



GODREJ PROPERTIES LIMITED

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

POSTAL BALLOT NOTICE

Notice pursuant to Section 192A of the Companies Act, 1956, as amended read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011

Dear Members,

Notice is hereby given that, pursuant to Section 192A of the Companies Act, 1956, as amended (the "**Companies Act**"), read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 (the "**Rules**"), Godrej Properties Limited (the "**Company**") is seeking the consent of its members through postal ballot for the following purposes as approved by the Board of Directors at their meeting held on July 28, 2012:

1. To make investment(s) in any security(ies) of and/or to make loan(s) to or place inter-corporate deposit(s) with and/or provide any other form of debt to and/or to provide any security(ies) in connection with loan(s) and/or give guarantee(s) in connection with loan(s) given by any other person to Godrej Sea View Properties Private Limited, a subsidiary of the Company, for an aggregate amount not exceeding Rs. 150 Crores (Rupees One Hundred and Fifty Crores).
2. To make investment(s) in any security(ies) of and/or to make loan(s) to or place inter-corporate deposit(s) with and/or provide any other form of debt to and/or to provide any security(ies) in connection with loan(s) and/or give guarantee(s) in connection with loan(s) given by any other person to Godrej Vikhroli Properties LLP for an aggregate amount not exceeding Rs. 250 Crores (Rupees Two Hundred and Fifty Crores).
3. To make investment(s) in any security(ies) of and/or to make loan(s) to or place inter-corporate deposit(s) with and/or provide any other form of debt to and/or to provide any security(ies) in connection with loan(s) and/or give guarantee(s) in connection with loan(s) given by any other person to Mosiac Landmarks LLP for an aggregate amount not exceeding Rs. 50 Crores (Rupees Fifty Crores).
4. To amend the terms of the Godrej Properties Limited Employee Stock Option Plan for revision in the 'Exercise Price'.

In terms of Section 192A of the Companies Act read with the Rules, the Company is seeking the approval of the members in respect of the above matters, through postal ballot. The Resolutions and the relevant explanatory statements setting out the material facts and the reasons for the Resolutions are appended herewith along with a 'Postal Ballot Form' for your consideration.

Members may note that the Company is providing voting through postal ballot. Only shareholders entitled to vote are entitled to fill in the postal ballot form and send it to the Scrutinizer and any other recipient of the Notice who has no voting rights should treat the Notice as an intimation only.

Mr. S. Anand SS Rao, Company Secretary in Practice, has been appointed by the Board of Directors of the Company as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed in the accompanying Postal Ballot Form and return the same along with assent (**FOR**) or dissent (**AGAINST**), in the attached self addressed postage pre-paid envelope so as to reach the Scrutinizer on or before **September 10, 2012 (before 5:30 p.m.)**. Please note that any Postal Ballot Form(s) received after the said date will be treated as not having been received. No other form or photocopy thereof is permitted. The Scrutinizer will submit his report to the Chairman or any other Director in his absence after completion of the scrutiny. Results of the Postal Ballot will be announced by the Chairman or such Director on **September 11, 2012**.

The declaration of results as stated above shall be treated as declaration of results by the Chairman at a meeting of the shareholders as per the provisions of the Rules. After the above declaration by the Chairman, the results of the Postal Ballot will be posted on the Company's website viz., www.godrejproperties.com.

SPECIAL BUSINESS

ITEM No. 1

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

"RESOLVED THAT in supersession to the resolution dated May 17, 2010 passed by the members of the Company through Postal Ballot and pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act 1956, as amended (the "Companies Act") and subject to the approval/consent of such appropriate authorities, as may be required, under any statute for time being in force, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to make loan(s) or place inter-corporate deposit(s) with and/or provide any other form of debt to and/or investment in and/or give guarantee(s) and/or provide any security(ies) in connection with loan(s) made by any other person to and/or acquire by way of subscription, purchase or otherwise the security(ies) of Godrej Sea View Properties Private Limited, a subsidiary of the Company, for an amount not exceeding Rs. 150 Crores (Rupees One Hundred and Fifty Crores), notwithstanding that the aggregate of the loans, guarantees or securities so far given or to be given to and/or securities so far acquired or to be acquired in all bodies corporate may exceed the limits laid down by Section 372A of the Companies Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take from time to time all decisions and steps necessary or expedient or proper in respect of the above loan(s)/guarantee(s)/security(ies)/investment(s) including the timing, the amount and other terms and conditions of such loan(s)/guarantee(s)/security(ies)/ investment(s) and varying the same through transfer, sale, disinvestment or otherwise, either in part or in full, as it may, in its absolute discretion, deem appropriate for the purpose of giving effect to this Resolution."

ITEM No. 2

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

"RESOLVED THAT in supersession to the resolution dated July 17, 2010 passed by the members of the Company at their Annual General Meeting and pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act 1956, as amended (the "Companies Act") and subject to the approval/consent of such appropriate authorities, as may be required, under any statute for time being in force, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to make loan(s) or place inter-corporate deposit(s) with and/or provide any other form of debt to and/or investment in and/or give guarantee(s) and/or provide any security(ies) in connection with loan(s) made by any other person to and/or acquire by way of subscription, purchase or otherwise the security(ies) of Godrej Vikhroli Properties LLP, for an amount not exceeding Rs. 250 Crores (Rupees Two Hundred and Fifty Crores), notwithstanding that the aggregate of the loans, guarantees or securities so far given or to be given to and/or securities so far acquired or to be acquired in all bodies corporate may exceed the limits laid down by Section 372A of the Companies Act.

RESOLVED FURTHER THAT THAT the Board be and is hereby authorized to take from time to time all decisions and steps necessary or expedient or proper in respect of the above loan(s)/ guarantee(s) /security(ies)/investment(s) including the timing, the amount and other terms and conditions of such loan(s)/guarantee(s)/security(ies)/ investment(s) and varying the same through transfer, sale, disinvestment or otherwise, either in part or in full, as it may, in its absolute discretion, deem appropriate for the purpose of giving effect to this Resolution."

ITEM No. 3

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

"RESOLVED THAT in supersession to the resolution dated September 30, 2011 passed by the members of the Company through Postal Ballot and pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act 1956, as amended (the "Companies Act") and subject to the approval/consent of such appropriate authorities, as may be required, under any statute for time being in force, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to make loan(s) or place inter-corporate deposit(s) with and/or provide any other form of debt to and/or investment in and/or give guarantee(s) and/or provide any security(ies) in connection with loan(s) made by any other person to and /or acquire by way of subscription, purchase or otherwise the security(ies) of Mosiac Landmarks LLP, for an amount not exceeding Rs. 50 Crores (Rupees Fifty Crores), notwithstanding that the aggregate of the loans, guarantees or securities so far given or to be given to and/ or securities so far acquired or to be acquired in all bodies corporate may exceed the limits laid down by Section 372A of the Companies Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take from time to time all decisions and steps necessary or expedient or proper in respect of the above loan(s)/ guarantee(s) /security(ies)/investment(s) including the timing, the amount and other terms and conditions of such loan(s)/guarantee(s)/security(ies)/ investment(s) and varying the same through transfer, sale, disinvestment or otherwise, either in part or in full, as it may, in its absolute discretion, deem appropriate for the purpose of giving effect to this Resolution."

ITEM No. 4

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

"RESOLVED THAT pursuant to the provisions of the Companies Act, 1956, as amended, the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended, the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and required and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee, which the Board has constituted to exercise its powers (including the Remuneration Committee), including the powers conferred into this resolution) to carry out the following modification in the Godrej Properties Limited Employees Stock Option Plan (the "GPL ESOP"), which shall be applicable to the options granted by the Remuneration Committee under the GPL ESOP:

Clause 8(a) (*Exercise Price and Pricing Formula*) of the GPL ESOP shall be substituted from:

"The price at which the Option Grantee would convert Options Granted into Shares shall be the Grant price plus interest at such rate as may be decided from time to time compoundable on an annual basis, for the period commencing from the date of granting of the options and ending on the date of intimating exercise of the option to the Company plus all other expenses as may be incurred by the Company to give effect to the GPL ESOP."

to

"The price at which the Option Grantee would convert Options Granted into Shares shall be the Grant Price plus interest at such rate as may be decided from time to time and compoundable on an annual basis, for the period commencing from the date of grant of the Options and ending on March 31, 2012 plus all other expenses as may be incurred by the Company to give effect to the GPL ESOP."

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps and actions as may be required to give effect to this Resolution and give such directions as may in its absolute discretion deem fit or necessary and to settle any question that may arise in this regard."

By Order of the Board of Directors
For **Godrej Properties Limited**
Sd/-

Shodhan Kumbhavi
Company Secretary

Place: Mumbai
Date: July 28, 2012

Registered Office:

Godrej Bhavan, 4th Floor,
4A, Home Street,
Fort, Mumbai - 400 001.

Notes:

1. The relative Explanatory Statements pursuant to Section 173(2) of the Companies Act setting out material facts are annexed hereto.
2. Resolutions passed by the members through Postal Ballot are deemed to have been passed effectively at a General Meeting of the members.
3. Mr. S. Anand SS Rao, Company Secretary in Practice, has been appointed as the Scrutinizer for conducting the Postal Ballot voting process in accordance with law.
4. The members are requested to carefully read the instructions printed in the attached Postal Ballot Form. The Postal Ballot Form, duly completed and signed, should be returned in the enclosed self-addressed postage pre-paid envelop directly to the Scrutinizer so as to reach the Scrutinizer before the close of the working hours on September 10, 2012. Any Postal Ballot Form received after September 10, 2012 shall be treated as if reply from the member has not been received.
5. Members are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted. Members who do not receive the Postal Ballot Form may apply to the Company and obtain a duplicate thereof. Facility of voting through electronic mode is not being provided by the Company.
6. The results of the Postal Ballot will be announced on September 11, 2012 at the Registered office of the Company at Godrej Bhavan, 4th Floor, 4A Home Street, Fort, Mumbai 400 001 and will also be informed to BSE Limited and The National Stock Exchange of India Limited, hosted on the Company's website www.godrejproperties.com.

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

Item No. 1

Particulars of the body corporate in which investment is proposed to be made:

Name : Godrej Sea View Properties Private Limited
Registered Office : Godrej Bhavan, 4th Floor, 4A Home Street Fort, Mumbai - 400 001.
Principal business : Real Estate

Purpose:

The members of the Company had on May 17, 2010 through a postal ballot approved making investments/ giving loan/providing securities etc. to Godrej Sea View Properties Private Limited for an amount not exceeding Rs. 65 Crores (Rupees Sixty Five Crores). In order to facilitate further progress of the project located at Chennai, it is proposed to make further loan(s) and/or provide any other form of debt to and/or place inter-corporate deposit(s) with and/or investment(s) in and/or purchase of its security(ies) and/or give guarantee(s) or provide security(ies) in connection with loan(s) made by any other person for an amount not exceeding Rs. 85 Crores (Rupees Eighty Five Crores).

The total amount of loan(s)/guarantee(s)/security(ies)/investment(s) by the Company in Godrej Sea View Properties Private Limited together with the existing investments shall not exceed an amount aggregating to Rs. 150 Crores (Rupees One Hundred and Fifty Crores). All the actions taken by the Company under the aforesaid resolution passed by the members on May 17, 2010 shall remain valid and effective.

Sources of funds:

Internal accruals and / or borrowed funds.

Nature of concern or interest of Directors:

Except Mr. K. T. Jithendran and Mr. V. Srinivasan, being Directors of Godrej Sea View Properties Private Limited, none of the other Directors of the Company is concerned or interested in the resolution.

The investment(s), loan(s), guarantee(s) and security(ies), as the case may be, will be made in accordance with provisions of Section 372A of the Companies Act, 1956, as amended (the "Companies Act").

The Board of Directors of your Company recommends the passing of this Resolution as a special resolution. Approval of the members is sought by voting through Postal Ballot in terms of the provisions of Section 192A of the Companies Act, read with the provisions of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.

Item No. 2

Particulars of the body corporate in which investment is proposed to be made:

Name : Godrej Vikhroli Properties LLP
Registered Office : Godrej Bhavan, 4th Floor, 4A Home Street Fort, Mumbai - 400 001.
Principal business : Real Estate

Purpose :

The members of the Company had at the Annual General Meeting held on July 17, 2010 approved making of investments to Godrej Vikhroli Properties LLP up to limit of Rs 100 Crores (Rupees One Hundred Crores). In order to facilitate further progress of the project located at Vikhroli, it is proposed to make further loan(s) and/or provide any other form of debt to and/or place inter-corporate deposit(s) with and/or investment(s) in and/or purchase of its security(ies) and/or give guarantee(s) or provide security(ies) in connection with loan(s) made by any other person for an amount not exceeding Rs. 150 Crores (Rupees One Hundred and Fifty Crores) in Godrej Vikhroli Properties LLP.

The total amount of loan(s)/guarantee(s)/security(ies)/investment(s) by the Company in Godrej Vikhroli Properties LLP together with the existing investments etc shall not exceed an amount aggregating to Rs. 250 Crores (Rupees Two Hundred and Fifty Crores). All the actions taken by the Company under the aforesaid resolution passed by the members on July 17, 2010 shall remain valid and effective.

Sources of funds:

Internal accruals and/or borrowed funds.

Nature of concern or interest of Directors:

Except Mr. Pirojsha Godrej, being Designated Partner of Godrej Vikhroli Properties LLP, none of the other Directors of the Company is concerned or interested in the resolution.

The investment(s), loan(s), guarantee(s) and security(ies), as the case may be, will be made in accordance with provisions of Section 372A of the Companies Act, 1956, as amended (the "Companies Act").

The Board of Directors of your Company recommends the passing of this Resolution as a special resolution. Approval of the members is sought by voting through Postal Ballot in terms of the provisions of Section 192A of the Companies Act, read with the provisions of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.

ITEM No. 3

Particulars of the body corporate in which investment is proposed to be made:

Name : Mosiac Landmarks LLP
Registered Office : Godrej Bhavan, 4th Floor, 4A Home Street Fort, Mumbai - 400 001.
Principal business : Real Estate
Purpose :

The members of the Company had on September 30, 2011 through a postal ballot approved making investments/ giving loan/providing securities etc. to Mosiac Landmarks LLP up to limit of Rs. 20 Crores (Rupees Twenty Crores). In order to facilitate further progress of the project located at Pune, it is proposed to make further loan(s) and/or provide any other form of debt to and/or place inter-corporate deposit(s) with and/or investment(s) in and/or purchase of its security(ies) and/or give guarantee(s) or provide security(ies) in connection with loan(s) made by any other person for an amount not exceeding Rs. 30 Crores (Rupees Thirty Crores) in Mosiac Landmarks LLP.

The total amount of loan(s)/guarantee(s)/security(ies)/investment(s) by the Company in Mosiac Landmarks LLP together with the existing investments etc shall not exceed an amount aggregating to Rs. 50 Crores (Rupees Fifty Crores). All the actions taken by the Company under the aforesaid resolution passed by the members on September 30, 2011 shall remain valid and effective

Sources of funds:

Internal accruals and/or borrowed funds.

Nature of concern or interest of Directors:

Except Mr. K. T. Jithendran, being the Designated Partner of Mosiac Landmarks LLP, none of the other Directors of the Company is concerned or interested in the resolution.

The investment(s), loan(s), guarantee(s) and security(ies), as the case may be, will be made in accordance with provisions of Section 372A of the Companies Act, 1956, as amended (the "Companies Act").

The Board of Directors of your Company recommends the passing of this Resolution as a special resolution. Approval of the members is sought by voting through Postal Ballot in terms of the provisions of Section 192A of the Companies Act, read with the provisions of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.

Item No. 4

The Remuneration Committee of the Board of Directors and the members of the Company had pursuant to the resolutions dated December 24, 2007 approved the Godrej Properties Limited Employee Stock Option Plan (the "GPL ESOP") and a grant of 4,42,700 options (with effect from December 28, 2007) was made to the eligible employees under the GPL ESOP. Further, a trust was set up under the GPL ESOP (the "GPL ESOP Trust") to purchase the equity shares of face value of Rs. 10/- (Rupees Ten) each of the Company (the "Equity Shares") from secondary market and promoters for the options granted to the eligible employees, against a loan given by the Company to the GPL ESOP Trust. The Company has been charging interest on the said loan, which is to be recovered by the GPL ESOP Trust from the option holders at the time of exercise of the options by them.

Subsequent to the amendment of the GPL ESOP pursuant to the postal ballot resolution passed on March 18, 2011, the exercise price of each of the options granted under the GPL ESOP was Rs.620/- (Rupees Six Hundred Twenty) plus interest at such rate as may be decided from time to time, compoundable on an annual basis, for the period commencing from the date of granting of the options and ending on the date of intimating exercise of the option to the Company plus all other expenses as may be incurred by the Company to give effect to the GPL ESOP.

As of March 31, 2012, an amount of Rs. 44,39,11,462/- (Rupees Forty Four Crores Thirty Nine Lacs Eleven Thousand Four Hundred and Sixty Two), including interest amounting to Rs. 4,02,57,129/- (Rupees Four Crores Two Lacs Fifty Seven Thousand One Hundred and Twenty Nine), is outstanding under the loan granted by the Company to the GPL ESOP Trust.

As of March 31, 2012, the exercise price of the options granted under the GPL ESOP, including interest, stamp duty and all other charges was Rs. 950.31 (Rupees Nine Hundred Fifty and Thirty One Paise) per option.

There are 2,57,700 options outstanding as of June 30, 2012, which shall vest in the eligible employees on December 27, 2012. These vested options can be exercised by the eligible employees within a period of three years from the date of vesting, i.e. from December 27, 2012 to December 26, 2015.

The current market price of the Equity Shares is in the range of Rs. 500/- (Rupees Five Hundred) to Rs. 520/- (Rupees Five Hundred Twenty) per Equity Share. Accordingly, there is a significant gap between the exercise price of the options and market price of the Equity Shares, which renders the options unattractive.

The Board therefore, at its meeting held on July 28, 2012 on the recommendation of the Remuneration Committee and subject to the approval of the members, decided to cease levy of interest with effect from April 1, 2012 on the outstanding loan and correspondingly, extend this benefit to the option grantees.

The Board of Directors of your Company recommends the passing of this resolution as a special resolution. Approval of the members is sought by voting through Postal Ballot in terms of the provisions of Section 192A of the Companies Act, 1956, read with the provisions of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.

Nature of concern or interest of Directors:

Except Mr. K. T. Jithendran, who has been granted options under GPL ESOP, none of the other Directors of the Company are concerned or interested in the resolution.

By Order of the Board of Directors
For **Godrej Properties Limited**
Sd/-

Shodhan Kembhavi
Company Secretary

Place: Mumbai
Date: July 28, 2012

Registered Office:

Godrej Bhavan, 4th Floor,
4A, Home Street,
Fort, Mumbai - 400 001.