May 31, 2017 and 25,213 is vesting on May 31, 2018	50,432	0.03	109,273	0.05	-	-
(ix) 13,908 Employee Stock Grants eligible for 13,908 equity shares of INR 5/- each. Out of which 6,954 is vesting on May 31, 2017 and 6,954 is vesting on May 31, 2018	13,908	0.01	20,862	0.01	-	-

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of Shares	**INR (in Crore)**	No. of Shares	INR (in Crore)	No. of Shares	INR (in Crore)
(x) 2,073 Employee Stock Grants eligible for 2,073 equity shares of INR 5/- each. Out of which 1,036 is vesting on August 31, 2017 and 1,037 is vesting on August 31, 2018	**2,073**	**0.00**	6,218	0.00	-	-
(xi) 1,413 Employee Stock Grants eligible for 1,413 equity shares of INR 5/- each. Out of which 707 is vesting on January 1, 2018 and 706 is vesting on January 1, 2019	**1,413**	**0.00**	2,120	0.00	-	-
(xii) 113,423 Employee Stock Grants eligible for 113,423 equity shares of INR 5/- each. Out of which 37,813 is vesting on June 1, 2017, 37,808 is vesting on June 1, 2018 and 37,802 is vesting on June 1, 2019	**113,423**	**0.06**	-	-	-	-
(xiii) 2,612 Employee Stock Grants eligible for 2,612 equity shares of INR 5/- each. Out of which 870 is vesting on January 1, 2018, 871 is vesting on January 1, 2019 and 871 is vesting on January 1, 2020	**2,612**	**0.00**	-	-	-	-
(xiv) 613 Employee Stock Grants eligible for 613 equity shares of INR 5/- each. Out of which 205 is vesting on March 1, 2018, 204 is vesting on March 1, 2019 and 204 is vesting on March 1, 2020	**613**	**0.00**	-	-	-	-

Note 19 Other Equity

(INR in Crore)

Particulars	March 31, 2017	March 31, 2016
a) Capital Reserve (Refer Note (i) below)		
Opening Balance	**-**	-
Additions during the year	**7.20**	-
Closing Balance	**7.20**	-
b) Capital Reserve on Account of Amalgamation (Refer Note (ii) below)		
Opening Balance	**132.62**	-
Additions during the year	**-**	132.62
Closing Balance	**132.62**	132.62
c) Securities Premium (Refer Note (iii) below)		
Opening Balance	**1,696.67**	1,693.28
Additions during the year	**2.55**	3.84
Utilisations during the Year	**-**	(0.45)
Closing Balance	**1,699.22**	1,696.67

INR 0.00 represents amount less than INR 50,000

(INR in Crore)

Particulars	March 31, 2017	March 31, 2016
d) Employee Stock Grant Scheme Reserve (Refer Note (iv) below)		
Opening Balance	**3.86**	4.72
Additions during the year	**2.38**	2.99
Utilisations during the year	**(2.55)**	(3.85)
Closing Balance	**3.69**	3.86
e) Retained Earnings		
Opening Balance	**(146.33)**	(167.34)
Additions during the year	**0.12**	(3.34)
Adjustment arising on Amalgamation/ Conversion of subsidiaries	**(2.44)**	(53.35)
Adjustment towards Put Option Liability	**(4.65)**	(32.21)
Profit for the Year	**206.80**	158.56
Other Comprehensive Income	**(0.31)**	(0.62)
Dividends (including DDT)	**-**	(48.02)
Closing Balance	**53.19**	(146.33)
f) Treasury Shares (Refer Note (v) below)		
Opening Balance	**(30.12)**	(30.12)
Additions during the year	**30.12**	-
Closing Balance	**-**	(30.12)
g) Exchange differences on translating the financial statements of a foreign operation		
Opening Balance	**(0.01)**	-
Other Comprehensive Income	**(0.36)**	(0.01)
Closing Balance	**(0.37)**	(0.01)
	1,895.55	1,656.69

(i) Capital Reserve

Capital reserve is created on Sale of treasury Shares.

(ii) Capital Reserve on Account of Amalgamation

Capital reserves is on account of Amalgamation.

(iii) Securities Premium

The Securities Premium account has been created mainly on account of premium on issue of Equity shares.

(iv) Employee Stock Grant Scheme Reserve

The Company has employee stock grant scheme under which options to subscribe to the Company's shares have been granted to certain employees of the Company. The Employee Stock Grant Scheme Reserve is used to recognise the value of equity settled share based payments provided to employees, including Key Management Personnel, as part of their remuneration.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(v) Treasury Shares

The reserve for treasury shares of the Company includes the shares held by the ESOP trust considered as a branch of the Company. As at March 31, 2017 the Trust held Nil number of shares of the Company and 987,510 shares as at March 31, 2016.

Note 20 Borrowings (Non Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Secured Loans			
Term Loan (Refer Note (a) below)	**474.75**	500.00	500.00
Deposits (Unsecured)			
From Shareholders	**-**	-	0.63
From Public	**-**	-	4.85
	474.75	500.00	505.48

(a) Secured term loan: Total Sanction amount INR 500 Crore bearing interest @ CPLR minus 730 BPS and secured by way of exclusive mortgage and charge of movable and immovable property, right, title interest in the designated account / escrow account and receivables of the project situated at Bandra Kurla Complex at Mumbai and pledge of 51% of equity shares of Godrej Buildcon Private Limited held by the Company. Godrej Buildcon Private Limited will repay a certain percentage of all sales receipts from the project, which percentage receivables is subject to review on a quarterly basis. However maximum principle outstanding shall not exceed as below from the date of first disbursement :

	INR (in Crore)
At the end of 56th Month	400
At the end of 57th Month	300
At the end of 58th Month	200
At the end of 59th Month	100
At the end of 60th Month	NIL

Note 21 Trade Payables (Non Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Due to Micro and Small Enterprises (Refer Note 43)	**0.15**	-	0.13
Others	**0.37**	-	1.29
	0.52	-	1.42

Note 22 Provisions (Non Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Provision for Employee Benefits			
Gratuity	**6.54**	5.42	4.53
Compensated Absences	**0.17**	0.07	0.06
	6.71	5.49	4.59

Note 23 Borrowings (Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Secured Loans			
From Banks			
Loans Repayable on Demand (Refer Note (a) below)	**460.43**	571.72	602.77
Term Loan (Refer Note (b) below)	**800.00**	700.00	950.00
Unsecured Loans			
Loans Repayable on Demand (Refer Note (c) below)	**254.56**	10.81	116.60
Other Loans (Refer Note (d) below)	**1,986.74**	1,334.93	958.84
	3,501.73	2,617.46	2,628.21

(a) Loan Repayble on demand is on account of Cash Credit availed from Bank is secured by hypothecation of the Current Assets of the Company, mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest at 1 Year Marginal Cost of Fund Based Lending Rate (MCLR)+ 0.35% p.a. Present effective rate 9.55 % p.a.

(b) Term Loans from Bank includes :

(i) Secured Working Capital Demand Loan of INR 400 Crore availed from Bank is secured by hypothecation of Current Assets of the Company, mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 26, 2017.

(ii) Secured Working Capital Demand Loan of INR 100 Crore availed from Bank is secured by Mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 15, 2017.

(iii) Secured Working Capital Demand Loan of INR 100 Crore availed from Bank is secured by Mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 19, 2017.

(iv) Secured Working Capital Demand Loan of INR 100 Crore availed from Bank is secured by Mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 09, 2017.

(v) Secured Working Capital Demand Loan of INR 100 Crore availed from Bank is secured by Mortgage of Immovable property of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and hypothecation of Current Assets of Godrej Real Estate Private Limited and Godrej Projects Development Private Limited (both wholly owned subsidiaries) is provided as collateral security and carries interest rate at 8.00% p.a.(Fixed) repayable on April 13, 2017.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(c) Loan Repayable on Demand includes:

(i) Over Draft facility amounting to INR 248.12 Crore carries interest at 1 Month MCLR + 20 basis point. Present effective rate is 8.10% p.a.

(ii) INR 6.17 Crore of Overdraft carries interest at Base Rate. Present effective rate is 9.50% p.a.

(iii) INR 0.26 Crore of Over Draft facility carries interest at 1 Month MCLR + 100 basis point p.a. Present effective rate is 9.15% p.a.

(d) Other Unsecured loans includes:

(i) Short Term Loan amounting to INR 150 Crore carrying interest at 1 Month MCLR + 10 basis point p.a. Present effective rate is 8.00% p.a. Out of the above INR 75 Crore is repayable on September 20, 2017 and INR 75 Crore is repayable on September 25, 2017.

(ii) Short Term Loan amounting to INR 100 Crore carrying interest at 3 Month MCLR. Present effective rate is 8.75 % p.a. repayable on January 12, 2018.

(iii) Short Term Loan (STL) amounting to INR 250 Crore. Out of above INR 50 Crore carrying interest at 6 Month MCLR + 02 basis point p.a. Present effective rate is 7.97% p.a and INR 50 Crore, INR 75 Crore & INR 75 Crore carries interest at 3 Month MCLR. Present effective rate is 7.90% p.a. STL Repayable on May 24, 2017, August 09, 2017, August 21, 2017 & August 25, 2017 respectively.

(iv) INR 100 Crore availed from Commercial Papers carries interest at 6.58% p.a., repayable on May 19, 2017.

(v) INR 75 Crore availed from Commercial Papers carries interest at 6.58% p.a., repayable on May 26, 2017.

(vi) INR 80 Crore availed from Commercial Papers carries interest at 6.80% p.a., repayable on June 20, 2017.

(vii) INR 80 Crore availed from Commercial Papers carries interest at 6.80% p.a., repayable on June 23, 2017.

(viii) INR 75 Crore availed from Commercial Papers carries interest at 6.80% p.a., repayable on May 4, 2017.

(ix) INR 75 Crore availed from Commercial Papers carries interest at 6.80% p.a., repayable on May 8, 2017.

(x) INR 40 Crore availed from Commercial Papers carries interest at 6.80% p.a., repayable on May 9, 2017.

(xi) INR 80 Crore availed from Commercial Papers carries interest at 6.50% p.a., repayable on June 29, 2017.

(xii) INR 35 Crore availed from Commercial Papers carries interest at 6.87% p.a., repayable on May 9, 2017.

(xiii) INR 60 Crore availed from Commercial Papers carries interest at 6.87% p.a., repayable on May 12, 2017.

(xiv) INR 70 Crore availed from Commercial Papers carries interest at 6.87.% p.a., repayable on May 15, 2017.

(xv) INR 70 Crore availed from Commercial Papers carries interest at 6.87.% p.a., repayable on May 17, 2017.

(xvi) INR 10 Crore availed from Commercial Papers carries interest at 6.87.% p.a., repayable on May 17, 2017.

(xvii) INR 75 Crore availed from Commercial Papers carries interest at 6.69.% p.a., repayable on May 31, 2017.

(xviii) INR 75 Crore availed from Commercial Papers carries interest at 6.51.% p.a., repayable on June 05, 2017.

(xix) INR 85 Crore availed from Commercial Papers carries interest at 6.51.% p.a., repayable on June 07, 2017.

(xx) INR 70 Crore availed from Commercial Papers carries interest at 6.55.% p.a., repayable on June 14, 2017.

(xxi) INR 70 Crore availed from Commercial Papers carries interest at 6.55.% p.a., repayable on June 16, 2017.

(xxii) INR 25 Crore availed from Commercial Papers carries interest at 6.50.% p.a., repayable on June 28, 2017.

(xxiii) Short Term Loan amounting to INR 125 Crore is availed at rate of Interest 8.30 % p.a.(Fixed) repayable on September 05, 2017.

(xxiv) Short Term Loan amounting to INR 125 Crore is availed at rate of Interest 8.30 % p.a.(Fixed) repayable on August 30, 2017.

Note 24 Trade Payables (Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Due to Micro and Small Enterprises (Refer Note 43)	**16.27**	19.49	11.16
Others	**451.62**	575.40	493.74
	467.89	594.89	504.90

Note 25 Other Current Financial Liabilities

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Current maturities of long term debts			
Unsecured Deposit			
From Directors	**-**	-	0.56
From Shareholders	**-**	0.63	22.41
From Public	**-**	4.86	173.71
Put Option Liability	**-**	243.85	211.64
Unclaimed Fixed Deposits & Interest	**1.48**	2.21	3.39
Unclaimed Dividend	**0.05**	0.05	0.05
Interest Accrued	**4.29**	-	-
Other Liabilities	**194.78**	173.39	131.11
	200.60	424.99	542.87

Note 26 Other Current Non Financial Liabilities

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Statutory Dues	**37.18**	38.74	35.37
Advances Received Against Sale of Flats/ Units	**415.35**	583.97	575.48
Other Liabilities	**57.96**	39.84	35.07
	510.49	662.55	645.92

Note 27 Provisions (Current)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Provision for employee benefits			
Gratuity	**0.12**	0.10	0.67
Compensated Absences	**0.05**	0.04	0.62
	0.17	0.14	1.29

Note 28 Current Tax Liabilities (Net)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Provision for Taxation (Net)	**12.30**	8.12	6.50
	12.30	8.12	6.50

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 29 Revenue from Operations

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016
Sale of Products	**1,427.32**	2,001.31
Other Operating Revenues		
Sale of Services	**109.13**	83.53
Compensation received from Project	**-**	15.04
Other Income from Customers	**44.70**	20.73
Lease Rent	**1.78**	2.00
	1,582.93	2,122.61

Note 30 Other Income

NR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016
Interest Income	**102.39**	82.11
Dividends	**-**	0.00
Profit on Sale of Fixed Assets (Net)	**0.20**	0.02
Income from Investment measured at FVTPL (Refer Note (a) below)	**21.77**	44.86
Miscellaneous Income	**1.06**	2.46
	125.42	129.45

(a) Income from investments measured at FVTPL includes fair valuation impact of INR 3.46 Crore (Previous Year INR (12.60) Crore)

Note 31 Cost of Sales

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016
Opening Stock		
Finished Goods	**56.74**	46.16
Construction Work in Progress	**3,866.34**	3,740.95
Add: Expenditure during the year		
Land / Development Rights	**165.42**	490.03
Construction, Material & Labour	**591.18**	790.98
Architect Fees	**8.48**	13.37
Other Cost	**169.67**	219.40
Finance Cost	**190.33**	366.11
	5,048.16	5,667.00
Less : Transferred to Expenses	**0.65**	7.47
Less : Transferred to Fixed Assets	**-**	2.05
Less : Transferred to Capital WIP	**-**	0.24
Less : Transferred to Joint Venture (On Loss of Control)	**0.48**	-
Less : Closing Stock		
Finished Goods	**56.74**	56.74
Construction Work in Progress	**3,909.38**	3,866.34
	1,080.90	1,734.16

Note 32 Employee Benefits Expense

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Salaries, Bonus, Gratuity & Allowances	40.62	34.83
Contribution to Provident and Other Funds	1.11	5.51
Other Employee Benefits	3.31	1.66
Share Based Payments to Employees (Refer Note 40)	2.49	2.98
	47.53	44.98

Note 33 Finance Costs

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Interest Expense		
Banks and Financial Institutions	172.10	140.21
Others	55.15	185.70
Interest on Income Tax	1.18	1.21
Total Interest Expense	228.43	327.12
Other Borrowing costs	87.75	81.17
Total Finance Cost	316.18	408.29
Less: Captilised to Projects	190.33	366.11
Less: Recovery of Finance Cost	24.32	1.61
Net Finance Cost	101.53	40.57

Note 34 Other Expenses

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Consultancy Charges	18.41	9.01
Rent	8.89	4.94
Insurance	0.95	0.65
Rates & Taxes	0.23	0.06
Advertisement & Marketing Expense	43.59	69.57
Diminution in value of investments	-	0.00
Provision for Doubtful Advances /(written back) (Net)	-	0.55
Other Expenses (Refer Note 45)	132.03	122.05
	204.10	206.83

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 35 Earnings Per Share

a) Basic Earnings Per Share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders and weighted - average number of ordinary shares outstanding.

(i) Profit attributable to ordinary shareholders (basic)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Profit for the year, attributable to ordinary shareholders of the Company	206.80	158.56
	206.80	158.56

(ii) Weighted average number of ordinary shares (basic)

Particulars	March 31, 2017	March 31, 2016
Number of Equity Shares at the beginning of the year	216,260,366	199,357,788
Less: Effect of treasury shares held	937,997	987,510
Add: Effect of share issued during the year	76,394	11,277,691
	215,398,763	209,647,969
Basic Earnings Per Share (Amount in INR)	9.60	7.56

b) Diluted Earnings Per Share

The calculation of diluted earnings per share is based on the profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

(i) Profit attributable to ordinary shareholders (diluted)

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Profit for the year, attributable to ordinary shareholders of the Company	206.80	158.56
	206.80	158.56

(ii) Weighted average number of ordinary shares (diluted)

Particulars	March 31, 2017	March 31, 2016
Weighted average number of equity shares outstanding (basic)	215,398,763	209,647,969
Add: Effect of treasury shares held	937,997	987,510
Add: Potential equity shares under ESGS plan	139,988	163,215
	216,476,748	210,798,694
Diluted Earnings Per Share (Amount in INR)	9.55	7.52

Note 36 Employee Benefits

a) Defined Contribution Plans:

Contribution to Defined Contribution Plans, recognised as expense for the year are as under:

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Employer's Contribution to Provident Fund (Gross before Allocation)	6.18	5.51
Employer's Contribution to ESIC	0.00	0.00

b) Defined Benefit Plans:

Contribution to Gratuity Fund

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

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

(i) Change in present value of defined benefit obligation

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016
Present value of obligation as at beginning of the year	5.52	4.59
Interest Cost	0.44	0.37
Service Cost	1.24	0.98
Benefits Paid	(1.04)	(1.43)
Effect of Liability Transfer in	0.03	0.07
Effect of Liability Transfer out	(0.00)	-
Acturial (Gains)/ Losses on obligations- due to change in demographic assumptions	-	-
Acturial (Gains)/ Losses on obligations- due to change in financial assumptions	0.19	0.10
Acturial (Gains) /Losses on obligations- due to change in experience	0.29	0.84
Present value of obligation, as at end of the year	6.67	5.52

(ii) Amount recognised in the Balance Sheet

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Present value of obligation, as at end of the year	6.67	5.52	4.59
Fair value of plan assets as at end of the year	-	-	-
Net obligation as at end of the year	6.67	5.52	4.59

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(iii) Net gratuity cost for the year ended

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016
Recognised in the Statement of Profit and Loss		
Service Cost	**1.24**	0.98
Interest Cost	**0.44**	0.37
	1.68	1.35
Recognised in Other Comprehensive Income (OCI)		
Remeasurement due to:		
Acturial (Gains)/Losses on obligations- due to change in demographic assumptions	**-**	-
Acturial (Gains)/Losses on obligations- due to change in financial assumptions	**0.19**	0.10
Acturial (Gains)/Losses on obligations- due to change in experience	**0.29**	0.84
Net gratuity cost in Total Comprehensive Income	**2.16**	2.29

(iv) The Principal assumptions used in determining the present value of defined benefit obligation for the Companies plan are given below:

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Discount Rate	**7.74%**	7.95%	8.09%
Salary escalation rate	**5%**	5%	5%
Attrition Rate	**1%**	1%	1%
Experience Adjustment On Plan Liability - INR (in Crore)	**0.29**	0.84	1.82

(v) Sensitivity analysis

A quantitative sensitivity analysis on Defined Benefit Obligation for significant assumption as at March 31, 2017 is shown below:

Particulars	**March 31, 2017**		March 31, 2016	
	Increase	**Decrease**	Increase	Decrease
Discount Rate (1% movement)	**(0.83)**	**1.01**	(0.68)	0.82
Salary escalation rate (1% movement)	**1.03**	**(0.86)**	0.84	(0.71)
Attrition Rate (1% movement)	**0.23**	**(0.28)**	0.20	(0.24)

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

(vi) The expected future cash flows in respect of gratuity as at March 31, 2017 were as follows:

Maturity Analysis of Projected Benefit Obligation: From the Employer INR (in Crore)

Projected Benefits Payable in Future Years from the Reporting Date	Amount
Expected future benefit payments	
1st Following Year	0.13
2nd Following Year	0.11
3rd Following Year	0.28
4th Following Year	0.20
5th Following Year	0.35
Sum of Years 6 to 10	2.18

Note 37 Financial instruments – Fair values and risk management

a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value

INR (in Crore)

March 31, 2017	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Non Current							
Investments							
Investments in Debentures	-	312.35	312.35		312.35		312.35
Investments in Equity Instruments	0.00	-	0.00	0.00			0.00
Loans							
Deposits- Projects	-	74.72	74.72		78.55		78.55
Other Non Current Financial Assets	-	2.01	2.01				
Current							
Investments	366.26	-	366.26	366.26			366.26
Trade Receivables	-	221.82	221.82				
Cash and cash equivalents	-	73.82	73.82				
Bank balances other than above	-	36.58	36.58				
Loans							
Deposits- Projects	-	169.54	169.54		171.57		171.57
Others	-	572.13	572.13				
Other Current Financial Assets	-	730.41	730.41				
	366.26	2,193.38	2,559.64				

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

INR (in Crore)

March 31, 2017	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Liabilities							
Non Current							
Borrowings	-	474.75	474.75				
Trade Payables	-	0.52	0.52				
Current							
Borrowings	-	3,501.73	3,501.73				
Trade Payables	-	467.89	467.89				
Other Current Financial Liabilities	-	200.60	200.60				
	-	4,645.49	4,645.49				

INR (in Crore)

March 31, 2016	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Non Current							
Investments							
Investments in Debentures	-	239.18	239.18		239.18		239.18
Investments in Equity Instruments	0.00	-	0.00	0.00			0.00
Loans							
Deposits- Projects	-	97.08	97.08		97.96		97.96
Others	-	0.01	0.01				
Other Non Current Financial Assets	-	4.18	4.18				
Current							
Investments	366.51	-	366.51	366.51			366.51
Trade Receivables	-	171.88	171.88				
Cash and cash equivalents	-	47.49	47.49				
Bank Balances other than above		58.15	58.15				
Loans							
Deposits- Projects	-	183.53	183.53		187.73		187.73
Others	-	342.26	342.26				
Other Current Financial Assets	-	604.23	604.23				
	366.51	**1,747.99**	**2,114.50**				
Financial Liabilities							
Non Current							
Borrowings	-	500.00	500.00				
Current							
Borrowings	-	2,617.46	2,617.46				
Trade Payables	-	594.89	594.89				
Other Current Financial Liabilities	-	424.99	424.99				
	-	**4,137.34**	**4,137.34**				

INR 0.00 represents amount less than INR 50,000

INR (in Crore)

April 1, 2015	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Non Current							
Investments							
Investments in Debentures	-	208.16	208.16		208.16		208.16
Investments in Equity Instruments	0.00	-	0.00	0.00			0.00
Loans							
Deposits- Projects	-	99.35	99.35		99.35		99.35
Others	-	0.22	0.22				
Other Non Current Financial Assets	-	7.33	7.33				
Current							
Investments	542.76	-	542.76	542.76			
Trade Receivables	-	179.10	179.10				
Cash and cash equivalents	-	27.20	27.20				
Bank Balances other than above	-	58.75	58.75				
Loans							
Deposits- Projects	-	207.00	207.00		207.00		207.00
Others	-	329.55	329.55				
Other Current Financial Assets	-	570.91	570.91				
	542.76	**1,687.58**	**2,230.34**				
Financial Liabilities							
Non Current							
Borrowings	-	505.48	505.48				
Trade Payables	-	1.42	1.42				
Current							
Borrowings	-	2,628.21	2,628.21				
Trade Payables	-	504.90	504.90				
Other Current Financial Liabilities	-	542.87	542.87				
	-	4,182.88	4,182.88				

b) Measurement of Fair Value

The Company uses the Discounted cash flow valuation techniques (in relation to Fair Value of Assets measured at amortised cost) which involves determination of present value of expected receipt/payment discounted using appropriate discounting rates. The fair value so determined are classified as Level 2.

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

c) Risk Management Framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

d) Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

(i) Credit Risk

(ii) Liquidity Risk and

(iii) Market Risk.

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

Trade Receivables

Customer credit risk is managed by requiring customers to pay advances through progress billings before transfer of ownership, therefore , substantially eliminating the credit risk in this respect.

The credit risk with regard to trade receivable has a high degree of risk diversification, due to the large number of projects of varying sizes and types with numerous different customer categories in a large number of geographical markets.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required. Also the Group does not have any significant concentration of credit risk.

The ageing of trade receivables are as follows:

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
More than 6 Months	**108.47**	107.07	88.61
Others	**113.35**	64.81	90.49
	221.82	171.88	179.10

The amounts reflected in the table above are not impaired as on the reporting date.

Investment in Debt Securities, Loans to Related Parties and Project Deposits

The Group has investments in compulsorily convertible debentures / optionally convertible debentures, loans to related parties and project deposits. The settlement of such instruments is linked to the completion of the respective underlying projects. Such Financial Assets are not impaired as on the reporting date.

Cash and Bank balances

Credit risk from Cash and Bank bank balances is managed by the Company's treasury department in accordance with the Company's policy.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Management monitors rolling forecasts of the Group's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The Group has access to funds from debt markets through loan from banks, commercial papers, fixed deposits from public and other Debt instrument. The Group invests its surplus funds in bank fixed deposits and debt based mutual funds.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. INR (in Crore)

March 31, 2017	**Carrying Amount**	**Contractual cash flows**				
		Total	**Within 12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Financial Liabilities						
Non Current						
Borrowings	**474.75**	**576.04**	**48.40**	**222.54**	**305.10**	**-**
Trade Payables	**0.52**	**0.52**	**-**	**0.52**	**-**	**-**
Current						
Borrowings	**3,501.73**	**3,546.22**	**3,546.22**	**-**	**-**	**-**
Trade Payables	**467.89**	**470.15**	**438.55**	**19.97**	**11.63**	**-**
Other Current Financial Liabilities	**200.60**	**200.60**	**199.85**	**0.75**	**-**	**-**

March 31, 2016	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Non-Current						
Borrowings	500.00	674.98	56.75	56.75	561.48	-
Trade Payables	-	-	-	-	-	-
Current						
Borrowings	2,617.46	2,656.60	2,656.60	-	-	-
Trade Payables	594.89	612.33	582.95	14.29	15.09	-
Other Current Financial Liabilities	424.99	427.68	426.40	1.27	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

April 1, 2015	Carrying Amount	Contractual cash flows				(INR in Crore)
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Non Current						
Borrowings	505.48	765.79	63.75	69.23	632.81	-
Trade Payables	1.42	1.42	-	1.42	-	-
Current						
Borrowings	2,628.21	2,777.24	2,001.21	776.03	-	-
Trade Payables	504.90	548.34	530.40	12.69	5.25	-
Other Current Financial Liabilities	542.87	561.66	560.99	0.67	-	-

(iii) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rate and interest rates – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency Risk

Currency risk is not material, as the Group's primary business activities are within India and does not have significant exposure in foreign currency.

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Group's interest rate position. Various variables are considered by the management in structuring the Group's borrowings to achieve a reasonable, competitive, cost of funding.

Exposure to interest rate risk

The interest rate profile of the Group's interest bearing financial instruments as reported to the management of the Company is as follows.

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016	April 1, 2015
Financial Liabilities			
Variable rate instruments			
Borrowings			
Loan Repayable on Demand	**714.99**	582.53	719.36
Term Loans	**474.75**	700.00	1,250.00
Other Loans	**500.00**	300.00	200.00
Fixed rate instruments			
Borrowings			
Deposits	**-**	-	5.48
Term Loans	**800.00**	500.00	200.00
Other Loans	**1,486.74**	1,034.93	758.84
Current maturities of long term debts	**-**	5.49	196.69
Put option liability	**-**	243.85	211.64
	3,976.48	3,366.80	3,542.01

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Financial Assets			
Fixed rate Instruments			
Fixed Deposits	**63.88**	71.00	68.70
Security Deposits	**244.25**	280.61	306.35
Loans and Advances to related parties	**536.96**	296.23	280.78
Loan to GIL ESOP Trust	**-**	4.04	5.10
Investment in Debentures	**312.35**	239.18	208.16
	1,157.44	891.06	869.09

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit/loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Group by the amounts indicated in the table below. Given that the Group capitalises interest to the cost of inventory to the extent permissible, the amounts indicated below may have an impact on reported profits over the life cycle of projects to which such interest is capitalised. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date.The year end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	Profit or Loss (INR in Crore)	
	100 bp increase	**100 bp decrease**
March 31, 2017		
Financial Liabilities		
Variable rate instruments		
Borrowings	(16.90)	16.90
Cash flow sensitivity (net)	(16.90)	16.90
March 31, 2016		
Financial Liabilities		
Variable rate instruments		
Borrowings	(15.83)	15.83
Cash flow sensitivity (net)	(15.83)	15.83

The Group does not have any additional impact on equity other than the impact on retained earnings.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 38 Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board of Director's of Company seek to maintain a balance between the higher returns that might be possible with higher level of borrowing and advantages by a sound Capital position.

The Group monitors capital using a ratio of 'Net Debt to Equity' for this purpose, net debt is defined as total borrowings and Put Option Liability less Cash and Bank Balances and Other Current Investments.

The Group's net debt to equity ratios are as follows:

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Net Debt	**3,499.06**	2,893.60	2,912.95
Total Equity	**2,003.73**	1,764.82	1,733.93
Net Debt to Equity Ratio	**1.75**	1.64	1.68

Note 39 Employee Stock Option Plan

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

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

Particulars	No. of Options			Weighted Average Exercise Price
	March 31, 2017	March 31, 2016	April 1, 2015	
Options Outstanding at the beginning of the year	**245,400**	357,400	515,400	INR 310 (plus interest till March 31, 2012)
Options granted	**-**	-	-	
Options exercised	**-**	-	-	
Less : Forfeited / Lapsed /Idle/ Available for Reissue	**245,400**	112,000	158,000	
Options Outstanding at the year end	**-**	245,400	357,400	INR 310(plus interest till March 31, 2012)

The exercise period of the GPL ESOP has expired on December 27, 2016 and consequently all the unexercised options were rendered lapsed. The GPL ESOP now stands terminated and the shares held by the Trust have been sold during the year.

Note 40 Employee Stock Grant Scheme

The Company instituted an Employee Stock Grant Scheme (GPL ESGS) approved by the Board of Directors, Shareholders and the Remuneration Committee.

a) **Details of Stock Grants are as under:**

Particulars	No. of Options			Weighted average Exercise Price (INR)	Weighted average Share Price (INR)
	March 31, 2017	March 31, 2016	April 1, 2015		
Options Outstanding at the beginning of the year	**254,597**	298,380	223,358	5.00	366.50
Options granted	**122,127**	163,507	224,790		
Less: Options exercised	**104,326**	156,816	123,758		
Less : Option lapsed	**57,861**	50,474	26,010		
Options Outstanding at the year end	**214,537**	254,597	298,380		

b) The weighted average exercise price of the options outstanding as on March 31, 2017 is INR 5 (Previous year 2016: INR 5 per share; Previous year 2015: INR 5 per share) and the weighted average remaining contractual life of the options outstanding as on March 31, 2017 is 0.89 years (Previous year 2016: 0.89 years; Previous Year 2015: 0.85 years).

c) The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model. The weighted average fair value of the options granted is INR 279.78 (Previous year 2016: INR 234.68).

Particulars	**March 31, 2017**	March 31, 2016	Description of the Inputs used
Dividend yield %	**-**	-	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	**29 % - 43%**	28% - 43%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	**6.31 % - 8.57%**	7.38% - 8.57%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	**1 to 3 years**	1 to 3 years	
Weighted Average Market price on date of granting the options	**INR 286.40**	INR 243.39	

d) The expense arising from ESGS scheme during the year is INR 2.49 Crore (Previous Year 2016: INR 2.98 Crore)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 41 Leases

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

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Future minimum lease receipts under operating leases			
Not later than 1 year	**2.35**	2.19	2.45
Later than 1 year and not later than 5 years	**10.02**	9.58	6.24
Later than 5 years	**51.41**	53.03	47.68

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

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Future minimum lease payments under operating leases			
Not later than 1 year	**7.90**	12.13	4.20
Later than 1 year and not later than 5 years	**17.44**	24.55	4.10
Later than 5 years	**0.38**	1.07	1.07

Note 42 Contingent Liabilities and Commitments

a) Contingent Liabilities

INR (in Crore)

Matters	March 31, 2017	March 31, 2016	April 1, 2015
I) Claims not Acknowledged as debts:			
i) Claims not acknowledged as debts represent cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Company as advised by our advocates. In the opinion of the management the claims are not sustainable	**196.46**	17.98	9.69
ii) Claims under the Labour Laws for disputed cases	**0.05**	0.05	0.20
iii) Claims under Stamp Acts	**20.02**	27.22	1.49
iv) Other Claims not acknowledged as debts	**0.76**	0.86	1.12
v) Claims under Income Tax Act, Appeal preferred to Deputy Commissioner / Commissioner of Income Tax (Appeals)	**25.36**	21.65	19.64
vi) Claims under MVAT, Appeal preferred to The Deputy Commissioner / Joint Commissioner of Sales Taxes ((Appeals) IV/V), Mumbai	**21.33**	0.62	0.62
vii) Claim under HVAT, Civil Writ Petition preferred in the High Court for The States of Punjab and Haryana at Chandigarh	**-**	-	1.78
viii) Appeal preferred to Customs, Excise and Service Tax Appellate tribunal at Bengaluru	**40.65**	39.04	35.99

Matters	March 31, 2017	March 31, 2016	April 1, 2015
ix) Appeal preferred to The Joint Commissioner of Sales Tax (Appeal -4) at Maharashtra under Entry of Goods Into Local Areas Act, 2002	**0.79**	0.79	-
II) Guarantees			
i) Guarantees given by Bank, counter guaranteed by the Company	**20.71**	44.34	33.87
ii) Guarantees given by the Company	**156.00**	-	-
III) Other Money for which Company is contingently liable			
i) Letter of credit opened by Bank on behalf of the Company	**-**	1.99	3.27

b) Commitments

INR (in Crore)

I) **Particulars**	March 31, 2017	March 31, 2016	April 1, 2015
i) Uncalled amount of partly paid shares of Tahir Properties Limited	**0.00**	0.00	0.00
ii) Capital Commitment	**17.22**	15.99	16.73

II) The Group enters into construction contracts for Civil, Elevator, External Development, MEP work etc. with its vendors. The total amount payable under such contracts will be based on actual measurements and negotiated rates, which are determinable as and when the work under the said contracts are completed.

III) The Group has entered into development agreements with owners of land for development of projects. Under the agreements the Company is required to pay certain payments/ deposits to the owners of the land and share in built up area/ revenue from such developments in exchange of undivided share in land as stipulated under the agreements.

Note 43 Dues to Micro and Small Enterprise

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

INR (in Crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
The principal amount remaining unpaid to suppliers	**-**	-	-
The interest due thereon remaining unpaid to suppliers	**-**	-	-
The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	**-**	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	**-**	-	-

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 44 Foreign Exchange Difference

The amount of exchange difference included in the Statement of Profit and Loss, is INR 0.21 Crore (Net Loss) (Previous Year INR 0.09 Crore (Net Loss)).

Note 45 Corporate Social Responsibility

The Group has spent INR 3.08 Crore during the financial year(Previous Year: INR 2.18 Crore) as per the provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities grouped under 'Other Expenses'.

a) Gross amount required to be spent by the Group during the year INR 3.08 Crore

b) Amount spent during the year on :

INR (in Crore)

Particulars	Amount Spent in Cash	Amount yet to be paid in Cash	Total Amount
Year ending March 31, 2017			
(i) Construction / Acquisition of any Asset	**-**	**-**	**-**
(ii) On purposes other than (i) above	**2.86**	**0.22**	**3.08**
Year ending March 31, 2016			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	2.05	0.13	2.18

Note 46 Related Party Disclosures

1. List of Related party disclosures as required by Ind AS - 24, "Related Party Disclosures", are given below:

i) Shareholders (Holding Company)

Godrej Industries Limited (GIL) holds 56.70% (Previous Year 2016: 56.73%) shares in the Company.

GIL is the subsidiary of Vora Soaps Limited, the Ultimate Holding Company w.e.f. March 30, 2017. (Godrej & Boyce Manufacturing Company Limited (G&B), was the Ultimate Holding Company upto March 29, 2017)

ii) Associate and Joint Ventures

1 Godrej Realty Private Limited (51%)
2 Godrej Landmark Redevelopers Private Limited (51%)
3 Godrej Redevelopers (Mumbai) Private Limited (51%)
4 Mosiac Landmarks LLP (1%)
5 Dream World Landmarks LLP (40%)
6 Oxford Realty LLP (35%)
7 Godrej SSPDL Green Acres LLP (37%)
8 Caroa Properties LLP (35%)
9 M S Ramaiah Ventures LLP (49.5%)
10 Oasis Landmarks LLP (38%)
11 Amitis Developers LLP (46%)
12 Godrej Construction Projects LLP (34%)
13 Godrej Housing Projects LLP (50%)
14 Godrej Greenview Housing Private Limited (20%) (w.e.f June 30, 2016)

15 Wonder Space Properties Private Limited (25.1%)
16 Wonder City Buildcon Private Limited (25.1%)
17 Godrej Home Construction Private Limited (25.1%)
18 Wonder Projects Development Private Limited (20%) (w.e.f Septemer 19, 2016)
19 Godrej Property Developers LLP (32%)
20 Godrej One Premises Management Private Limited (30%)
21 Godrej Real View Developers Private Limited (20%) (w.e.f March 29, 2017)
22 Pearlite Real Properties Private Limited (49%) (w.e.f March 30, 2017)
23 Bavdhan Realty @ Pune 21 LLP (45%)(w.e.f October 26, 2016)
24 Prakhhyat Dwellings LLP (42.50%) (w.e.f September 2, 2016)
25 AR Landcraft LLP (40%) (w.e.f June 7, 2016)

iii) Other Related Parties in Group

1 Godrej Investments Private Limited
2 Annamudi Real Estates LLP
3 Ensemble Holdings & Finance Limited
4 Godrej Agrovet Limited
5 Natures Basket Limited
6 Cream Line Dairy Products Limited

iv) Key Management Personnel & Others

1 Mr. A. B. Godrej
2 Mr. N.B. Godrej
3 Mr. Pirojsha Godrej
4 Mr. Mohit Malhotra
5 Mrs. Parmeshwar Adi Godrej (ceased to be Director from October 10, 2016)
6 Mr. Jamshyd N. Godrej
7 Mr. Amit Choudhury
8 Mr. K. B. Dadiseth
9 Mrs. Lalita Gupte
10 Mr. Pranay Vakil
11 Dr. Pritam Singh
12 Mr. S. Narayan
13 Mr. Amitava Mukherjee
14 Mrs. Tanya Dubash

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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

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

INR (in Crore)

Nature of Transaction	Godrej & Boyce Manufacturing Company Limited (i)	Godrej Industries Limited (i)	Joint Ventures / Associate (ii)	Other Related Parties in Godrej Group (iii)	Total
Transactions during the Year					
Purchase of Fixed Assets					
Current Year	**0.29**	**-**	**-**	**-**	**0.29**
Previous Year	*4.64*	*0.07*	*-*	*-*	*4.71*
Expenses charged by other Companies / Entities					
Current Year	**25.03**	**10.05**	**5.97**	**6.59**	**47.64**
Previous Year	*51.23*	*11.16*	*1.96*	*5.69*	*70.03*
Dividend Paid					
Current Year	**-**	**-**	**-**	**-**	**-**
Previous Year	*1.88*	*22.49*	*-*	*1.51*	*25.88*
Issue of Equity Shares					
Current Year	**-**	**-**	**-**	**-**	**-**
Previous Year	*-*	*8.37*	*-*	*-*	*8.37*
Sale of Units					
Current Year	**1.19**	**10.18**	**-**	**117.70**	**129.07**
Previous Year	*1.02*	*2.52*	*-*	*5.54*	*9.09*
Income Received from other Companies / Entities					
Current Year	**-**	**-**	**0.75**	**-**	**0.75**
Previous Year	*-*	*-*	*-*	*-*	*-*
Development Management Fees Received					
Current Year	**1.38**	**-**	**25.78**	**45.00**	**72.16**
Previous Year	*35.34*	*-*	*4.39*	*-*	*39.73*
Expenses charged to other Companies / Entities					
Current Year	**0.10**	**0.00**	**73.33**	**0.01**	**73.45**
Previous Year	*0.02*	*0.85*	*45.02*	*-*	*45.89*
Interest received on Debenture					
Current Year	**-**	**-**	**41.44**	**-**	**41.44**
Previous Year	*-*	*-*	*39.53*	*-*	*39.53*
Interest Income					
Current Year	**-**	**-**	**53.28**	**-**	**53.28**
Previous Year	*-*	*-*	*33.22*	*-*	*33.22*
Share of Profit/ (Loss) in Joint Venture & Associates					
Current Year	**-**	**-**	**24.71**	**-**	**24.71**
Previous Year	*-*	*1.11*	*16.34*	*0.10*	*17.54*

Nature of Transaction	Godrej & Boyce Manufacturing Company Limited (i)	Godrej Industries Limited (i)	Joint Ventures / Associate (ii)	Other Related Parties in Godrej Group (iii)	Total
Amount received on transfer of Employee (Net)					
Current Year	**-**	**0.56**	**-**	**-**	**0.56**
Previous Year	*-*	*0.17*	*-*	*0.00*	*0.17*
Project taken over/ (transferred)					
Current Year	**-**	**-**	**-**	**-**	**-**
Previous Year	*-*	*-*	*(0.14)*	*-*	*(0.14)*
Commitments / Bank Guarantee / Corporate Guarantee/ Letter Credit issued					
Current Year	**-**	**-**	**66.05**	**-**	**66.05**
Previous Year	*-*	*-*	*0.25*	*-*	*0.25*
Investment made in Equity/ Prefrence Share #					
Current Year	**-**	**-**	**4.37**	**-**	**4.37**
Previous Year	*-*	*-*	*3.41*	*-*	*3.41*
Investments made in LLP					
Current Year	**-**	**-**	**0.11**	**-**	**0.11**
Previous Year	*-*	*-*	*0.05*	*147.45*	*147.50*
Investment made in Debenture #					
Current Year	**-**	**-**	**94.82**	**-**	**94.82**
Previous Year	*-*	*-*	*64.65*	*-*	*64.65*
Sale of Investments/ Repayment of Partners Capital / Withdrawal of Share of Profit					
Current Year	**-**	**-**	**-**	**-**	**-**
Previous Year	*-*	*147.45*	*-*	*-*	*147.45*
Redemption/ Sale of Debenture					
Current Year	**-**	**-**	**28.51**	**-**	**28.51**
Previous Year	*-*	*-*	*35.72*	*-*	*35.72*
Loans Given (Taken) #					
Current Year	**-**	**-**	**502.20**	**-**	**502.20**
Previous Year	*-*	*-*	*231.91*	*-*	*231.91*
Loans Repaid					
Current Year	**-**	**-**	**360.58**	**-**	**360.58**
Previous Year	*-*	*-*	*225.73*	*-*	*225.73*
Deposit given					
Current Year	**-**	**0.13**	**0.03**	**1.51**	**1.67**
Previous Year	*-*	*-*	*-*	*1.66*	*1.66*
Deposit Repaid					
Current Year	**-**	**0.32**	**-**	**-**	**0.32**
Previous Year	*-*	*0.23*	*-*	*-*	*0.23*

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Nature of Transaction	Godrej & Boyce Manufacturing Company Limited (i)	Godrej Industries Limited (i)	Joint Ventures / Associate (ii)	Other Related Parties in Godrej Group (iii)	Total
Amount received against Sale of Unit					
Current Year	**-**	**2.35**	**-**	**108.42**	**110.77**
Previous Year	*0.06*	*2.90*	*-*	*1.74*	*4.70*
Advance received against Share of Profit					
Current Year	**-**	**-**	**20.78**	**-**	**20.78**
Previous Year	*-*	*-*	*5.65*	*-*	*5.65*
Balance Outstanding as on at year end					
Amount Receivables					
Current Year	**-**	**-**	**616.50**	**-**	**616.50**
Previous Year	*-*	*-*	*370.23*	*-*	*370.23*
FY 2014-15	*-*	*-*	*304.51*	*-*	*304.51*
Amount Payables					
Current Year	**116.50**	**0.97**	**-**	**0.30**	**117.77**
Previous Year	*265.15*	*3.67*	*0.01*	*5.33*	*274.16*
FY 2014-15	*380.88*	*14.83*	*-*	*0.01*	*395.72*
Deposit Receivables					
Current Year	**-**	**0.41**	**0.03**	**3.17**	**3.61**
Previous Year	*-*	*0.60*	*-*	*1.66*	*2.26*
FY 2014-15	*-*	*0.84*	*-*	*-*	*0.84*
Debenture Outstanding					
Current Year	**-**	**-**	**312.33**	**-**	**312.33**
Previous Year	*-*	*-*	*239.18*	*-*	*239.18*
FY 2014-15	*-*	*-*	*208.16*	*-*	*208.16*
Debenture Interest Outstanding					
Current Year	**-**	**-**	**87.49**	**-**	**87.49**
Previous Year	*-*	*-*	*56.14*	*-*	*56.14*
FY 2014-15	*-*	*-*	*26.50*	*-*	*26.50*
Commitments / BG / LC / Corporate Guarantee Outstanding					
Current Year	**-**	**-**	**160.65**	**-**	**160.65**
Previous Year	*-*	*-*	*10.97*	*-*	*10.97*
FY 2014-15	*-*	*-*	*10.72*	*-*	*10.72*

Includes Loan amount converted into Debenture amounting to INR 13.44 Crore and Equity amounting to INR 0.70 Crore.

(ii) Details relating to parties referred to in items 1(iv)

INR (in Crore)

Particulars	**March 31, 2017**	March 31, 2016
Short term employee benefits	**8.89**	8.48
Post retirement benefits	**0.18**	1.08
Share based payment transactions	**0.57**	0.10
Total Compensation paid to Key Management Personnel	**9.64**	9.66

Particulars	March 31, 2017	March 31, 2016
Dividend Paid	-	1.10
Interest paid on Deposit to relatives of KMP	-	0.00
Repayment of Deposit	-	0.03
Deposit outstanding of relative of KMP	-	-
Revenue recognised for sale of Flats/Units to KMP and their relative	13.35	1.60
Amount received from sale of Flats/ Units to KMP and their relative	6.77	2.59
Trade receivable/ (Advance) on account of sale of Flats/ Units to KMP and their relative	2.58	(1.03)
Expenditure on Issue of Equity Shares under ESGS to KMP	0.01	0.04

Note 47 Financial Information of subsidiaries that have material non-controlling interests

a) Proportion of equity interest held by non-controlling interests:

Name	Principal Place of Business	March 31, 2016	April 1, 2015
Godrej Vikhroli Properties LLP	India	0%	40%

INR (in Crore)

Particulars	April 1, 2015
Accumulated balances of material non-controlling interest:	
Godrej Vikhroli Properties LLP	133.71

b) Summarised Financial Information of the subsidiary: INR (in Crore)

Particulars	Amount
Non Current Assets	0.41
Current Assets	746.02
	746.43
Non Current Liabilites	-
Current Liabilities	389.80
	389.80
Net Assets	**356.63**

Note 48 Segment reporting

A. General Information

Factors used to identify the entity's reportable segments, including the basis of organisation

For management purposes, the Group has only one reportable segments namely, Development of real estate property. The Managing Director of the Company acts as the Chief Operating Decision Maker ("CODM").The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

B. Information about Products and Services

The Group has revenue from external customer to the extent of INR 1,582.93 Crore (Previous Year 2016: INR 2,122.61 Crore)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

C. Information about Geographical Areas

The geographic information analyses the Group's revenue and Non Current Assets by the Group's country of domicile and other countries. In presenting the geographical information,revenue in the disclosure below is based on the geographic location of the product and service and assets in the disclosure below are based on the geographic location of the respective Non Current Assets.

The revenue from India is INR 1,573.15 Crore and from outside India INR 9.78 Crore (Previous Year 2016: INR 2,122.61 Crore) and the Non Current Assets other than financial instruments and deferred tax assets from India are INR 335.09 Crore (Previous Year 2016: INR 262.34 Crore; Previous Year 2015: INR 246.71 Crore) and from outside India are INR Nil (Previous Year 2016; 2015 Nil)

D. Information about major customers

There were no reportable major customers for the year ended March 31,2017 (Previous Year 2016: INR 1,340.86 Crore).

Note 49 First Time Adoption of Ind AS

These are the Group's first consolidated financial statements prepared in accordance with Ind AS.

The Group's opening Ind AS balance sheet was prepared as at April 1, 2015, the Group's date of transition to Ind AS. In preparing the opening balance sheet, the Group has applied the mandatory exceptions and certain optional exemptions from full retrospective application of Ind AS in accordance with the guidance in Ind AS 101 'First Time Adoption of Indian Accounting Standards'.

This note explains the principal adjustments made by the Group in restating its Indian GAAP financial statements to Ind AS, in the opening balance sheet as at April 1, 2015 and in the financial statements as at and for the year ended March 31, 2016.

Reconciliation of Net Worth reported under IGAAP to Ind AS INR (in Crore)

Particualars	Note	March 31, 2016	April 1, 2015
Net worth as per Indian GAAP		**2,168.22**	**1,846.87**
Adjustments on account of application of Ind AS			
Obligation to acquire Non controlling interest in Subsidiary (Put Option)	(b)	(228.13)	(195.92)
Realignment of project cost	(c)	(250.73)	(175.27)
Reversal of proposed dividend and related dividend distribution taxes	(d)	-	48.02
Impact of fair valuation of mutual funds and effective interest cost on convertible debentures	(f)	1.78	12.30
Consolidation of ESOP Trust	(e)	(40.06)	(40.18)
Realignment of Non Controlling Interest	(b)	45.28	181.87
Deferred Tax on Ind AS adjustments	(g)	68.46	56.25
Net worth as per Ind AS		**1,764.82**	**1,733.93**

Reconciliation of Net Profit reported under IGAAP to Ind AS INR (in Crore)

Particulars	**Note**	**For the Year Ended March 31,2016**
Profit after Tax as per Indian GAAP		**231.10**
Adjustments on Account of Application of Ind AS		
Realignment of project cost	(c)	(62.43)
Realignment of Non Controlling interest	(b)	(2.88)
Impact of fair valuation of mutual funds and effective interest cost on convertible debentures	(f)	(10.51)
Consolidation of ESOP Trust	(e)	(0.08)
Deferred tax on Ind AS adjustments	(g)	2.73
Total Comprehensive Income as per Ind AS		**157.93**

Reconciliation of Statement of Cash Flow for the period ended March 31, 2016 INR (in Crore)

Particulars	**Note**	**Amount as per IGAAP**	**Effects of transition to Ind AS**	**Amount as per Ind AS**
Net Cash Flow from Operating activities	(a)	191.99	297.80	489.79
Net Cash Flow from Investing activities	(a)	68.80	117.29	186.09
Net Cash Flow from Financing activities	(a, h)	(310.91)	(243.46)	(554.36)
Net Increase in Cash & Cash Equivalent		**(50.12)**	**171.64**	**121.52**
Cash & Cash Equivalent as on April 1, 2015	(a, h)	675.73	(765.11)	(89.39)
Acquisition on Amalgmation		4.55	-	4.55
Cash & Cash Equivalent as on March 31, 2016	**(a, h)**	**630.16**	**(593.48)**	**36.68**

Note

(a) Consolidation

Under Ind AS, classification of subsidiary for consolidation is based on control and not just shareholding which has resulted in certain subsidiaries being classified as joint ventures. Further under Indian GAAP, joint ventures were consolidated with reference to the proportionate consolidation method.

Based on the principles of Ind AS, these joint ventures have been consolidated with reference to the equity method of accounting whereby only GPL's share of profit & loss in such entities will be directly credited to Statement of Profit & Loss account instead of line by line / proportionate consolidation. Further due to equity method of accounting, interest has been grossed up on the JV projects. Interest income has been classified under other income and corresponding interest expenses have been included as part of finance cost.

(b) Obligation to acquire Non Controlling interest in a subsidiary

The Company has granted put option to non controlling interest in its subsidiary, which gives the investor a right to sell their interests at guaranteed return to the Company. On transition to Ind AS, such put option has been classified as a financial liability payable to the investor and is re-measured at each reporting date and difference is adjusted in equity.

(c) Inventories

The Group has undertaken a detailed exercise to determine the manner of expense allocation to inventory in context of the requirements of Ind AS and accordingly have realigned allocation of expenses to project inventory. Further, acquisition of stake in a subsidiary has been classified as an asset acquisition and consequently the Goodwill as per Indian GAAP (representing cost of land) has been reclassified to project inventory.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(d) Proposed Dividend

Proposed dividend recognised under Indian GAAP has been derecognised under Ind AS. Under Ind AS dividend on equity shares is recognised on receipt of approval from the relevant Authority.

(e) Employee Benefits

Under Ind AS, the ESOP Trust is consolidated in the Company's Separate Financial Statements as the ESOP Trust was established by the Company for the administration of Employee Stock Option Plan of the Company. The Trust is merely acting as a Branch of the Company.

(f) Financial instrument

Under Indian GAAP, investments in mutual funds were measured at lower of cost or market value while under Ind AS, such investments are required to be measured at fair value with the resultant gain or loss being recognised in profit or loss. Under Ind AS, investments in debentures and other debt instruments are required to be measured at amortised cost with interest income determined with reference to the effective interest rate.

(g) Deferred Taxes

Under Ind AS, deferred tax on account of fair value adjustment in relation to past schemes of amalgamation and on other Ind AS differences has been appropriately recognised.

(h) Bank Overdrafts

The Group has availed bank overdrafts repayable on demand. Under Ind AS, bank overdrafts repayable on demand which form an integral part of the cash management process are included in cash and cash equivalents for the purpose of presentation of cash flows. Under Indian GAAP, bank overdrafts used to be considered as part of borrowings and movement in bank overdrafts were shown as part of financing activities.

Note 50 Specified Bank Notes Disclosure

In accordance with the Notification No.- G.S.R 308(E) issued by the Ministry of Corporate Affairs dated March 30, 2017, the details of Specified Bank Notes(SBN) held and transacted during the period November 8, 2016 to December 30, 2016 is provided in the table below:

Amount (in INR)

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on November 8, 2016	422,500	205,975	628,475
(+) Permitted Receipts	-	1,470,826	1,470,826
(-) Permitted Payments	-	1,286,271	1,286,271
(-) Amount deposited in Banks	422,500	-	422,500
Closing cash in hand as on December 30, 2016	-	390,530	390,530

Note 51 Information on Subsidiaries, Joint Ventures and Associate

a) Information on Subsidiaries

Sr. No.	Name of the Entity	Country of Incorporation	Percentage of Holding		
			March 31, 2017 %	March 31, 2016 %	April 1, 2015 %
(i)	**Companies**				
1	Godrej Real Estate Private Limited	India	**100%**	100%	100%
2	Godrej Buildcon Private Limited	India	**100%**	100%	100%
3	Godrej Projects Development Private Limited	India	**100%**	100%	100%
4	Godrej Garden City Properties Private Limited	India	**100%**	100%	100%
5	Godrej Green Homes Limited	India	**100%**	100%	100%
6	Godrej Hillside Properties Private Limited	India	**100%**	100%	100%
7	Godrej Home Developers Private Limited	India	**100%**	100%	100%
8	Godrej Investment Advisers Private Limited	India	**100%**	100%	N.A.
9	Godrej Prakriti Facilities Private Limited	India	**100%**	100%	N.A.
10	Prakritiplaza Facilities Management Private Limited (Incorporated on July 28, 2016)	India	**100%**	N.A.	N.A.
11	Godrej Highrises Properties Private Limited	India	**100%**	100%	N.A.
12	Godrej Genesis Facilities Management Private Limited	India	**100%**	100%	N.A.
13	Godrej Fund Management Pte. Limited (100% Subsidiary of Godrej Investment Advisers Private Limited)	Singapore	**100%**	100%	N.A.
14	Godrej Vikhroli Properties India Limited (Converted to Company on January 25, 2017)	India	**100%**	N.A	N.A.
15	Citystar Infraprojects Limited (w.e.f on January 12, 2017)	India	**100%**	N.A	N.A.
16	Godrej Skyline Developers Private Limited (Incorporated on November 22, 2016)	India	**100%**	N.A	N.A.
17	Godrej Residency Private Limited (Incorporated on March 16, 2017)	India	**100%**	N.A	N.A.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Sr. No.	Name of the Entity	Country of Incorporation	Percentage of Holding March 31, 2017 %	March 31, 2016 %	April 1, 2015 %
(ii)	**LLPs**				
1	Godrej Vikhroli Properties LLP (LLP upto January 24, 2017)	India	**-**	100%	60%
2	Godrej Land Developers LLP	India	**100%**	100%	N.A.
3	Godrej Developers & Properties LLP	India	**100%**	100%	N.A.
4	Godrej Highrises Realty LLP	India	**100%**	100%	N.A.
5	Godrej Project Developers & Properties LLP	India	**100%**	100%	N.A.
6	Godrej Highview LLP (Incorporated on September 29, 2016)	India	**100%**	N.A.	N.A.
7	Godrej Skyview LLP (Incorporated on October 19, 2016)	India	**100%**	N.A.	N.A.
8	Godrej Green Properties LLP (Incorporated on October 27, 2016)	India	**100%**	N.A.	N.A.
9	Godrej Projects (Pune) LLP (Incorporated on February 05, 2017)	India	**100%**	N.A.	N.A.
10	Godrej Projects (Soma) LLP (Incorporated on March 06, 2017)	India	**100%**	N.A.	N.A.
11	Godrej Projects (Bluejay) LLP (Incorporated on March 02, 2017)	India	**100%**	N.A.	N.A.
12	Godrej Century LLP (Incorporated on March 14, 2017)	India	**100%**	N.A.	N.A.
b)	**Information on Joint Ventures**				
(i)	**Companies**				
1	Godrej Realty Private Limited	India	**51%**	51%	51%
2	Godrej Landmark Redevelopers Private Limited	India	**51%**	51%	51%
3	Godrej Redevelopers (Mumbai) Private Limited	India	**51%**	51%	51%
4	Wonder Space Properties Private Limited	India	**25.10%**	25.10%	25.10%
5	Wonder City Buildcon Private Limited	India	**25.10%**	25.10%	25.10%
6	Godrej Home Constructions Private Limited	India	**25.10%**	25.10%	N.A
7	Godrej Greenview Housing Private Limited (ceased to be Subsidiary from June 30, 2016)	India	**20%**	100%	N.A

8	Wonder Projects Development Private Limited (ceased to be Subsidiary from September 19, 2016)	India	**20%**	100%	N.A
9	Godrej Real View Developers Private Limited (Incorporated on September 01, 2016)	India	**20%**	N.A	N.A
10	Pearlite Real Properties Private Limited (Incorporated on September 02, 2016)	India	**49%**	N.A	N.A
(ii)	**LLPs**				
1	Godrej Property Developers LLP	India	**32%**	32%	32%
2	Mosiac Landmarks LLP	India	**1%**	1%	51%
3	Dream World Landmarks LLP	India	**40%**	40%	40%
4	Oxford Realty LLP	India	**35%**	26.67%	26.67%
5	Godrej SSPDL Green Acres LLP	India	**37%**	44%	44%
6	Oasis Landmarks LLP	India	**38%**	38%	38%
7	M S Ramaiah Ventures LLP	India	**49.50%**	49.50%	49.50%
8	Caroa Properties LLP	India	**35%**	35%	35%
9	Godrej Construction Projects LLP	India	**34%**	40%	100%
10	Godrej Housing Projects LLP	India	**50%**	40%	40%
11	Amitis Developers LLP	India	**46%**	46%	46%
12	A R Landcraft LLP (w.e.f June 7, 2016)	India	**40%**	N.A	N.A
13	Prakhhyat Dwellings LLP (w.e.f September 2, 2016)	India	**42.50%**	N.A	N.A
14	Bavdhan Realty @ Pune 21 LLP (Incorporated on October 26, 2016)	India	**45%**	N.A	N.A

Percantage of Holding in LLPs in the above table denotes the Share of Profit in the LLP.

c) Information on Associate

(i)	**Companies**				
1	Godrej One Premises Management Private Limited	India	**30%**	30%	N.A

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 52 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Joint Ventures / Associate.

Sr. No.	Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of consolidated net assets	Amount INR (in Crore)	As % of consolidated profit or loss	Amount INR (in Crore)	As % of consolidated OCI	Amount INR (in Crore)	As % of TCI	Amount INR (in Crore)
	Parent:								
	Godrej Properties Limited	97.04%	1,944.43	60.08%	124.25	45.48%	(0.30)	60.13%	123.95
	Subsidiaries (Indian):								
1	Godrej Real Estate Private Limited	(0.66%)	(13.18)	(0.65%)	(1.35)	-	-	(0.66%)	(1.35)
2	Godrej Buildcon Private Limited	6.06%	121.44	12.20%	25.23	-	-	12.24%	25.23
3	Godrej Projects Development Private Limited	6.53%	130.89	(12.86%)	(26.60)	0.99%	(0.01)	(12.90%)	(26.60)
4	Godrej Garden City Properties Private Limited	0.22%	4.33	0.78%	1.61	-	-	0.78%	1.61
5	Godrej Green Homes Limited	0.02%	0.48	0.04%	0.08	-	-	0.04%	0.08
6	Godrej Hillside Properties Private Limited	0.02%	0.50	0.05%	0.11	-	-	0.05%	0.11
7	Godrej Home Developers Private Limited	0.02%	0.50	0.05%	0.11	-	-	0.05%	0.11
8	Godrej Investment Advisers Private Limited	0.08%	1.63	0.00%	0.01	-	-	0.00%	0.01
9	Godrej Prakriti Facilities Private Limited	0.01%	0.23	0.08%	0.17	-	-	0.08%	0.17
10	Prakritiplaza Facilities Management Private Limited	0.00%	0.01	0.00%	-	-	-	0.00%	-
11	Godrej Highrises Properties Private Limited	0.00%	0.09	0.04%	0.09	-	-	0.04%	0.09

INR 0.00 represents amount less than INR 50,000

Sr. No.	Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of consolidated net assets	Amount INR (in Crore)	As % of consolidated profit or loss	Amount INR (in Crore)	As % of consolidated OCI	Amount INR (in Crore)	As % of TCI	Amount INR (in Crore)
12	Godrej Genesis Facilities Management Private Limited	0.01%	0.13	0.06%	0.12	-	-	0.06%	0.12
13	Godrej Vikhroli Properties India Limited	20.36%	407.90	82.82%	171.27	-	-	83.09%	171.27
14	Citystar Infraprojects Limited	0.00%	0.00	(0.01%)	(0.01)	-	-	(0.01%)	(0.01)
15	Godrej Skyline Developers Private Limited	0.00%	(0.00)	0.00%	(0.01)	-	-	0.00%	(0.01)
16	Godrej Developers & Properties LLP	0.00%	(0.01)	0.00%	(0.01)	-	-	0.00%	(0.01)
17	Godrej Land Developers LLP	0.00%	(0.01)	0.00%	(0.01)	-	-	0.00%	(0.01)
18	Godrej Project Developers & Properties LLP	0.00%	(0.01)	0.00%	(0.01)	-	-	0.00%	(0.01)
19	Godrej Highrises Realty LLP	0.00%	(0.00)	0.00%	(0.00)	-	-	0.00%	(0.00)
	Subsidiaries (Foreign)								
1	Godrej Fund Management Pte. Limited	0.37%	7.49	3.27%	6.76	53.53%	(0.36)	3.11%	6.41
	Associate (Indian) (Investment as per Equity Method)								
1	Godrej One Premises Management Private Limited	-	-	0.00%	-	-	-	0.00%	-

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Sr. No.	Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of consolidated net assets	Amount INR (in Crore)	As % of consolidated profit or loss	Amount INR (in Crore)	As % of consolidated OCI	Amount INR (in Crore)	As % of TCI	Amount INR (in Crore)
	Joint Venture (Indian) (Investment as per the Equity Method)								
1	Godrej Realty Private Limited	-	-	(0.24%)	(0.50)	-	-	(0.24%)	(0.50)
2	Godrej Landmark Redevelopers Private Limited	-	-	6.32%	13.06	-	-	6.34%	13.06
3	Godrej Redevelopers (Mumbai) Private Limited	-	-	4.81%	9.94	-	-	4.82%	9.94
4	Wonder Space Properties Private Limited	-	-	(0.02%)	(0.03)	-	-	(0.02%)	(0.03)
5	Wonder City Buildcon Private Limited	-	-	0.46%	0.95	-	-	0.46%	0.95
6	Godrej Home Constructions Private Limited	-	-	(0.61%)	(1.25)	-	-	(0.61%)	(1.25)
7	Godrej Greenview Housing Private Limited	-	-	(0.60%)	(1.24)	-	-	(0.60%)	(1.24)
8	Wonder Projects Development Private Limited	-	-	(0.01%)	(0.01)	-	-	(0.01%)	(0.01)
9	Godrej Real View Developers Private Limited	-	-	0.00%	-	-	-	0.00%	-
10	Pearlite Real Properties Private Limited	-	-	0.00%	(0.01)	-	-	0.00%	(0.01)
11	Godrej Property Developers LLP	-	-	0.00%	(0.01)	-	-	0.00%	(0.01)
12	Mosiac Landmarks LLP	-	-	0.00%	0.00	-	-	0.00%	0.00
13	Dream World Landmarks LLP	-	-	2.18%	4.51	-	-	2.19%	4.51
14	Oxford Realty LLP	-	-	0.14%	0.29	-	-	0.14%	0.29

INR 0.00 represents amount less than INR 50,000

Sr. No.	Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of consolidated net assets	Amount INR (in Crore)	As % of consolidated profit or loss	Amount INR (in Crore)	As % of consolidated OCI	Amount INR (in Crore)	As % of TCI	Amount INR (in Crore)
15	Godrej SSPDL Green Acres LLP	-	-	(0.01%)	(0.03)	-	-	(0.01%)	(0.03)
16	Oasis Landmarks LLP	-	-	4.81%	9.95	-	-	4.83%	9.95
17	M S Ramaiah Ventures LLP	-	-	(0.01%)	(0.02)	-	-	(0.01%)	(0.02)
18	Caroa Properties LLP	-	-	(0.04%)	(0.09)	-	-	(0.04%)	(0.09)
19	Godrej Construction Projects LLP	-	-	(0.69%)	(1.43)	-	-	(0.69%)	(1.43)
20	Godrej Housing Projects LLP	-	-	(0.04%)	(0.08)	-	-	(0.04%)	(0.08)
21	Amitis Developers LLP	-	-	(0.01%)	(0.03)	-	-	(0.02%)	(0.03)
22	A R Landcraft LLP	-	-	(1.96%)	(4.06)	-	-	(1.97%)	(4.06)
23	Prakhhyat Dwellings LLP	-	-	0.00%	-	-	-	0.00%	-
24	Bavdhan Realty @ Pune 21 LLP	-	-	0.00%	(0.01)	-	-	0.00%	(0.01)
	Inter-company Elimination & Consolidation Adjustments	(30.10%)	(603.10)	(60.40%)	(124.91)	-	-	(60.60%)	(124.91)
	Total	100.00%	2,003.73	100.00%	206.80	100.00%	(0.67)	100.00%	206.12

INR 0.00 represents amount less than INR 50,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Annexure A: Statement pursuant to first proviso to Sub-Section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of Companies (Accounts) Rules, 2014, in the prescribed form AOC - I relating to Subsidiary Companies, Joint Ventures and Associate.

Part “A” : Subsidiaries

INR (in Crore)

Sr. No.	Name of Subsidiary Company/Limited Liability Partnership	Reporting Currency	Accounting Period	Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover (Refer Note (c) below)	Profit before taxation	Provision for taxation	Profit/ (Loss) after taxation	% of Holding*	Country
1	Godrej Real Estate Private Limited	INR	2016-17	0.45	(13.63)	188.78	201.96	0.37	0.10	(1.67)	(0.32)	(1.35)	100%	India
2	Godrej Buildcon Private Limited	INR	2016-17	0.05	121.39	1,292.85	1,171.41	-	353.97	39.23	13.99	25.23	100%	India
3	Godrej Projects Development Private Limited	INR	2016-17	0.28	130.61	1,163.34	1,032.45	169.58	252.24	(38.14)	(11.54)	(26.60)	100%	India
4	Godrej Garden City Properties Private Limited	INR	2016-17	0.05	4.28	44.04	39.71	34.46	17.42	2.40	0.79	1.61	100%	India
5	Godrej Green Homes Limited	INR	2016-17	0.45	0.03	0.51	0.03	0.48	0.10	0.08	0.00	0.08	100%	India
6	Godrej Hillside Properties Private Limited	INR	2016-17	0.41	0.09	0.51	0.01	0.47	0.12	0.11	0.00	0.11	100%	India
7	Godrej Home Developers Private Limited	INR	2016-17	0.41	0.09	0.51	0.01	0.47	0.12	0.11	0.00	0.11	100%	India
8	Godrej Fund Management Pte. Limited (Refer Note (b) below)	US $	2016-17	1.14	6.35	9.39	1.89	-	9.78	7.88	1.11	6.76	100%	Singapore
9	Godrej Prakriti Facilities Private Limited	INR	2016-17	0.01	0.22	5.40	5.17	-	3.98	0.24	0.07	0.17	100%	India
10	Prakritiplaza Facilities Management Private Limited	INR	28.07.2016 TO 31.03.2017	0.01	-	0.02	0.01	-	0.01	-	-	-	100%	India
11	Godrej Highrises Properties Private Limited	INR	2016-17	0.01	0.08	0.10	0.01	0.04	0.10	0.09	-	0.09	100%	India
12	Godrej Investment Advisers Private Limited	INR	2016-17	1.70	(0.07)	1.65	0.02	1.64	0.03	0.02	0.01	0.01	100%	India
13	Godrej Genesis Facilities Management Private Limited (Refer Note (a) below)	INR	2016-17	0.01	0.12	1.11	0.98	-	0.71	0.16	0.05	0.12	100%	India
14	Godrej Vikhroli Properties India Limited (Converted from LLP on January 25, 2016)	INR	2016-17	368.30	39.60	903.96	496.06	-	639.07	251.71	80.45	171.27	100%	India
15	Citystar Infraprojects Limited	INR	2016-17	0.05	(0.05)	0.35	0.35	-	-	(0.01)	-	(0.01)	100%	India
16	Godrej Skyline Developers Private Limited (Refer Note (a) below)	INR	22.11.2016 TO 31.03.2017	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	(0.01)	100%	India

INR (in Crore)

Sr. No.	Name of Subsidiary Company/Limited Liability Partnership	Reporting Currency	Accounting Period	Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover (Refer Note (c) below)	Profit before taxation	Provision for taxation	Profit/ (Loss) after taxation	% of Holding*	Country
17	Godrej Developers & Properties LLP (Refer Note (a) below)	INR	2016-17	0.00	(0.01)	0.00	0.01	-	-	(0.01)	-	(0.01)	100%	India
18	Godrej Land Developers LLP (Refer Note (a) below)	INR	2016-17	0.00	(0.02)	0.00	0.01	-	-	(0.01)	-	(0.01)	100%	India
19	Godrej Project Developers & Properties LLP	INR	2016-17	0.00	(0.02)	0.00	0.01	-	-	(0.01)	-	(0.01)	100%	India
20	Godrej Highrises Realty LLP (Refer Note (a) below)	INR	2016-17	0.00	(0.00)	2.93	2.93	-	-	(0.00)	0.00	(0.00)	100%	India

*Percentage holding in LLPs denotes the Share of Profit in the LLPs

(a) Subsidiary of Godrej Projects Development Private Limited

(b) Subsidiary of Godrej Investment Advisory Private Limited. The reporting currency of the Company is US $. Capital Reserves & Surplus, Total Assets, Total Liabilities and Investments are translated at year end exchange rate: US $: INR 64.83. The turnover, profit before tax, provision for tax and Profit / (Loss) after taxation are translated at annual average rate of US $: INR 67.83.

(c) Turnover Includes Revenue from Operations and Other Income

(d) Total Liabilities exludes Capital and Reserves & Surplus

(e) All the above information is given as per Ind AS.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Part "B" : Joint Ventures

Sr. No.	Name of Joint Venture Company/ Limited Liability Partnership	Latest audited Balance Sheet Date	Shares of Joint Ventures held by the Company on the Year End			Description of how there is significant influence	Reason why joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the Year	
			No of Share	Amount of Investment in Joint Venture	Extent of Holding %				Considered in Consolidation	Not Considered in Consolidation
1	Godrej Realty Private Limited	31.03.2017	884,850	5.52	51%	through % of holding	NA	0.79	(0.50)	-
2	Godrej Landmark Redevelopers Private Limited	31.03.2017	25,500	0.03	51%	through % of holding	NA	53.52	13.06	-
3	Godrej Redevelopers (Mumbai) Private Limited	31.03.2017	28,567	4.44	51%	through % of holding	NA	12.47	9.94	-
4	Wonder Space Properties Private Limited	31.03.2017	111,054	1.72	25.10%	through % of holding	NA	1.63	(0.03)	-
5	Wonder City Buildcon Private Limited	31.03.2017	810,420	1.61	25.10%	through % of holding	NA	0.54	0.95	-
6	Godrej Home Constructions Private Limited	31.03.2017	1,071,770	2.18	25.10%	through % of holding	NA	0.93	(1.25)	-
7	Godrej Greenview Housing Private Limited	31.03.2017	1,192,000	1.19	20%	through % of holding	NA	(0.05)	(1.24)	-
8	Wonder Projects Development Private Limited	31.03.2017	700,100	0.70	20%	through % of holding	NA	0.68	(0.01)	-
9	Godrej Real View Developers Private Limited	"01.09.2016 to 31.03.2017"	176,000	0.18	20%	through % of holding	NA	0.18	-	-
10	Pearlite Real Properties Private Limited	02.09.2016 to 31.03.2017	3,552,500	3.55	49%	through % of holding	NA	3.54	(0.01)	-
11	Godrej Property Developers LLP	31.03.2017	NA	-	32%	through % of holding and Voting rights	NA	(0.01)	(0.01)	-
12	Mosiac Landmarks LLP	31.03.2017	NA	0.11	1%	through % of holding and Voting rights	NA	0.21	0.00	-
13	Dream World Landmarks LLP	31.03.2017	NA	0.04	40%	through % of holding and Voting rights	NA	2.28	4.51	-

Sr. No.	Name of Joint Venture Company/ Limited Liability Partnership	Latest audited Balance Sheet Date	Shares of Joint Ventures held by the Company on the Year End			Description of how there is significant influence	Reason why joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the Year	
			No of Share	Amount of Investment in Joint Venture	Extent of Holding %				Considered in Consolidation	Not Considered in Consolidation
14	Oxford Realty LLP	31.03.2017	NA	0.00	35%	through % of holding and Voting rights	NA	(2.42)	0.29	-
15	Godrej SSPDL Green Acres LLP	31.03.2017	NA	0.05	37%	through % of holding and Voting rights	NA	(0.76)	(0.03)	-
16	Oasis Landmarks LLP	31.03.2017	NA	0.00	38%	through % of holding and Voting rights	NA	0.00	9.95	-
17	M S Ramaiah Ventures LLP	31.03.2017	NA	1.01	49.50%	through % of holding and Voting rights	NA	0.96	(0.02)	-
18	Caroa Properties LLP	31.03.2017	NA	0.04	35%	through % of holding and Voting rights	NA	(2.51)	(0.09)	-
19	Godrej Construction Projects LLP	31.03.2017	NA	0.00	34%	through % of holding and Voting rights	NA	(2.27)	(1.43)	-
20	Godrej Housing Projects LLP	31.03.2017	NA	0.01	50%	through % of holding and Voting rights	NA	(0.07)	(0.08)	-
21	Amitis Developers LLP	31.03.2017	NA	0.05	46%	through % of holding and Voting rights	NA	0.01	(0.03)	-
22	A R Landcraft LLP	31.03.2017	NA	0.10	40%	through % of holding and Voting rights	NA	15.92	(4.06)	-
23	Prakhhyat Dwellings LLP	31.03.2017	NA	0.00	42.50%	through % of holding and Voting rights	NA	0.18	-	-
24	Bavdhan Realty @ Pune 21 LLP	26.10.2016 to 31.03.2017	NA	0.00	45%	through % of holding and Voting rights	NA	0.00	(0.00)	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Part “C” : Associate

Sr. No.	Name of the Associate Company	Latest audited Balance Sheet date	Share of Associate held by the Company on the Year End			Description of how there is significant influence	Reason why associate is not consolidated	Networth attribute to Shareholding as per latest audited Balance Sheet	Profit/Loss for the Year	
			No. of Share	Amount of Investment In Associate	Extent of Holding %				Considered in Consolidation	Not considered in Consolidation
1	Godrej One Premises Management Private Limited	31.03.2017	3000	0.00	30%	through % of holding	NA	0.00	-	-

INR 0.00 represents amount less than INR 50,000

Percantage holding in LLPs denotes the Share of Profit in the LLPs

All the above information is given as per Ind As

For and on behalf of the Board

PIROJSHA GODREJ
Executive Chairman
DIN: 00432983

MOHIT MALHOTRA
Managing Director & CEO
DIN: 07074531

SURENDER VARMA
Company Secretary
ICSI Membership No: A10428

RAJENDRA KHETAWAT
Chief Financial Officer

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations. Our Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

Signed by:

____

Mohit Malhotra
Managing Director and Chief Executive Officer

Date: June 25, 2019

Place: Mumbai

DECLARATION

We, the Board of the Company, certify that:

(i) Our Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(ii) the compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government;

(iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

Signed by:

____

Mohit Malhotra
Managing Director and Chief Executive Officer

I am authorized by the QIP committee, a committee of the Board of the Company, vide resolution dated June 25, 2019 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoter subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed:

____

Mohit Malhotra
Managing Director and Chief Executive Officer

Date: June 25, 2019

Place: Mumbai

GODREJ PROPERTIES LIMITED

Registered Office and Corporate Office:
Godrej One
5th Floor, Pirojshanagar
Eastern Express Highway
Vikhroli (East), Mumbai 400 079
Maharashtra, India
Tel: +91 22 6169 8500
Email: secretarial@godrejproperties.com | **Website**: www.godrejproperties.com
CIN: L74120MH1985PLC035308

Contact Person:
Surender Varma
Designation: Company Secretary and Chief Legal Officer
Tel: +91 22 6169 8500
E-mail: secretarial@godrejproperties.com
Address: Godrej One
5th Floor, Pirojshanagar
Eastern Express Highway
Vikhroli (East), Mumbai 400 079
Maharashtra, India

BOOK RUNNING LEAD MANAGERS

Kotak Mahindra Capital Company Limited
1st Floor, 27 BKC, Plot No. 27
G-Block, Bandra Kurla Complex
Bandra (East)
Mumbai 400 051

Axis Capital Limited
1st Floor, Axis House
C-2 Wadia International Centre
P.B. Marg
Worli
Mumbai 400 025

CLSA India Private Limited
8/F Dalamal House
Nariman Point
Mumbai 400 021

DSP Merrill Lynch Limited
Ground Floor, A Wing
One BKC, G Block
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051

STATUTORY AUDITORS OF OUR COMPANY

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

LEGAL COUNSEL TO OUR COMPANY

As to Indian law

Cyril Amarchand Mangaldas
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai 400 013

LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGERS

As to Indian law

Trilegal
Peninsula Business Park
17th Floor, Tower B
Ganpat Rao Kadam Marg
Lower Parel (West)
Mumbai 400 013

As to United States federal securities law

Sidley Austin LLP
Level 31
Six Battery Road
Singapore 049909

APPLICATION FORM

Indicative format of the Application Form

An indicative format of the Application Form is set forth below.

(Note: The format of the Application Form included herein below is indicative and for the illustrative purposes only and no Bids in this Issue can be made through the sample Application Form. Our Company, in consultation with the BRLMs, shall identify Eligible QIBs and circulate serially numbered copies of this Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should be made only upon receipt of serially numbered copies of this Preliminary Placement Document and the Application Form and not on the basis of the indicative format below.)

GODREJ PROPERTIES LIMITED	**APPLICATION FORM** **Name of the Bidder:____________________** **Form. No.______**
(Incorporated in the Republic of India under the provisions of the Companies Act, 1956) **Registered Office and Corporate Office**: Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079, Maharashtra, India; **CIN**: L74120MH1985PLC035308; **Website**: www.godrejproperties.com; **Tel**: +91 22 6169 8500; **Email**: secretarial@godrejproperties.com	**Date:______**

QUALIFIED INSTITUTIONS PLACEMENT OF [•] EQUITY SHARES OF FACE VALUE OF ₹5 EACH (THE "EQUITY SHARES") FOR CASH, AT A PRICE OF ₹[•] PER EQUITY SHARE (THE "ISSUE PRICE"), INCLUDING A PREMIUM OF ₹[•] PER EQUITY SHARE, AGGREGATING TO ₹[•] MILLION IN RELIANCE UPON SECTIONS 42 OF THE COMPANIES ACT, 2013 AS AMENDED (THE "COMPANIES ACT") AND THE RULES MADE THERUNDER, AND CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") BY GODREJ PROPERTIES LIMITED (THE "ISSUER" OR THE "COMPANY", AND SUCH ISSUE OF EQUITY SHARES, THE "ISSUE").

Only Qualified Institutional Buyers ("QIBs") as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and which: (a) are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; or (b) hold a valid and existing registration under the applicable laws in India (as applicable); (c) are not restricted from participating in the Issue under SEBI ICDR Regulations and other applicable laws; are eligible to submit this Application Form. In addition to the above, with respect to the Issue, Eligible QIBs shall consist of (i) QIBs which are resident in India; and (ii) Eligible FPIs, participating through Schedule 2 of the FEMA Regulations. Subject to (ii) above, in the United States persons reasonably believed to be "qualified institutional buyers" as defined in Rule 144A under the U.S. Securities Act may participate in the Issue. Further, except as provide in (ii) above, other non-resident QIBs (including foreign venture capital investors ("FVCIs") and non-resident multinational and bilateral development financial institutions) are not permitted to participate in the Issue

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any other applicable state securities laws of the United States and, unless so registered, and may not be offered or sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the applicable securities laws of all states and other jurisdictions of the United States. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons who are reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act ("Rule 144A")) ("U.S. QIB") pursuant to Section 4(a)(2) or another available exemption from registration under the Securities Act; for avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in the preliminary placement document (as defined below) as "QIBs" and (b) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. You should note and observe the solicitation and distribution restrictions contained in the sections of the accompanying preliminary placement document dated June 25, 2019 (the "PPD") titled "Selling Restrictions" and "Transfer Restrictions".

ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE THROUGH SCHEDULES 2 OF FEMA REGULATIONS, IN THIS ISSUE, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. ALLOTMENTS MADE TO AIFs AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY. FVCIs, NON-RESIDENT MULTILATERAL AND BILATERAL DEVELOPMENT FINANCIAL INSTITUTIONS AND ANY OTHER NON-RESIDENT INVESTORS (OTHER THAN ELIGIBLE FPI THROUGH SCHEDULE 2 OF THE FEMA REGULATIONS) ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,
The Board of Directors
Godrej Properties Limited
Godrej One, 5th Floor, Pirojshanagar,
Eastern Express Highway, Vikhroli (East),
Mumbai 400 079, Maharashtra, India

STATUS (Please ✓)			
FI	Scheduled Commercial Banks and Public Financial Institutions	**IC**	Insurance Companies
MF	Mutual Funds	**VCF**	Venture Capital Funds
NIF	National Investment Fund	**FPI**	Eligible Foreign Portfolio Investor*
IF	Insurance Funds	**AIF**	Alternative Investment Fund
SI-NBFC	Systemically Important Non-Banking Financial Companies	**OTH**	Others ____________ (Please specify)

**Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended excluding Category III Foreign Portfolio Investors who are not allowed to participate in the Issue*

Respected All,

On the basis of the serially numbered PPD and subject to the terms and conditions contained in the other sections of the PPD, and in this section of Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue on the terms and price indicated below. We confirm that (i) we are an Eligible QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and the PPD, (ii) we are not: (a) excluded from making an application in the Issue pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, and (b) restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws, and (iii) we are not a Promoter of the Issuer, or any person related to the Promoters, directly or indirectly, as defined in the SEBI ICDR Regulations. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with the Promoters or Promoter Group, veto rights or right to appoint any nominee director on the Board of directors of the Issuer. We confirm that we are either a QIBs which is resident in India, or an Eligible FPIs, participating through Schedule 2 of the FEMA Regulations. We confirm that we are neither a FVCI nor a non-resident multilateral or bilateral development financial institution. We confirm that the bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("**Takeover Regulations**"). We further understand and agree that (i) our names, address, contact details, PAN number and bank account details will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, our names (as proposed allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document pursuant to the requirements under Form PAS-4 of the PAS Rules; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the

Registrar of Companies, Maharashtra at Mumbai ("**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company will disclose our name, along with the name of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the website of National Stock Exchange of India Limited and the BSE Limited (together referred to as the "**Stock Exchanges**"), and we consent to such disclosure. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, Reserve Bank of India circulars and other applicable laws.

We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations. We confirm that, in relation to our application, each foreign portfolio investor ("**FPI**") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended (other than category III FPIs), and including persons who have been registered under these regulations (such FPIs, "**Eligible FPIs**"), have submitted separate Application Forms and asset management companies of mutual funds have specified the details of each scheme for which the application is being made along with the price and amount to be Allotted under each scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the necessary approvals. We note that the Board of Directors of the Company, or any duly authorized committee thereof, is entitled, in consultation with Kotak Mahindra Capital Company Limited, Axis Capital Limited, CLSA India Private Limited and DSP Merrill Lynch Limited (together, the "**BRLMs"**), in their absolute discretion, to accept or reject this Application Form without assigning any reason thereof. We hereby agree to accept the Equity Shares that may be Allocated to us pursuant to the Confirmation of Allocation Note ("**CAN**") and request you to credit the same to our beneficiary account as per the details given below, subject to receipt of Application Form and Bid Amount towards the Equity Shares that may be Allocated to us. The Bid Amount payable by us as Bid Amount for the Equity Shares applied for in the Issue has been/will be remitted to the designated bank account set out in this Application Form only through electronic mode, along with this duly completed Application Form within the Issue Closing Date and such Bid Amount has been/will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash or cheque. We are aware that Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLMs; and in the event that (i) Equity Shares that we have applied for are not Allotted to us in full or at all, and/or (ii) the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or (iii) the Company is unable to issue and Allot the Equity Shares offered in the Issue or (iv) if we withdraw the Bid before Issue Closing Date, or (v) if there is a cancellation of the Issue, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount is paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in requirements, as may be applicable to us.

By signing and submitting this Application Form, we hereby confirm and agree (i) that the representation, warranties, acknowledgments and agreements as set forth in the sections of the PPD titled "Notice to Investors", "Representations by Investors", "Issue Procedure", "Selling Restrictions" and "Transfer Restrictions" and (ii) the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company, BRLMs, each of which are entitled to rely and are relying on these representations and warranties in consummating the Issue.

By signing and submitting this Application Form, we further represent, warrant, acknowledge and agree as follows: (1) we have been provided a serially numbered copy of the PPD along with the Application Form and have read it in its entirety including in particular, the '*Risk Factors*' therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLMs or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document, this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares, otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw or revise our Bid downwards after the Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the discretion of the Company in consultation with the BRLMs and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations i.e. entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, amongst the Eligible QIBs, its subsidiary or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (9) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

We acknowledge that the Equity Shares have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. By signing this Application Form and checking the applicable box above, we hereby represent that we are either (i) qualified institutional buyers (as defined in Rule 144A) purchasing the Equity Shares pursuant to Section 4(a)(2) under the Securities Act, or (ii) located outside the United States and purchasing Equity Shares in an offshore transaction in reliance on Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.

By signing and submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares.

BIDDER DETAILS (In Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
PHONE NO.		**FAX NO.**	
EMAIL ID			
FOR FPIs**	SEBI FPI REGISTRATION NO. ____________________		

FOR AIFs[1]	SEBI AIF REGISTRATION NO. ____
FOR VCFs	SEBI VCF REGISTRATION NO. ____
FOR SI-NBFC	RBI REGISTRATION DETAILS ____

**Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund bidders are requested to provide details of the bids made by each scheme of the Mutual Fund. Each FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the BRLMs.*

*** In case you are an FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.*

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allotted to us in the Issue will be aggregated to disclose our percentage of post-Issue shareholding in the Company in the Placement Document in line with the requirements under PAS-4 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended. For such information, the BRLMs have relied on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

DEPOSITORY ACCOUNT DETAILS									
Depository Name	National Securities Depository Limited								Central Depository Services (India) Limited
Depository Participant Name									
DP – ID	I	N							
Beneficiary Account Number									(16-digit beneficiary A/c. No. to be mentioned above)

The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. However, for the purposes of refund, if any, only the bank details as mentioned below, from which Bid Amount has been remitted for the Equity Shares applied for in the issue will be considered.

PAYMENT DETAILS
REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER
By 1:00 p.m. (IST), [day] [date]

BANK ACCOUNT DETAILS FOR PAYMENT OF BID AMOUNT THROUGH ELECTRONIC FUND TRANSFER			
Name of the Account	Godrej Properties Limited - QIP – Escrow Account	**Account Type**	Escrow Account
Name of Bank	HDFC BANK LTD	**Address of the Branch of the Bank**	Fort Nanik Motwani Marg
Account No.	57500000383832	**IFSC**	HDFC0000060
Phone No.	Vishal M. Lade - 9773537011 Sachin Dixit - 9323103214		

The Bid Amount should be transferred pursuant to the Application Form within the Issue Period. Payment of the entire Bid Amount must be made along with the Application Form, only by way of electronic fund transfers in favor of "Godrej Properties Limited - QIP - Escrow Account", on or before the closure of the Issue Period i.e. within the Issue Closing Date. The payment for subscription to the Equity Shares to be allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	

NO. OF EQUITY SHARES BID FOR		**PRICE PER EQUITY SHARE (RUPEES)**	
(In Figures)	(In Words)	(In Figures)	(In Words)

DETAILS OF CONTACT PERSON

Name: ______________________________

Address: ______________________________

____

Tel. No: ______________________ Fax No: ______________________

Email: ______________________________

OTHER DETAILS	
PAN*	

ENCLOSURES ATTACHED

- ☐ Copy of the PAN Card or PAN Allotment letter
- ☐ FIRC

[1] Allotments made to Alternative Investment Funds in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. Alternative Investment Funds should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

Signature of Authorized Signatory		☐ Copy of the SEBI registration certificate as Eligible FPI ☐ Copy of the SEBI registration certificate as an AIF ☐ Copy of the SEBI registration certificate as a VCF ☐ Copy of the SEBI registration certificate as a Mutual Fund ☐ Copy of the IRDA registration certificate ☐ Certified true copy of power of attorney ☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a scheduled commercial bank/public financial institution ☐ Others, please specify________________

**It is to be specifically noted that the Bidder should not submit the GIR number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground.*

Note 1: Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and Placement Document.

Note 2: The Application Form is liable to be rejected if any information provided is incomplete or inadequate.

The Application Form, the PPD sent to you and the Placement Document which will be sent to you, either in physical form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.