



Entering The Next League

Brigade Enterprises Limited
Annual Report
2014-15



BRIGADE

CONTENTS

Corporate Overview

Business Overview	01
The World of Brigade	08
Business Highlights	10
Chairman's Letter	12
Profile of Directors	14
Milestones	16

Management Reports

Management Discussion and Analysis	18
Board's Report	31
Corporate Governance Report	62

Financial Statements

Standalone Report

Independent Auditor's Report	76
Balance Sheet	80
Statement of Profit and Loss	81
Cash Flow Statement	82
Notes	84

Consolidated Report

Independent Auditor's Report	109
Balance Sheet	114
Statement of Profit and Loss	115
Cash Flow Statement	116
Notes	118

Notice	155
--------	-----



Brigade Orchards

Cautionary Statement Regarding Forward-Looking Statement

This Report may contain certain forward-looking statements relating to the future business, development and economic performance. Such Statements may be subject to a number of risks, uncertainties and other important factors, such as but not limited to (1) competitive pressure; (2) legislative and regulatory developments; (3) global, macro economic and political trends; (4) fluctuations in currency exchange rates and general market conditions; (5) delay or inability in obtaining approving from authorities; (6) technical developments; (7) litigations; (8) adverse publicity and news coverage, which could cause actual developments and results to differ materially from the statements made in this presentation. Brigade Enterprises Limited assumes no obligation to update or alter forward-looking statements whether as a result of new information of new information, future events or otherwise.



Entering The Next League

Steady consistent growth, foraying into new markets, the introduction of Strategic Business Units (SBU's), scaling to township projects, introduction of online booking platform and customer portal – there is much to suggest of coming of age for us at Brigade. As an organization, we have come a long way from the time of inception. Today, we boast of an organization with over 1,000 strong employees in the group and a track record of executing more than 25 mn sq ft. of residential, commercial and hospitality projects. While making stupendous success en route our journey, we have also set our eyes to the next league. We are continuously striving further to better our performance year on year. In this effort, we have lined up a series of projects and are also increasing our land bank to ensure faster and higher growth in the coming days. This is complimented by our incessant efforts of improving on our already proven and demonstrated execution ability. Further, we have broadened our base by entering into new markets such as GIFT City in Ahmedabad and residential segment in Chennai. By leveraging technology, we not only sharpened our execution ability but also ensured a better experience for our customers.

Truly, we are continuously evolving and from pioneering development of integrated enclaves, we have entered the next league of developing large townships like Brigade Orchards in Devanahalli, our latest smart township project of 130 acres, designed to global best practices by Nbbj, USA, offers Luxury Villas, Luxury Apartments, Value Plus Apartments, Retirement homes & assisted living facilities for senior citizens.

With Strength Fortified




Artist's Impression

Brigade LakeFront



OUTSTANDING TRACK RECORD

Excellent reputation and repayment track record with bankers helped us reduce the interest cost year on year. We have been assigned 'A' credit rating by CRISIL and ICRA.



At Brigade, we believe that entering the next league will be possible and fruitful only when we have a clear vision, strong values with coordinated and organised efforts. We have strengthened our business by introducing the concept of Strategic Business Units (SBU's) for Residential, Commercial and Hospitality Projects. Each of the business units is run by professionals. In our continuous pursuit of having Professional Independent Directors, we have inducted Mr. Bijou Kurien as an Independent Director and will utilize his vast knowledge and experience in the retail industry to enhance our customer centricity across our business verticals.

Consistency and ability of timely completion of projects, their quality and amenities provided have been an inherent strength for us at Brigade, which has earned us an enviable reputation, placing us as one of the most trusted real estate player in India. We are continuously striving to improve on our execution ability to make our business stronger and bigger.

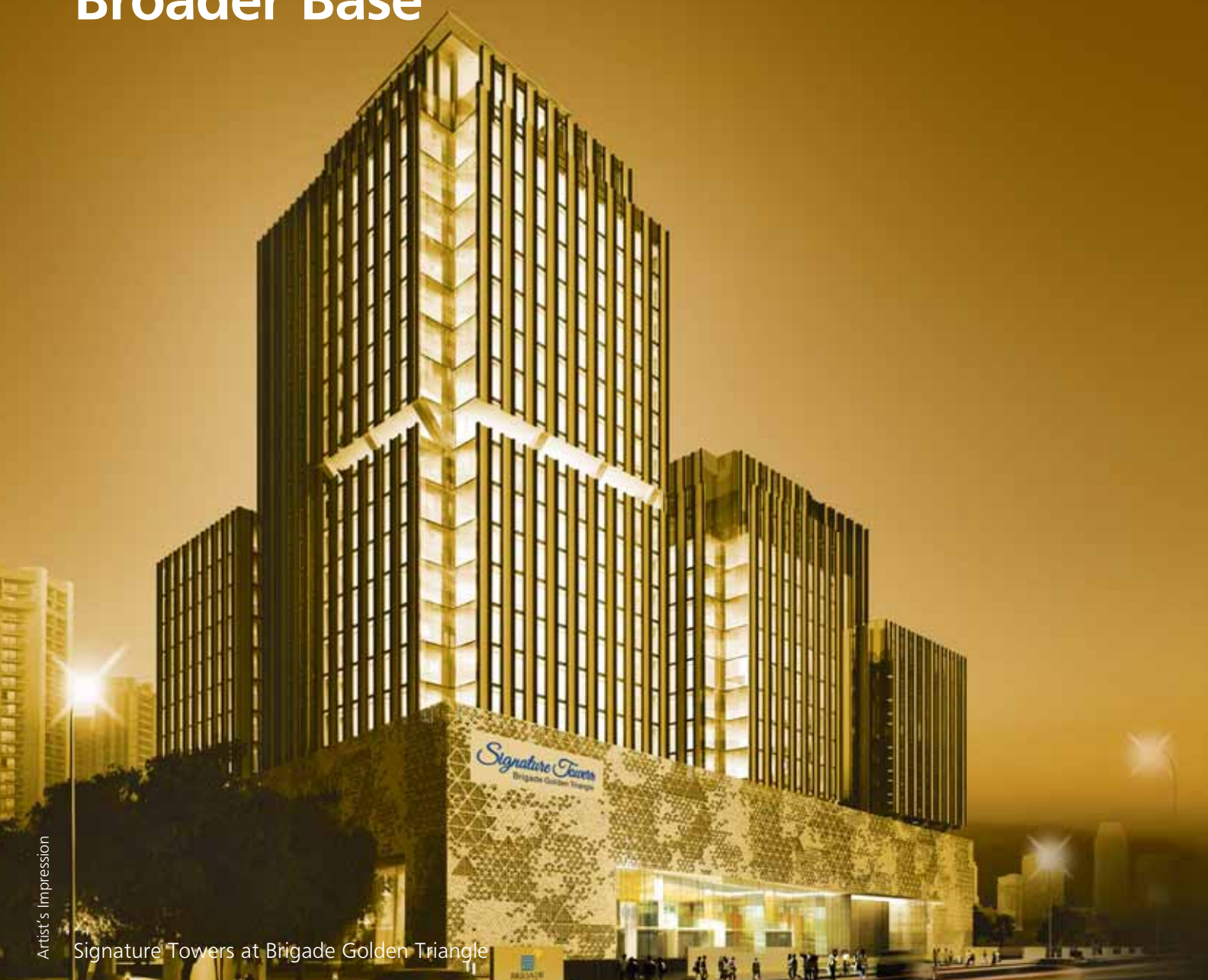
The consistency maintained by us in execution and a range of projects across price segments has been reflective in our financials as we have recorded profitable growth across business cycles. Our outstanding track record backed by the strong financials, excellent reputation and repayment track record with bankers helped us reduce the interest cost year on year. During the year, CRISIL has assigned us a long term rating of "A" with stable outlook. Further ICRA has assigned "A" rating with positive outlook for our long term borrowings and A1 rating for our short term borrowings. This is a reflection of our track record.

With a strong project pipeline providing a revenue visibility along with proven execution capability and a vibrant organisation, our strength is fortified than ever before and ready to enter the next league.

TRUSTED REAL ESTATE PLAYER IN INDIA

Consistency and ability of timely completion of projects has been an inherent nature for us at Brigade which has earned us high reputation, placing us as one of the most trusted real estate player in India.

With a Broader Base



Artist's Impression

Signature Towers at Brigade Golden Triangle

OUR BELIEF

It is our belief that a business with a broader and diverse base has higher potential of sustaining itself in the long term.

Brigade is headquartered in Bangalore and began with projects primarily in Bangalore. We have broadened our base through expanding geographically and business diversification over the years. We at Brigade believe in the power of expansion and diversification and it is our belief that a business with a broader and diverse base has higher potential of sustaining itself in the long term.

Driven by this wisdom, we have spread out of Bangalore and expanded to other cities of South India.

Today we are present in major cities of South India including Bangalore, Mangalore, Mysore, Chikmagalur, Kochi, Hyderabad and Chennai. During the year, we forayed into GIFT City, Ahmedabad which is India's first globally benchmarked International Financial Services Centre (IFSC), marking our entry in a city outside South India. We have the mandate for developing 1.1 mn sq ft. of area comprising of Offices, Residential, Retail and Hotel projects there. We also have submitted our interest in acquiring additional space, aggregating to 1.8 mn sq ft. of Built-up area (BUA), demonstrating our strategic long-term interest in GIFT City. We also have the license for 4 more World Trade Centers (WTC) in South India apart from the WTC Bangalore that has been operational for over 4 years. WTC Kochi is in advanced stages of completion and will be operational shortly.

We boast of two best-in-class hotel properties namely Sheraton Bangalore and Grand Mercure with total 356 keys. Our 1.63 mn sq ft. of completed lease rental portfolio includes marquee assets like the iconic WTC Bangalore and Orion Mall. Lease rental and hospitality segments together contribute 27% to our overall revenue. We plan to expand our Hotel asset in the next couple of years to reach 672 keys with doubling of our revenue from Hotel business in the same time.

672 KEYS

We plan to expand our Hotel asset in the next couple of years to reach 672 keys with doubling of our revenues from the Hotel business in the same time.

By Leveraging Technology

Artist's Impression

Brigade Northridge



Technology has always remained a key area of focus for us at Brigade Group. Over the years, we have been the pioneers in implementing various technologies in our operations.

Among the property developers in South India, we were the first to implement the SAP ERP system. We were also the first among the real estate developers in Bangalore to introduce the pre cast technology by setting up a pre cast plant at our project, Brigade Orchards, a 130 acre smart township in Devanahalli. This will be the first Smart Township project of Bangalore. This eco friendly technology tested and proven worldwide has enabled us to optimize use of resources such as labour, material and other auxiliary works reducing project time and saving cost.

We launched an online booking platform to enable customers to book a Brigade apartment online in a few easy steps. The platform was launched to coincide with the Great Online Shopping Festival (GOSF), where customers had the convenience of checking all the details such as location, amenities, plans, views, construction status & price of the projects and make an informed decision from the comfort of their home.

We continuously strive to provide our customers with a good experience and increasingly embracing technologies in this pursuit. During this year, we partnered with a few online players to exclusively sell homes online and offered our customers a seamless booking experience.



To make the process of home buying easy for our customers we launched a customer portal allowing the users to access details of the home they purchased. Starting from accessing statement of accounts to keep track of payments and getting response from the developers on the queries, our customers now enjoy a one stop solution for everything related to home buying.

Leveraging technology helped us to steer into the next level of journey where we are getting closer to our customers by continuously ensuring customer delight.

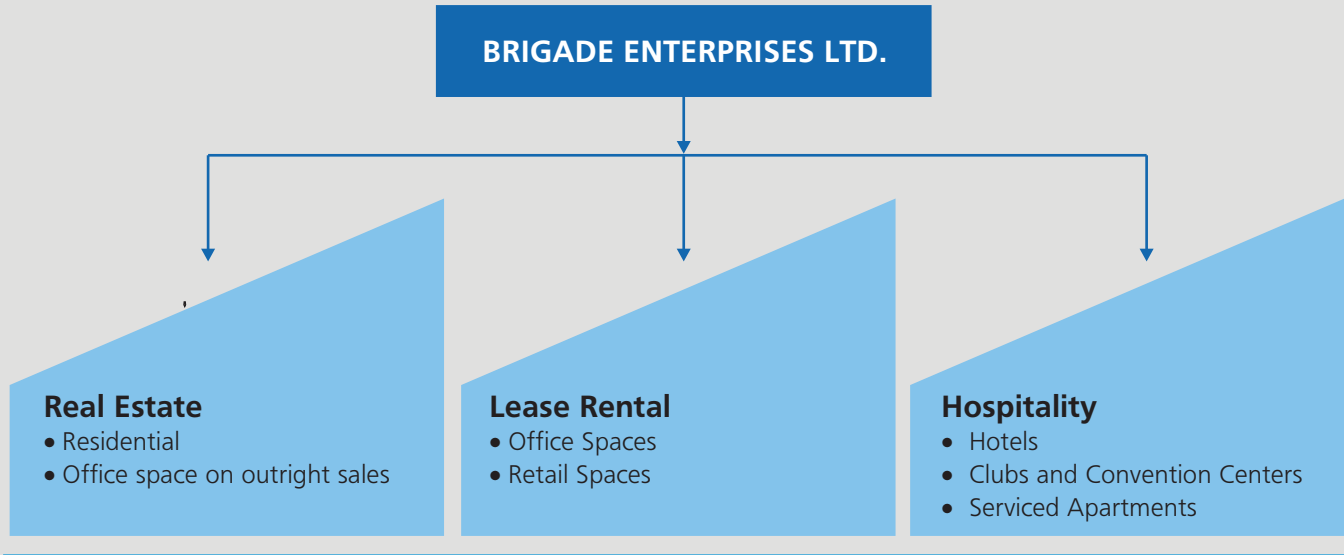
LEVERAGING TECHNOLOGY

Technology has always remained a key area of focus for us at Brigade Group. Over the years, we have been the pioneers in implementing various technologies in our operations.

The World of Brigade

Incorporated in 1995, Brigade Enterprises Limited is one of the leading real estate developers in India with a focus on residential, offices, retail and hospitality projects. Headquartered at Bangalore, we have presence in other cities of south India - Mysore, Chennai, Kochi, Hyderabad and Mangalore. During this year the Company forayed into GIFT City, Ahmedabad. We also have a representative office in Dubai and an accredited agent in the USA.

Business Segments



VISION

To be a world class organization in our products, processes, people and performance.

MISSION

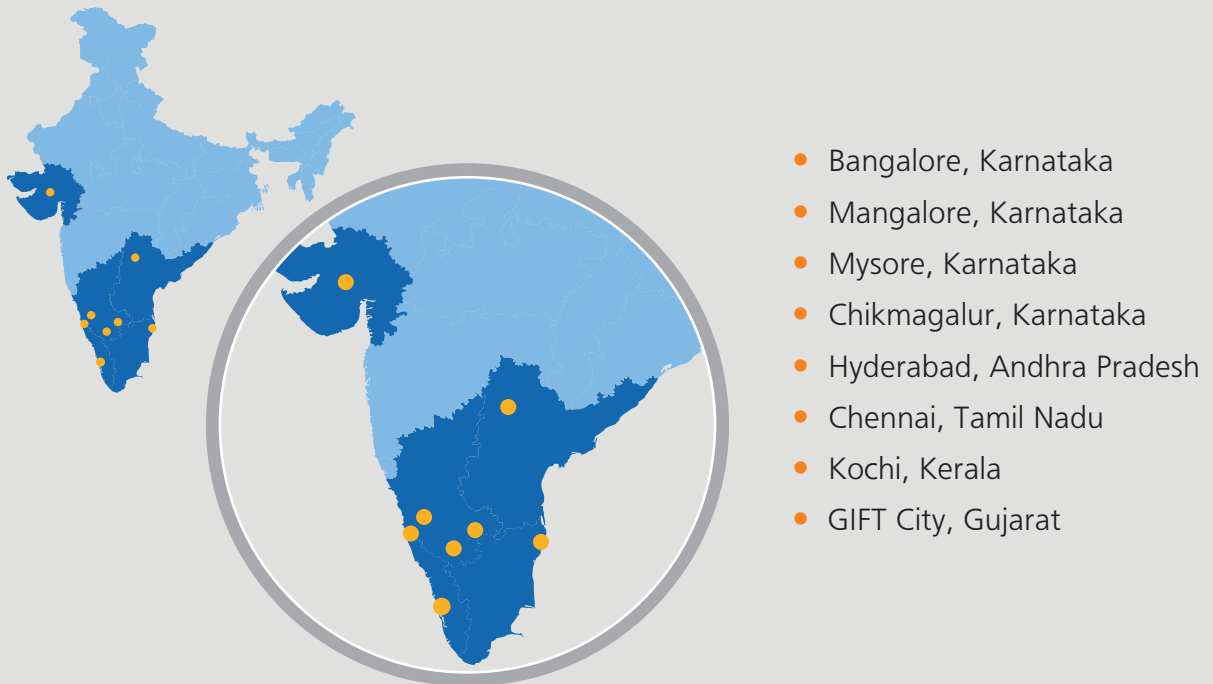
To constantly endeavour to be the preferred developer of residential, commercial and hospitality spaces in the markets in which we operate, without compromising on our core values, for the benefit of all our stakeholders.

Core Values

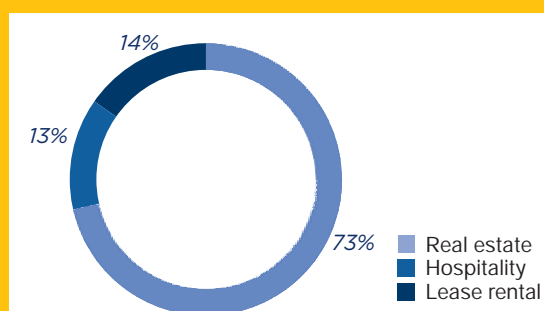
QC-FIRST



Business Geographies

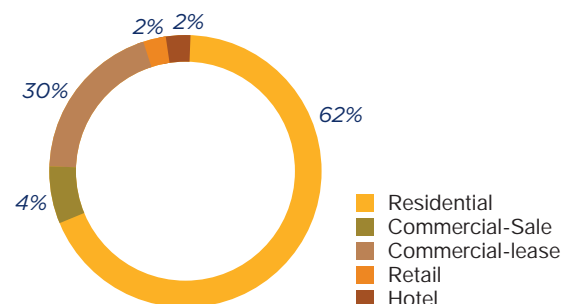


Segment Wise Revenue mix (%)



Segment wise Land Bank (%)

[Total Developable Area: 34 mn sq ft.]



Business Highlights

Key Figures (Consolidated)

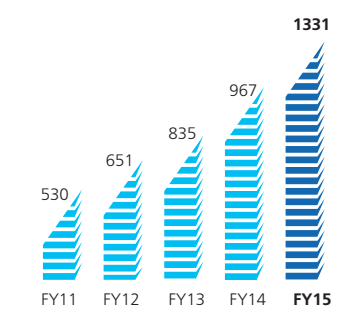
(₹ Cr)

Particulars	FY15	FY14	FY13	FY12	FY11
Net Sales	1,330.8	966.7	834.6	651.0	529.9
EBITDA	403.05	318.4	220.8	180.9	200.0
EBIT	303.8	236.6	143.5	127.7	180.0
Interest	131.4	113.1	89.8	60.4	16.8
PBT	172.5	123.5	53.7	67.3	162.8
PAT	116.4	89.9	60.0	56.9	120.5
Net Worth	1,356.7	1,280.2	1,212.1	1,166.4	1,124.5
Debt	1,394.4	863.5	1,048.1	851.0	777.7
Net Fixed asset	1,657.4	1,469.0	1,441.7	1,432.9	1,229.3
Inventory	1,544.4	1,123.1	909.9	820.0	611.7
Debtors	14.9	37.2	19.8	35.6	16.3
Cash & Bank	82.9	38.3	47.0	48.9	45.1
Per Share Ratio (₹)					
Earnings Per Share (EPS)	8.5	8.2	5.5	5.1	10.7
Dividend Per Share (DPS)	2.0	2.0	1.5	1.5	1.5
Book Value Per Share (BVPS)	120	114.0	108.2	103.1	100.7
Growth Ratio (%)					
Sales Growth	37.6	15.8	28.2	22.8	34.7
EBITDA Growth	26.6	44.2	11.5	-9.5	160.0
PAT Growth	29.4	49.8	5.4	-52.8	154.2
Growth in Book Value Per Share	5.3	5.4	4.9	2.4	12.1
Inventory Growth	37.5	23.4	10.9	34.0	26.1
Margin Ratios (%)					
EBITDA Margin	30.3	32.9	26.5	27.8	37.7
EBIT Margin	22.8	24.4	17.2	19.6	34.0
Net Profit Margin	8.6	9.3	7.2	8.7	22.7
Other Key Ratios (%)					
Return on Equity (RoE)	8.5	7.0	4.9	4.9	10.7
Return on Capital Employed (RoCE)	11.0	11.0	6.3	6.3	9.5
Dividend Payout	23.5	24.4	27.5	29.6	14.0
Debt Equity Ratio (D/E), x	1.0	0.7	0.9	0.7	0.7
Interest Coverage Ratio, x	2.3	2.1	1.6	2.1	10.7

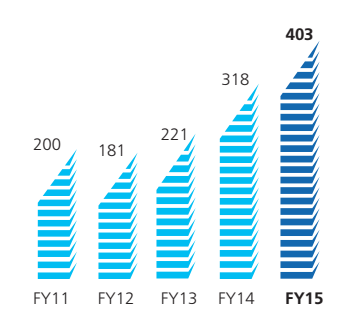
Key Highlights

- Brigade Group and GIC, Singapore entered into an MOU to jointly invest upto ₹ 1,500 Cr in residential as well as mixed use development projects in south India.
- Brigade Group was allotted Development Rights for 1.1 mn. sq. ft. of Built Up Area to develop Commercial, Residential, Retail Mall and Hotel projects in SEZ & Non- SEZ Area in Gujarat International Finance Tec-City GIFT City), Ahmedabad.
- Brigade Properties Private Limited, a subsidiary of the Company, has acquired the entire shareholding of Brooke Bond Real Estates Private Limited from Hindustan Unilever Limited. Brooke Bond Real Estates Private Limited holds 26.5 acres SEZ land in Whitefield, Bangalore.
- Received A rating for Long Term debt from CRISIL and ICRA.
- Launched online booking platform for customers.
- Rolled out Customer portal which is the first by a Bangalore Developer.

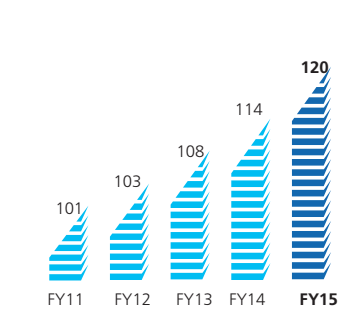
Net Sales (₹ Cr)



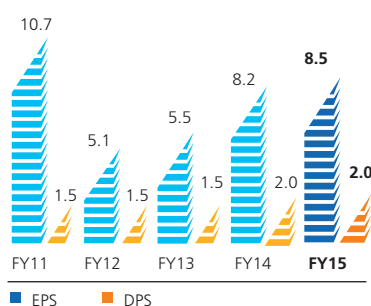
EBITDA (₹ Cr)



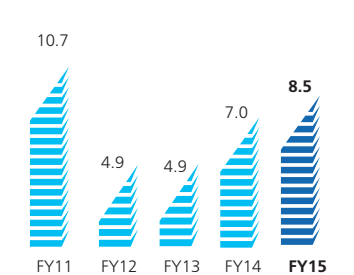
Book Value Per Share (₹)



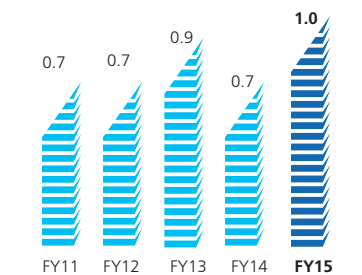
EPS and DPS (₹)



RoE (%)



Debt Equity Ratio (x)



Chairman's Letter



Dear Shareholders,

The year 2014-15 ushered in a new ray of hope with the early signs of the much awaited economic turnaround after a lull period in the last few years. Various policy reforms were taken by the new government to unshackle the Indian economy from bureaucratic controls and turnaround the investment cycle by increasing investment especially in the infrastructure segment. However, there were dashes of disappointment as many of these reforms are yet to be implemented at the ground level or to yield results. The economy appears to be in a healthy state growing at 7.3% in 2014-15, thanks to the new calculation method adopted by the Central Statistical Organisation

Brigade Enterprises Limited recorded an impressive performance with the consolidated revenue growing by 38% for 2014-15 over the previous year. The consolidated net profit grew by 29% from the previous fiscal. Real estate space contributed ₹ 984 Cr to the total revenue. Revenue from the Leasing and Hospitality segments were ₹ 184 Cr and ₹ 163 Cr respectively. We have been able to maintain a debt equity ratio at 1:1. During the year, CRISIL has assigned us a long term rating of "A" with stable outlook. Further ICRA has assigned "A" rating with positive outlook for our long term borrowings and A1 rating for our short term borrowings. This is a reflection of our track record.

We are now at the cusp of our next level of growth as we are consolidating our presence in the existing markets and entering new markets such as GIFT city in Ahmedabad and residential space in Chennai. We were allotted 1.1 mn sq ft. of built up area to develop Offices, Residential, Retail Mall and Hotel projects in GIFT city. I personally believe that the



Brigade Orchards

nicely planned GIFT City will set a benchmark in real estate development in India. Being a co-developer at GIFT city gives us a sense of pride and also an opportunity to be part of our Honourable Prime Minister's vision of creating 100 smart cities in India.

We launched 6.28 mn sq ft. of projects during the fiscal compared to 4 mn sq ft. in the previous year. Out of this, the real estate segment will account for 5.06 mn sq ft., with the rest coming from lease rental and hospitality segments. The overall size of ongoing projects stands at around 19 mn sq ft. and 7.7 mn sq ft. of new projects will be launched in 2015-16.

In a significant development during the year, we entered into a strategic understanding with GIC of Singapore to jointly invest up to ₹ 1,500 Cr in mixed use real estate projects in South India. This reflects the strengthening of our relationship that started with the joint acquisition and development of Brigade Cosmopolis property at Whitefield, Bangalore in Brigade Properties Private Limited, our subsidiary company. This strategic understanding will also be a stimulisier for our expansion plans. Brigade Properties Private Limited has recently acquired the entire shareholding of Brooke Bond Real Estates Private Limited from Hindustan Unilever Limited. Brooke Bond Real Estates Private Limited holds a SEZ property of 26.5 acres at Whitefield, Bangalore. At the end of March 2015, we have a sizable land bank with a developable area aggregating to 34 mn sq ft.

Our practice of coming up with trendsetter and landmark projects have earned us various awards and accolades in the past and this year was not an exception. Brigade Rubix

received the Jury Appreciation Award 2014, presented by the Indian Concrete Institute, Bangalore. Brigade Sparkle won the 'Best Dwelling below 1500 sq ft (Residential)' in South Karnataka. We also received international acclaim when Brigade Hospitality's HIGH Ultra Lounge, on the rooftop of WTC Bangalore, won the prestigious Times Food Award as the Best Lounge Bar in Bangalore in its very first year of operations.

Brigade Group received the 'Best CSR work by a Developer' for the redevelopment of the Kempegowda Playground in Malleswaram and skywalk on Dr. Rajkumar Road at the CREDAI Realty Awards 2015.

It is quite exciting that we at Brigade are now entering the next league with fortified strength, a broader base and more technology oriented. We are entering an exciting phase with huge opportunities around us. The vision of 100 smart cities and Housing for all by 2022 will create large demand for housing in India. Our journey to the next league will be even greater than our past ones with supportive policies creating an environment conducive for us.

I also take this opportunity to thank all our stakeholders for their belief in Brigade Group and also thank our employees for their valuable contribution and dedication.

Regards,

M . R. Jaishankar
Chairman & Managing Director



Profile of Directors



M.R. Jaishankar

Chairman & Managing Director

He holds a Bachelor of Science degree in agriculture and a Master of Business Administration. His commitment to quality and passion for innovation has seen Brigade Group grow from a single-building, small-scale private enterprise to a diverse multi-domain Company which is into all verticals of Real Estate. Under his leadership Brigade Group has scaled new heights and this has been recognised by the many awards Brigade Group has received over the years.



M.R. Shivram

Director

He holds a Bachelors degree in engineering and a Master of Science degree in electronics from New York University. He has over 30 years of business experience and is also the Managing Director of Capronics Private Limited.



Githa Shankar

Wholetime Director

She holds a Bachelor of Arts degree, Bachelors in Library Science and a Masters in Business Administration. She has over 30 years of experience in the fields of advertising, stock broking, insurance, education and real estate. She is the Managing Trustee of Brigade Foundation which started and runs The Brigade Schools in Bangalore.



P.M. Thampi

Independent Director

He holds Bachelor of Science degree and Post Graduate Diploma in Chemical Engineering. He is a Fellow of the Institution of Chemical Engineers and Chartered Engineer, U.K. He has over 44 years of experience in the chemical industry. He is a former Chairman and Managing Director of BASF and presently on the Board of HDFC Asset Management Company Limited and Strides Arcolab Limited.



M.R. Gurumurthy

Director

He holds a Bachelor of Science degree. He has over 40 years of business experience. He manages coffee estates and is a past President of the Rotary Club of Chikmagalur.


P.V. Maiya

Independent Director

He holds a Masters in Arts degree and is also a Certified Associate of the Indian Institute of Bankers from the Institute of Banking and Finance. He has over 40 years of experience in banking industry. He is a former Chairman and Managing director of ICICI Banking Corporation Limited. He is the founding managing director of Central Depository Services (India) Limited from 1998 to 1999. He is former Director of Canara Bank and is a Director of Neuland Laboratories Limited.


Dr. Srinivasa Murthy

Independent Director

He holds a Masters in Management from Sloan School of Management, M.I.T., and a Doctorate in Business Administration from the Harvard Business School, Boston, U.S.A. He has rich experience in teaching in business institutes like Indian Institute of Management, Ahmedabad and Bangalore. He is a former director of the Indian Institute of Management, Bangalore. He was a member of the Disinvestment Commission of the Government of India from 2000 to 2006. Dr. Murthy is currently on the Board of Directors CMC Ltd., National Stock Exchange of India Ltd. and Himatsingka Seide Ltd.


Aroon Raman

Independent Director

He holds a post-graduate degree in Economics and an MBA from The Wharton School. He has promoted Raman FibreScience, a research & innovation company in the area of technical non-wovens and composites. He specializes in conducting due diligence to assess companies for their competencies in term of technology, process, people capabilities and also on strategic interventions. He has held several senior positions with the Confederation of Indian Industry (CII), and was the Chairman of CII, Karnataka State Council for 2010-11. He is a recipient of the State's highest civilian honour - the Karnataka Rajyotsava Award for 2010 for his contribution to the industrial development of the State. He also serves on several corporate boards and charitable trusts.


Bijou Kurien

Independent Director

He has done Business Management from XLRI, Jamshedpur. Mr. Bijou has been associated with marquee brands in the fast moving consumer products, consumer durables and retail industry in India for over 33 years with Companies viz. Reliance Retail Limited, Titan Industries Limited and Hindustan Unilever Limited.

Currently, he is an independent consultant and member of the Strategic Advisory Board of L Capital, Asia (sponsored by the LVMH Group), and also advises several consumer product companies and mentors a few start-ups. He is also on the Board of several National and International Companies.

Milestones

Artist's Impression

Brigade Caladium

1986

Construction of Bangalore's tallest building by a private developer.

1992

Construction of Brigade Gardens, the first air conditioned shopping complex in Bangalore.

1994

Completion of the first luxury apartment project outside Bangalore, Brigade Residency, Mysore.

1996

Obtained ISO 9001:1994 certification from the London-based certifying agency Bureau - Veritas Quality International.

2001

Completion and handover of Komarla Brigade Residency, an eco-friendly project in Bangalore.

2002

Completion of Brigade Millennium, an integrated lifestyle enclave in Bangalore.

2007

Raised ₹ 650 Cr through IPO.

2010

Completed its iconic commercial project - World Trade Center (1.1 mn sq ft.), South India's tallest building with 32 floors.

2011

Sheraton Hotel (230 keys) became operational at Brigade Gateway, Malleswaram.

2012

Orion Mall (0.8 mn sq ft.) became operational at Brigade Gateway, Malleswaram.

2013

Received the Best Commercial Complex award in Bangalore zone at the CREDAI Real Estate Awards Karnataka 2013.

2014

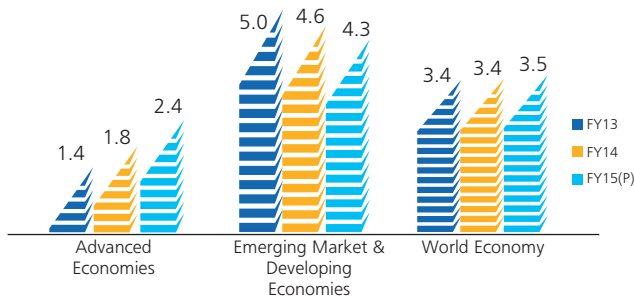
Entered a partnership with GIC, Singapore to jointly invest ₹ 1,500 Cr in residential projects in select cities of South India.

Management Discussion & Analysis

Economic Overview

The global economic growth remained unchanged at 3.4% in 2014, as per the World Economic Outlook Report by IMF released in April, 2015. The major advanced economies during the year witnessed a gradual recovery in growth rate. However, the recovery continues to remain very fragile. The weak growth accompanied with soft commodity prices led to a low inflation level in these economies. Sluggish economic activities in Euro zone and Japan in spite of a prolonged near zero level interest rate prevailing there prompted the respective Central Banks to extend accommodative monetary policies. The emerging economies grew at a slower rate of 4.6% in 2014 as against 5.0% in 2013. This has been largely due to the slowdown in China & Brazil. Going forward, IMF predicts that the global economic growth would be at 3.5% in 2015.

Global GDP Growth (in %)



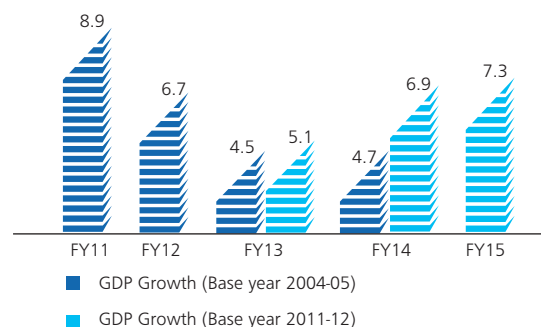
Source: IMF's World Economic Outlook Update, April 2015

The economic fundamentals are currently showing robust trends which substantiates the expected growth in the economy. The government has significantly focused towards bringing growth back on track which has led to increased optimism in the system. The current account deficit has come down to 0.2% of GDP (January – March, 2015) from 1.3% in FY15 and is expected to be at 1.5% in FY16. The government has also aimed at bringing down the fiscal deficit from 4.1% in 2015 to 3% by FY18. With inflation at RBI's comfort zone the Repo rate was reduced twice at the beginning of 2015. However, the full benefit is yet to be passed on to the consumers by the Banks. GDP grew at 7.3% in FY15 as compared to 6.9% in FY14 as per the CSO's new methodology taking 2011-12 as the base year. The increased impetus on infrastructure sector revival and efforts towards increasing India's export potential would make the economic growth prospects for India stronger.



Artist's Impression

India's GDP growth (in %)



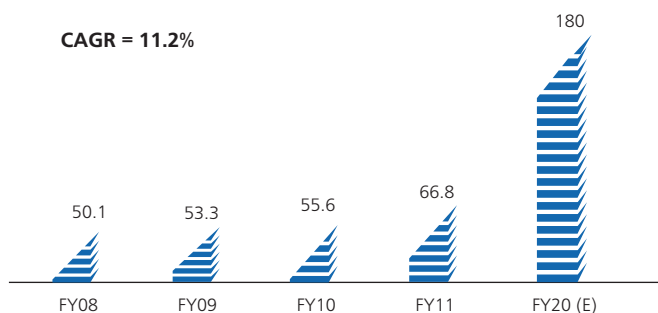
Source: CSO

Industry Overview

Real Estate Sector Overview

Urbanisation, rising income level, young population, growing number of nuclear families, growth in manufacturing and services sector have supported the growth of real estate in India. One of the fastest growing sectors, Real Estate contributes about 11% of India's GDP, creates large number of employment and attracts huge capital. The market size is expected to increase at a CAGR of 11.2% between 2008-2020 as per a report by PHD Chamber of Commerce and Industry (PHDCCI). The sector can be broadly categorised as residential, commercial, retail and hospitality.

Indian Real Estate Sector Size (USD bn)

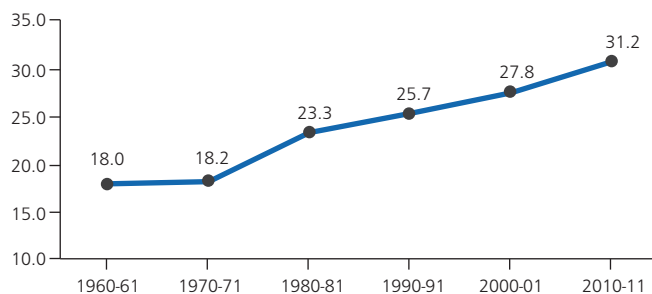


Source: PHDCCI Report

Residential segment

Urbanisation in India is growing at a rapid rate due to the changing demographic trend and large migration of rural population to cities in search of better living hood. According to the Planning Commission Report on 12th five year plan, in 2012 there was shortage of 18.78 mn housing units in urban India. A Cushman & Wakefield Research Report mentions that the total housing demand in the country by 2017 could be as high as 88.78 mn units with demand in urban areas scaling up nearly 12 mn units in the same period. Hence, there is a huge shortage of housing in India, especially in the affordable housing segment. The present government has acknowledged the urgent need of addressing this issue before it is further aggravated. It has announced the ambitious plan to provide housing to every Indian by 2022.

Growth in Urban Population in India (%)



Source: Census of India, 2011

Total Housing Shortage

Total Housing Shortage	Units in mn
Urban in 2012	18.78
Rural in 2012	43.67
Additional Demand due to population growth in 2012-17	26.33
Total	88.78

Source: Cushman & Wakefield Research, Planning Commission Report on 12th five year plan

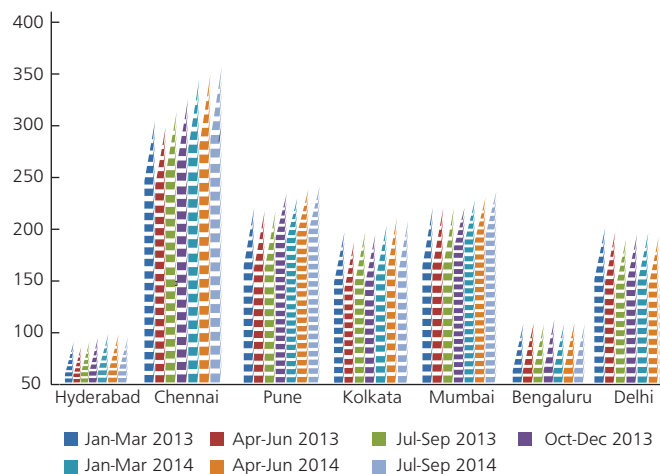
With rising input cost due to continuous high inflation for the past few years the cost of construction has increased significantly. This has led to a rise in real estate prices even after a slack demand scenario. Hence, despite low sales volume and higher inventories, there has not been softening of property prices in India. With significant jump in real estate prices, a new segment as affordable housing has emerged since 2008 and the demand in this segment continues to remain stable as it majorly targets the fast growing mid income group in India.

Most research houses have projected that Bangalore office leasing market will witness over 15 mn sq ft. of absorption in 2015 calendar year as against 13 mn sq ft. of absorption in 2014 calendar year.

For every 100 sq ft. of office leased, the basic thumb rule states that one new job is created within 9-12 months of the office being occupied. With this assumption, in the calendar year 13 mn sq ft. was leased and approximately 13 lakh new jobs would get generated in 2015 and approximately 15 lakh new jobs will be generated in the calendar year 2015.

Effectively this means higher demand for housing in the Bangalore market. With such job creation trends, the demand for housing increases. Market is witnessing higher demand in the product segment ranging in the budget of ₹ 50 Lakhs to ₹ 1.5 Cr. Robust job creation in the city of Bangalore is fuelling the demand for housing in the city. Similar trend is being witnessed in cities of Hyderabad & Chennai.

Price Trend in major Indian cities



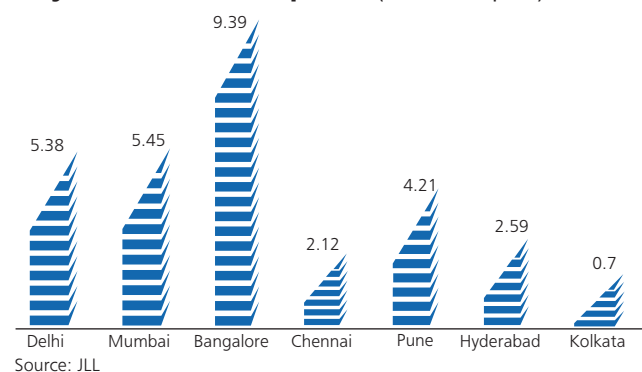
Source: NHB

Commercial Segment

The growth of the commercial segment largely depends on the services and industrial sector of the economy. Total stock of Grade A office space across major Indian cities grew by 8.0% in 2014 over the previous year, with an additional supply of slightly below 30 mn sq ft. Bangalore saw the biggest addition in office supply in absolute area terms, followed by NCR-Delhi. Office space leasing grew by 11% in 2014 to nearly 30 mn sq ft. in seven major cities. Pan-India office space vacancy dropped from 18.5% as of end-2013 to 16.9% as of end-2014.

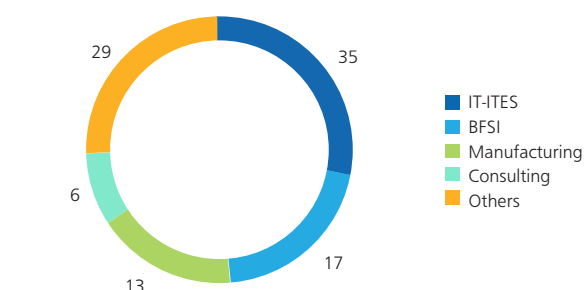
During the year, rentals in the top cities including Mumbai, Delhi, Bengaluru, Hyderabad, Chennai, Ahmedabad and Kolkata increased moderately reflecting a recovery in the market. This is despite a large inventory of office space remaining vacant there.

City wise net absorption (in mn sq ft.)



The IT-ITES sector has been the main consumer of commercial office space in India and continues to be a key growth driver for the commercial real estate sector. The National Association of Software and Services Companies (NASSCOM) has projected that the sector is likely to employ 10 mn people by 2020 from around 3 mn in FY13. BFSI is the second largest consumer of office space in India occupying about 16% of the total office space. As per the Planning Commission Report on employment for 12th five year plan; the workforce in the banking sector is expected to increase by 8.5 mn during the period 2012-2020.

Sector wise Leasing (in %) (CY2015)



Retail Segment

The Indian retail sector has recorded a phenomenal growth over the last decade, supported by economic growth, large number of young population, rising income levels and changing lifestyles leading to higher aspirations of the Indian consumer. As per a KPMG report on Real Estate, organised Retail sector in India is expected to grow at a CAGR of 11% reaching USD 191 bn by 2020 from USD 41 bn in 2012. With this growth, the total demand for retail space is estimated reach to 275-300 mn sq ft. by 2019.

Encouraged by the strong growth potential of retail sector, several well established international mass market brands entered India by setting up their shops in metro cities and presently expanding into the non-metro cities. Retail being a location driven activity, there has been an increase in competition between domestic and international retailers in select pockets. Fashion and Food & Beverages retailers continue to enter or expand in major markets across the country, including some non-metro locations. Going ahead the retail infrastructure will further improve to cater to increasing demand of the Indian consumers.

Hospitality Segment

India is still classified as an emerging market with a significant rise in the urban middle class population. This has given an impetus to both leisure and business travel across the country.

Historically, much of the hotel development had been focused on the upscale and luxury market but the maximum potential lies within the mid-market, budget and extended stay sectors. Our government has identified a shortage of nearly 150,000 rooms especially in the budget sector.

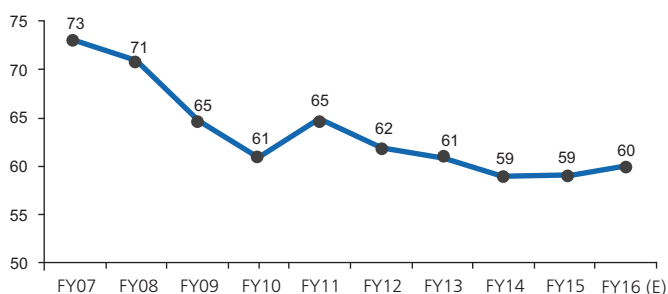
As of 2015, India has somewhere between 800-1000 mn domestic travelers, however many of these still utilize the unorganized sector. These domestic travelers are the most important factor in the expansion of India's hospitality sector. According to the WTTC (World Travel & Tourism Council), the direct contribution of Travel and Tourism was approximately ₹ 2200 bn which is equivalent to 2% of the national GDP and this number is expected to grow to 7.5% by end 2015. India received a total of 7.1 mn visitors in FY15, up by 5% from FY14. India's total inventory in the organized sector is approximately 104,000 rooms.

As of 2014, Bengaluru's room count in the organized sector stood at nearly 9,900 rooms. Of this 19% are in the luxury sector, 27% in the upscale sector, 25% in the mid market sector, 17% in the budget and 12% in the extended stay sectors. Bengaluru has a total of around 6,900 rooms in the development pipeline from now till 2020, which is a close second behind NCR region. 2014 saw the addition of approximately 1,300 rooms. Occupancy levels for the city grew

by 6% over the previous year, however the ARR fell by approximately 9%. The city wide average occupancy rate was 58.2% whereas the ARR was ₹ 6500. The Rev PAR for the year was approximately ₹ 3800.

Bengaluru is slated to see a slight dip in occupancy levels owing to new supply coming in to the market, however the ARR will bounce back to nearly ₹ 7000 in the next year as per industry forecast.

All India Occupancy rate (in %) (Premium Hotel Segment)

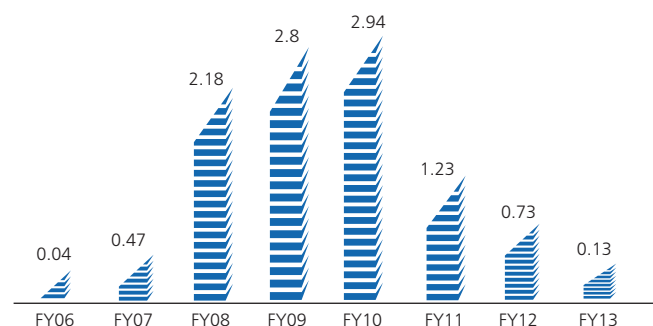


Source: CRISIL Research Report

Real Estate Funding

Opening up of Real estate sector for FDI route in 2005 encouraged global Real Estate Funds, Private Equity Funds, and hedge funds to invest in the high potential real estate sector in India. However, The FDI flow declined substantially post 2008 due to more cautious approach from investors. With availability of bank credit becoming difficult and equity investment hitting the rough patch, investors have shifted focus to more secured funding options such as mezzanine and structured equity instruments. Also many housing finance companies have started project based lending.

FDI in Real Estate Segment (USD in bn)



Source: Department of Industrial Policy & Promotion



Artist's Impression

World Trade Center Kochi



Artist's Impression

Operational Review

Real Estate Segment

The total sales volume in this segment grew by 7% in FY15 to 2.80 mn sq ft. from 2.63 mn sq ft. in FY14. Residential segment grew by 17% in FY15 to 2.65 mn sq ft. from 2.26 mn sq ft. in the previous year. Sales volume in the commercial segment decreased by 58% to 0.16 mn sq ft. in FY15 from 0.37mn sq ft. last year. The average realisation for residential and commercial projects was ₹ 5,076/sq ft. during the year.

The salable area for ongoing real estate projects is 16.36 mn sq ft. with Brigade's share of 12.05 mn sq ft. at the end of FY15.

Brigade has a total land bank of 401 acres at the end of FY15. This translates to a total developable area of 34.1 mn sq ft. with Brigade's share of 26.0 mn sq ft. Residential segment has a developable area of 21.1 mn sq ft. out of which Brigade's share is 15.6 mn sq ft. and commercial salable segment has a developable area of 1.4 mn sq ft. with Brigade's share of 0.8 mn sq ft.

Bangalore, Chennai, Pune & Hyderabad are among the few markets that have lesser stress when it comes to unsold inventory hangover. Considering Brigade Group is majorly operating in the affordable and luxury residential segment, the Company is comfortably positioned on this front as the unsold inventory is immaterial when compared to market numbers. The affordable and luxury segments are robust in terms of demand and absorption providing comfortable environment for the Brigade Group.

Comfortably positioned basis the market demand

Considering the market is robust in the sub 100 lakhs segment, Brigade is well positioned to cater the demand in this segment. 64% of our current stock is sub 100 lakhs segment and this is the fastest moving segment in the Bangalore, Mangalore & Mysore market.

Ticket Size	% of Value
Upto ₹ 75 lakhs	45%
₹ 75 lakhs to ₹ 100 lakhs	19%
₹ 100 lakhs to ₹ 150 lakhs	19%
More than ₹ 150 lakhs	17%

In the ticket size sensitive market, it becomes crucial to focus on improving margins and sale realization. Key parameters reflect improving trend and constant focus is to improve the average realization.

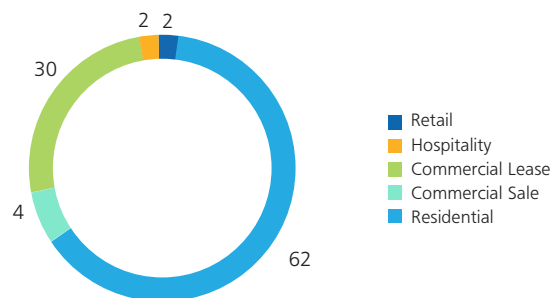
Average Realisation	FY12	FY13	FY14	FY15
Residential ₹ / Sq ft.	3,469	3,907	4,992	5,029

Sales Growth

Focus on Digital marketing has considerably helped the Company position itself well when it comes to capturing the market share. Company has smartly re-positioned its focus towards innovative ways to get the best ROI on each rupee spent on marketing.

Outreach activities and focused open house sessions across the country, International markets like US, UK, Singapore & UAE have been well received. Recently the Company participated in multiple online promotion initiatives and witnessed good amount of interest for business growth.

Product wise Land Bank Project Area (in %)

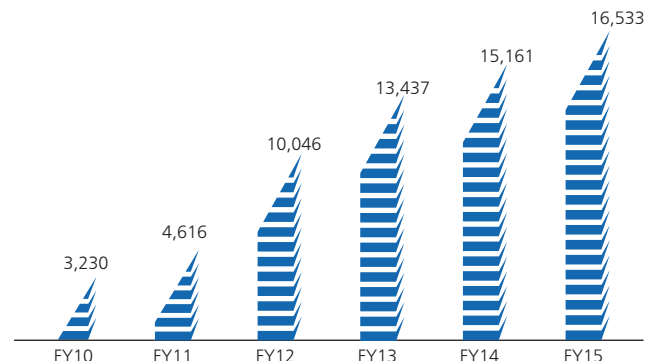


Hospitality

During the year, the occupancy rate at Grand Mercure was 78% compared to 86% in FY14. The average room rate (ARR) was up by 3% to ₹ 6,757 in FY15 from ₹ 6,558 in the last year. Sheraton had an occupancy rate of 72% in FY15 compared to 75% in FY14. The average room rate was ₹ 7,811 in FY15, up 2% from ₹ 7,633 in the previous year. Apart from the existing projects, Brigade has three ongoing projects –Holiday Inn in Chennai, Holiday Inn Express in Bengaluru and Grand Mercure in Mysore, which are expected to commence operations over the next 1-3 years.

Revenue Growth - Hospitality (₹ in Lakhs)

CAGR = 38.1%

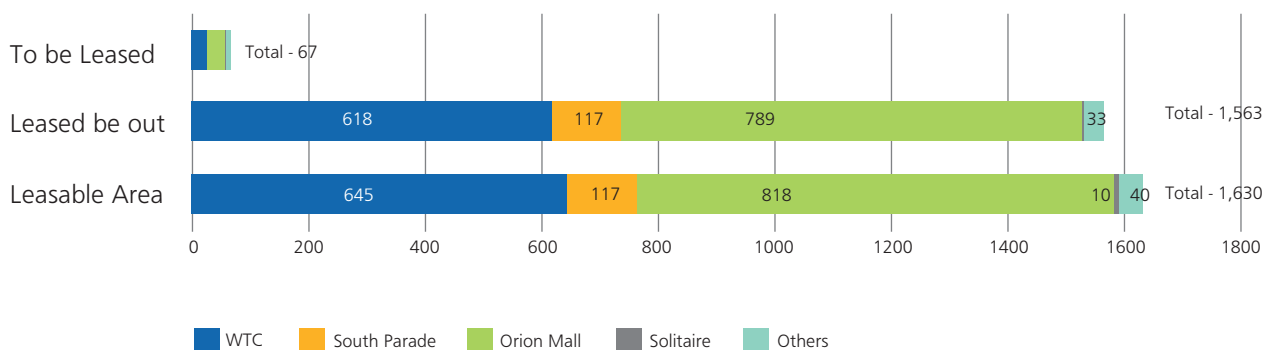


Lease Rentals

The total leasable area is 1.63 mn sq ft. in commercial and retail assets at the end of FY15. The occupancy rate stands at 96% compared to 92% in FY14. Presently, seven projects are ongoing with a total area of 1.94 mn sq ft. with Brigade's share of 1.16 mn sq ft.



Leasable Area ('000 sq ft)



Opportunities and Strengths

- Pioneers in development of integrated enclave(residential, offices, retail and hospitality) and presently developing the first smart township project development of 130 acres in Bangalore.
- Good mix of residential, offices & retail and hospitality projects.
- Steady annuity income from Lease Rental & Hospitality Segments.
- Strong brand Equity in South India more specifically in Karnataka.
- Strong Project Management Team.
- Use of advanced technology in construction.
- Good financial discipline.
- Dedicated and experienced senior management team across segments.
- Credit rating of A from CRISIL and ICRA.
- Increasing demand due to increase in IT and ITeS segment employment, E-commerce and start ups.

Threats and Weakness

- Delay in getting statutory clearances.
- Non availability of skilled labour for contractors.
- Major concentration only in South India.
- Non availability of Land with clear titles.
- Bigger project size with longer gestation period increase the project costs.

Credit Rating

During the year, CRISIL has assigned us a long term rating of "A" with stable outlook. Further ICRA has assigned "A" rating with positive outlook for our long term borrowings and A1 rating for our short term borrowings. This is a reflection of our track record.

Others

Brigade Group received the Allotment of Development Rights for 1.1 mn sq ft. of Built Up Area (BUA) in Gujarat International Finance Tec-City (GIFT City) encompassing commercial, residential, retail mall and hotel projects in both SEZ and non-SEZ areas. The Company will invest ₹ 500 cr in the next few years in GIFT City, India's first globally benchmarked International Financial Services Centre (IFSC). Apart from the allocated area, the Company submitted its interest in acquiring additional space, aggregating to 1.8 mn sq ft. of BUA, demonstrating its strategic long-term interest in being part of the development of India's first Global Financial Hub at GIFT City.

Brigade Group entered into an MOU with GIC, Singapore to jointly invest upto ₹ 1,500 Cr in residential as well as mixed use development projects in south India.

During the year Brigade Group entered into partnerships with online real estate portals for online offers on its luxury projects. The Company launched an online booking platform for customers to book a Brigade apartment online in a few easy steps. It also rolled out a customer portal which is the first by a Bangalore Developer. This portal allows residential buyers to access details of the home they purchased.

Projects launched in FY15

Project	City	Area (mn sq ft.)	Brigade's Share (mn sq ft.)
Residential- Sales			
1 Brigade Exotica-Tower-2 -Burgundy	Bangalore	0.72	0.72
2 Brigade Omega - Tower-A - White Mist	Bangalore	0.31	0.19
3 Brigade Meadows Phase 2- Wisteria	Bangalore	0.88	0.88
4 Brigade Orchards – Cedar	Bangalore	0.50	0.25
5 Brigade Orchards – Deodar	Bangalore	0.55	0.28
6 Brigade Mount view	Mysore	0.42	0.42
7 Brigade Northridge – Phase I	Bangalore	0.61	0.40
8 Brigade Panorama	Bangalore	0.70	0.52
9 Brigade Cosmopolis II	Bangalore	0.37	0.19
Total		5.06	3.85
Commercial-Sales			
1 Brigade Golden Triangle Signature Tower	Bangalore	0.55	0.39
Total		0.55	0.39
Commercial & Retail- Lease Rental			
1 Brigade Bhuwalka Icon	Bangalore	0.29	0.15
2 Brigade Bhuwalka Retail	Bangalore	0.08	0.04
3 Brigade Broadway	Bangalore	0.13	0.04
Total		0.50	0.23
Hospitality			
1 Holiday Inn Express	Bangalore	0.17	0.17
Total		0.17	0.17
Grand Total		6.28	4.64



Financial Review (Consolidated)

Equity Share Capital

The equity share capital of the Company as on 31st March, 2015 stood at ₹ 112.74 Cr from ₹ 112.25 Cr in the previous year. The increase in equity capital is due to the exercise of stock options by certain employees.

Debt Equity

The debt equity ratio of the Company as on 31st March, 2015, is at 1:1 as against 0.7:1 in the previous financial year.

Revenue

The total revenue of the Company increased by 38% to ₹ 1330.84 Cr in the financial year 2014-15 as compared to ₹ 966.69 Cr in the previous financial year.

EBITDA

EBITDA margin during the financial year 2014-15 stood at 30.3% as compared to 32.9% in the previous year.

Finance Costs

Interest and Finance cost during the year stood at ₹ 131.4 Cr as compared to ₹ 113.1 Cr in the previous financial year.

Net Profit

Net profit for the year stood at ₹ 116.4 Cr as compared to ₹ 89.9 Cr in the previous financial year.

Earnings Per Share

Earnings Per share during the year is ₹ 8.47 as compared to ₹ 8.19 in the previous financial year.

Outlook

The economic growth in India is gradually reviving. The government's increased focus towards bringing the growth in the beleaguered infrastructure sector back on track would further add momentum to India's economic growth. Increased economic activities will raise the demand for new homes and office space. With US economy fast reviving and Europe gradually moving out of recessionary phase the IT/ITes, which is the largest consumer of office space, has strong growth prospects. The government's initiatives towards modernisation of India by developing 100 Smart Cities will create a huge opportunity both for the residential and commercial segments. New instruments of financing like REITs will help the industry to grow faster as it will give access to long term and steady funds for the sector.

Brigade Group currently has a very strong pipeline with 19 mn sq ft. of ongoing projects in key real estate markets in South India to tap the rising demand. Brigade also holds a huge land bank of 401 acres, provides visibility of launching new projects for the coming years.

Risk Management

Economic Risk

The real estate market is affected by changes in economic conditions, government policies, interest rates, income levels among other factors. These factors can affect the demand for both our Forthcoming and ongoing Projects.

Mitigating Measures: The Company follows certain policies such as leveraging of Balance sheet, building projects in an asset light mode and doing research before land purchase.

Liquidity Risk

Weak sales or lack of timely payment from our customers or can create a liquidity crunch and hamper the progress of project work.

Mitigating Measures: Brigade enjoys a strong brand name which ensures all our upcoming projects getting good response from the consumers. A low leveraged Balance Sheet helps the company to avail short term credit facilities.

Political Risk

Our business can be hampered due to political uncertainties.

Mitigating Measures: Company's diversification across South Indian cities and recent foray into GIFT City in Gujarat has reduced the risk brewing from regional political unrest.

Execution Risk

Many real estate projects are stopped or delayed due to pending regulatory clearance leading to cost overruns.

Mitigating Measures: The Company has a commendable record of completing all its projects on time since its inception. As a practice it completes with the entire statutory requirement beforehand.



Artist's Impression

Human Resources

At Brigade Group, development of Human Resources, is considered as the prime responsibility to build invaluable asset to organisation. The Company believes that the continuous improvement of the knowledge and skill of its employees drives its growth and that the stakeholder satisfaction is reliant on the professionalism displayed by the employees.

Being cognizant of this principal, the HUMAN RESOURCES department plays a critical role in the Company to meet the greater objective of growth. The Financial Year 2014-15 was dedicated to further the initiatives undertaken in the previous financial and consolidating them for effective implementation. However many new initiatives were also started to build a strong bond of employee engagement. The company continued with its talent induction, capability build, job designs and culture management to strengthen itself. These efforts helped fostering greater level of collaboration, openness, high performance and team work.

Brigade Group has been selected as one of 'India's Best Companies to Work For 2014' by Great Place to Work Institute and the Economic Times for the fourth consecutive year. Brigade Group was ranked among the top 100 across all industries and 2nd in the real estate industry. This is a testimony of our commitment to our employees and their well being.

Internal Control Systems and their adequacy

The Company has adequate internal control systems to commensurate with the size and nature of its business. The system is supported by documented policies, guidelines and procedures to monitor business and operational performance which are aimed at ensuring business integrity and promoting operational efficiency.

The Company has an Internal Audit Department as well as independent audit firms to conduct periodical audits to ensure adequacy of internal control systems, adherence to management policies and compliance with applicable laws and regulations. Their scope of work includes review of internal controls on accounting, efficiency and economy of operations. The internal auditors present to the audit committee the findings of their audit, recommend better practices and report on the status of implementation of their recommendations.

The Audit Committee and Board reviews on the continuous basis the efficiency and effectiveness of the internal controls based on the reports from the internal audit team in the Company as well as the Internal Auditors.



The Brigade Team receiving The Great Place To Work Award in 2014.

Strategic Review

Strategy at	BUSINESS LEVEL		
Key Focus	Revenue growth	Margin expansion	Sustainability
Long term vision	i. Innovation	i. Premium quality properties	i. Adequate land bank
	ii. Expansion		ii. Prudent on leveraging balance sheet
	iii. Best of the quality and amenities	ii. Land viability check	iii. Business & Geographical diversification
	iv. Build trust		
Short term steps	<p>i. We are the pioneers in introducing new concepts in Bangalore such as integrated enclaves. We are developing the first smart township development of over 130 acres in Bangalore known as Brigade Orchards , thus further expanding our portfolio of such marquee creations.</p> <p>ii. Our focus in Bangalore market has yielded positive results. Large Influx of people due to job opportunities in various sectors viz. IT, ITES, Ecommerce, Manufacturing, start ups etc. along with affordable pricing offered by us has been helpful.</p> <p>iii. We have expanded our presence in other parts of South India to reduce our over dependence on Bangalore and also to explore the inherent strength in these cities. During this year, we ventured into GIFT city in Ahmedabad.</p> <p>iv. We have established Brigade as a premium brand with 29 years of rich operating track record. Our product quality, diversified product categories, on-time delivery capability and good governance has made us a trusted brand in India.</p>	<p>i. We enjoy high rentals from some of our best in class commercial assets.</p> <p>ii. As a conservative real estate player, we are very careful about selecting locations and project land. This helped to keep the cost low and our Balance Sheet in a comfortable position.</p> <p>iii. We are pioneer in using advanced technologies which reduces the execution time and rationalizes cost.</p>	<p>i. We have 401 acres of land bank at the end of FY15. This gives us revenue visibility for next 5-6 years.</p> <p>ii. In order to reduce the project risk, we execute most of the projects through a joint development model leading to low leverage of balance sheet and higher return on capital employed.</p> <p>iii. We have successfully built up a diversified business model with presence in real estate, lease rental and hospitality. We further diversified by building wide array of accommodation such as apartments, row houses, villas and integrated complex.</p> <p>iv. We have diversified in other parts of South India and now have entered into GIFT City, Ahmedabad.</p>

PEOPLE LEVEL

Employee focus	Society Focus
i. Skill Development	i. Education
ii. Motivation	ii. Community Development
iii. Team Work	
<p>i. Recruit best accessible talent. Empower with continual education and training.</p> <p>ii. Cultural activities, bonding, cause volunteering, internal communications.</p> <p>iii. HR policies aimed at aligning individual and team goals/targets with company's corporate objectives.</p> <p>iv. Employee Initiatives are crafted with great efforts to align company and employee goals and chart a growth path for every employee. Our continuous endeavours have borne fruit as we have moved from 3rd to 2nd best company to work for in the real estate sector in India this year, as per the study by an US institute Great Places to work.</p>	<p>i. Educational activities carried out under the group's Trust, Brigade Foundation. Brigade Foundation a not for profit trust runs 3 schools in Bangalore – At JP Nagar, Malleswaram and Mahadevapura.</p> <p>ii. The Centre for Indian Music Experience (IME).</p> <p>iii. Redevelopment of Parks, Play Ground & Lakes.</p> <p>iv. Renovation of Police Station and Fire Station.</p>



Brigade Caladium

Artist's Impression

Corporate Information

BOARD OF DIRECTORS

Mr. M. R. Jaishankar
Chairman & Managing Director

Ms. Githa Shankar
Whole-time Director

Mr. M. R. Gurumurthy
Non-Executive Director

Mr. M. R. Shivram
Non-Executive Director

Mr. P.M Thampi
Independent Director

Mr. P. V. Maiya
Independent Director

Dr. K.R.S. Murthy
Independent Director

Mr. Aroon Raman
Independent Director

Mr. Bijou Kurien
Independent Director

COMPANY SECRETARY

P. Om Prakash

INTERNAL AUDITORS

Grant Thornton
Wings, First Floor, 16/1
Cambridge Road, Halasuru
Bangalore - 560008, India

Deloitte Haskins & Sells LLP
Deloitte Centre, Anchorage II
100/2, Richmond Road
Bangalore – 560 025, India

STATUTORY AUDITORS

Messrs. S.R. Batliboi & Associates LLP
Chartered Accountants
UB City, Canberra Block, 12th Floor
No 24, Vittal Mallya Road
Bangalore – 560001

REGISTERED & CORPORATE OFFICE

29th & 30th Floors, World Trade Center
Brigade Gateway Campus
26/1, Dr. Rajkumar Road
Malleswaram-Rajajinagar
Bangalore – 560 055
Telephone No. : 080 41379200
Fax No. : 080 41379321
Email Id. : investors@brigadegroup.com
www.brigadegroup.com

REGISTRAR & SHARE TRANSFER AGENTS

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad – 500 032
Telephone No: 040 67161500
Fax No. : 040 23420814
Email Id.: rajusv@karvy.com

EQUITY SHARES LISTED AT

National Stock Exchange of India Ltd (NSE)
BSE Ltd

BANKERS

Allahabad Bank
Bank of Baroda
Corporation Bank
Indian Overseas Bank
Karur Vysya Bank
Punjab National Bank
State Bank of India
United Bank of India
HDFC Bank Limited
Jammu & Kashmir Bank Ltd.
Federal Bank
State Bank of Mysore
Bank of Maharashtra
The Lakshmi Vilas Bank Ltd.

Board's Report

Dear Members

We have pleasure in presenting the Twentieth Annual Report on business and operations of the Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2015.

FINANCIAL HIGHLIGHTS:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2014-15	2013-14	2014-15	2013-14
Total Revenue	1,00,801	91,577	1,33,084	96,669
Operating Expenditure	69,276	61,384	92,779	64,827
Earnings before Interest, Depreciation and Amortisation	31,525	30,193	40,305	31,842
Depreciation and Amortisation	9,199	7,653	9,918	8,176
Finance Costs	11,460	10,242	13,139	11,307
Profit Before Tax	10,866	12,298	17,248	12,359
Tax Expenses				
Current Tax	3,512	2,414	5,398	2,552
Adjustment of tax relating to earlier periods	205	-	205	-
Deferred tax charge/(credit)	149	904	177	977
MAT credit entitlement	-	-	(27)	(65)
Profit after Tax	7,000	8,980	11,495	8,895
Share of profit from Associate	-	-	147	99
Profit for the year	7,000	8,980	11,642	8,994
Profit/(loss) attributable to:				
Owners of the Company	-	-	9,523	9,197
Minority Interest	-	-	2,119	(203)

Details of Appropriations:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2014-15	2013-14	2014-15	2013-14
Surplus in the statement of profit and loss as per last financial statements	39,504	34,138	39,094	33,781
Profit for the year (net of minority interest)	7,000	8,980	9,523	9,197
Less:				
Proposed Dividend	2,255	2,245	2,255	2,245
Dividend Distribution Tax	451	375	451	375
Transfer to General Reserve	-	674	-	674
Other adjustments (Net)	980	320	633	590
Net Surplus in the statement of profit and loss carried forward	42,818	39,504	45,278	39,094

FINANCIAL OVERVIEW:

During the financial year 2014-15, the Company has on a standalone basis, clocked a total income of ₹ 100,801 Lakhs as compared to ₹ 91,577 Lakhs for the previous year ended 31st March, 2014, an increase of 10% on a year-on-year basis. EBITDA has increased from ₹ 30,194 Lakhs to ₹ 31,525 Lakhs an increase of 4%. Profit after tax was at ₹ 7,000 Lakhs for the financial year ended 31st March, 2015 as compared to ₹ 8,980 Lakhs for the previous year, a decrease by 22%.

The consolidated revenue for the Company for the financial year 2014-15 was ₹ 1,33,084 Lakhs as compared to ₹ 96,669 Lakhs in the previous year, a growth of 38% on year-on-year basis. EBITDA increased from ₹ 31,842 Lakhs in the previous year to ₹ 40,305 lakhs, for the financial year 2014-15, an increase of 27%. Profit after tax was at ₹ 11,495 Lakhs for the financial year ended 31st March, 2015 as compared to ₹ 8,895 Lakhs for the previous year, an increase by 29%.

SUBSIDIARIES/ JOINT VENTURES AND ASSOCIATES:

The Company had a total of 12 subsidiaries, 2 joint venture entities and 1 associate company as at 31st March, 2015.

During the year under review:

- ▶ BCV Developers Private limited became a subsidiary of the Company w.e.f. 21st January, 2015. BCV Developers Private Limited owns the land wherein the Brigade Orchards, the first smart township project in Bangalore is being developed by the Company on 130 plus acres of land.
- ▶ Brigade (Gujarat) Projects Private Limited was incorporated on 26th March, 2015 as a wholly owned subsidiary of the Company which would undertake the development of 1.1 mn. sq ft. development at Gujarat International Finance Tec-city (GIFT City), Ahmedabad.
- ▶ Brigade Properties Private Limited, subsidiary of the Company had acquired the entire shareholding in Brooke Bond Real Estates Private Limited on 23rd March, 2015. Due to this acquisition, Brooke Bond Real Estates became a wholly owned subsidiary of Brigade Properties Private Limited and a step down subsidiary of the Company. Brooke Bond Real Estates Private Limited owns a landmark SEZ property admeasuring 26.5 acres known as "Brookefields".

FINANCIAL STATEMENTS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

In accordance with the provisions of Section 129 (3) of the Companies Act, 2013 read with Clause 32 of the Listing Agreement, the consolidated financial statements have been prepared by the Company which forms part of this Annual Report. A statement containing the salient features of the financial statements of subsidiaries/joint ventures/ associates as required in Form AOC 1 is enclosed as **Annexure-1** to this Report.

FRAMEWORK AGREEMENT WITH GIC, SINGAPORE:

During the year, the Company has entered into a framework agreement with GIC, Singapore for jointly investing upto ₹ 1,500 crores within a time frame of 3 years for acquiring properties for mixed use development in the

major cities in South India. The Partnership with GIC got further strengthened with the acquisition of Brooke Bond Real Estates Private Limited which holds a prime SEZ land popularly known as "Brookefields."

SCHEME OF ARRANGEMENT:

- ▶ BCV Developers Private Limited, a subsidiary company had filed a scheme of amalgamation with two joint venture companies {BCV Estates Private Limited and CV Properties (Bangalore) Private Limited} with the appointed date for the scheme being 1st October, 2013. The scheme has been sanctioned by the Honourable High Court of Karnataka and the process of amalgamation is currently pending for filing with the Registrar of Companies. Pending such filing, the amalgamation has not been accounted for in the consolidated financial statements for the year ended 31st March, 2015.
- ▶ Prosperita Hotel Ventures Limited, a wholly owned subsidiary of the Company (transferee company) along with Subramanian Engineering Company Limited (transferor company) had filed a scheme of demerger with the appointed date for the scheme being 1st October, 2013. The scheme of demerger has been sanctioned by the Honourable High Court of Madras recently. The effect of the demerger would be given in the books of Prosperita Hotel Ventures Limited after the court order is filed with the Registrar of Companies.

TRANSFER TO RESERVES:

An amount of ₹ 882 Lakhs has been transferred out of the current year's profits to General Reserves towards future capital expansion.

DIVIDEND:

The Board of Directors of the Company have recommended a dividend of ₹ 2.00 (Rupees Two only) (20%) per Equity Share of ₹ 10 each which is subject to the approval of the Shareholders in the ensuing Annual General Meeting of the Company. The total payment on account of Dividend (including Dividend Tax) shall be ₹ 2,706 Lakhs.

FIXED DEPOSITS:

The Company has not accepted any deposits in terms of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014, during the year under review. Accordingly, no amount is outstanding as on the balance sheet date.

DEBENTURES:

During the year under review, the Company has not issued any Debentures. As on date, the Company does not have any outstanding Debentures.

DEPOSITORY SYSTEM:

Company's shares are tradable only in electronic form. As on 31st March, 2015, 96.24 % of the Company's total paid up equity share capital representing 10,85,02,046 shares are in dematerialised form.

TRANSFER TO INVESTOR PROTECTION FUND:

The Company and the Registrar & Transfer Agents of the Company sent letters to all members whose IPO refund money and dividend were unclaimed so as to ensure that they receive their rightful dues. During the year, the Company transferred ₹ 2,23,860/- to the Investor Education and Protection Fund, the IPO refund amount which was due & payable and remained unclaimed and unpaid for a period of seven years as provided under Section 205C(2) of the Companies Act, 1956.

SHARE CAPITAL:

The authorised share capital of the Company is ₹ 150,00,00,000/- divided into 15,00,00,000 equity shares of ₹ 10/- each. During the year, the Company had issued and allotted 4,91,700 equity shares of the Company to the eligible employees on exercise of options granted under the Brigade Enterprises Limited Employee Stock Option Scheme, 2011. Consequently, the issued, subscribed and paid-up equity share capital of the Company has increased from 11,22,51,940 equity shares of ₹ 10/- each to 11,27,43,640 equity shares of ₹ 10/- each.

EMPLOYEE STOCK OPTION SCHEME:

The Employee Stock Option Scheme titled "Brigade Employee Stock Option Plan 2011" was rolled out in the financial year 2013-14. Statement giving detailed information on the plan in accordance with SEBI Regulations is contained in **Annexure-2** to this Report.

OPERATIONAL REVIEW:

The operations of the Company can be classified into three main Segments:

1. Income from Construction and development of Real Estate Projects
2. Revenue from Hospitality Assets
3. Lease Rental Income from Commercial and Retail Assets

The Real Estate segment specialises in development of residential and commercial Real Estates projects on Sale basis. The revenues of this segment is recognised either on percentage of completion method during construction or unit sale method after the completion of the projects.

The Hospitality segment develops hospitality assets and specialises in identifying Hotel operators and monitoring the operation of the hotel assets.

The Commercial and Retail segment concentrates on developing commercial and retail assets and identifying suitable tenants on long term lease for the Assets owned by the Company.

A detailed analysis of completed and ongoing projects as on 31st March, 2015 has been given in the Management Discussion and Analysis Report which is forming part of the Annual Report.

COMPLETED PROJECTS

During the year under review, the Company has completed residential projects admeasuring 1.2 million sq. ft.

ONGOING PROJECTS

The Company currently has 20 ongoing residential projects aggregating to 10.1 million sq. ft. of developable area (out of which Company's share is about 8.2 million sq. ft.), 10 commercial/retail projects aggregating to 3.4 million sq.ft. of developable area (out of which Company's share is about 2.1 million sq. ft.) and 2 Hospitality projects of 0.3 million sq. ft. of developable area (out of which Company's share is about 0.3 million sq. ft.). Apart from these, the Company also has 8 ongoing residential projects under SPVs aggregating to 3.6 million sq. ft. of developable area (out of which Company's share is about 1.8 million sq. ft.) and 2 Hospitality project of 0.3 million sq. ft. of developable area (out of which Company's share is about 0.2 million sq. ft.).

PROPOSED PROJECTS

During the financial year 2015-16, the Company proposes to launch 7.70 million sq. ft. of new launches. Out of this, Real Estate launches will be about 6.1 million sq. ft., Commercial space will be 1.30 million sq ft. and Hospitality space will be 0.30 million sq. ft.

BOARD OF DIRECTORS:

The Board of Directors of the Company comprises of nine directors of which 2 are Executive Directors, 5 Non-Executive Independent Directors and 2 Non-Executive Directors. The composition of the Board of Directors is in due compliance of the Companies Act, 2013 and the Listing Agreement entered with the Stock Exchanges.

BOARD MEETINGS

During the year under review, the Board of Directors of the Company met 6 times on the following dates:

- ▶ 7th May, 2014
- ▶ 6th June, 2014

- ▶ 5th August, 2014
- ▶ 4th November, 2014
- ▶ 31st January, 2015
- ▶ 16th February, 2015

In accordance with the provisions of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 9th March, 2015.

A detailed note on the composition of various Committees of the Board and their meetings including the terms of reference were given in the Corporate Governance Report forming part of the Annual Report.

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The Directors of the Company are appointed by the members at annual general meetings in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

The Company has adopted the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement relating to the appointment and tenure of Independent Directors

The Company's Remuneration Policy for Directors, Key Managerial Personnel and Senior Management Personnel is contained in **Annexure-3**.

APPOINTMENT/ RE-APPOINTMENT OF DIRECTORS

In accordance with the Articles of Association of the Company and the provisions of Section 152(6)(e) of the Companies Act, 2013, Mr. M.R. Jaishankar, Chairman & Managing Director (DIN: 00191267) and Ms. Githa Shankar, Whole-time Director (DIN: 01612882) of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

The Board of Directors at their meeting held on 31st January, 2015 have appointed Mr. Bijou Kurien (DIN: 01802995) as an Additional Director of the Company. Mr. Bijou Kurien holds office up to the date of ensuing Annual General Meeting. The Company has received a notice in writing, under Section 160 of the Companies Act, from a Member along with a cheque of ₹ 1 lakh in favor of the Company proposing the candidature of Mr. Bijou Kurien as an Independent Director of the Company for a consecutive term up to five years from the date of the ensuing Annual General Meeting.

The Notice convening the Annual General Meeting includes the proposals for the re-appointment of the Directors. Brief resume of the Directors proposed to be appointed/ re-appointed, nature of their expertise in

specific functional areas and names of the companies in which they hold directorship/ membership/ chairmanship of the Board or Committees, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges have been provided as an annexure to the Notice convening the Twentieth Annual General Meeting.

None of the Directors of the Company are disqualified under Section 164(2) of the Companies Act, 2013.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors of the Company have provided the declaration of Independence as required under Section 149(7) of the Companies Act, confirming that they meet the criteria of independence under Section 149(6) of the Companies Act and Clause 49 of the Listing Agreement entered into with BSE Limited and the National Stock Exchange of India Limited.

ANNUAL PERFORMANCE EVALUATION OF THE BOARD:

The Board conducted an evaluation of itself and its Committees based on identified criteria and framework pursuant to the provisions of the Companies Act, 2013 and Listing Agreement. The Board evaluated & assessed the performance and potential of each Director. The Independent Directors at a meeting conducted a review of the performance of the Chairman after taking into account the views of the Non-Executive Directors of the Board. At the same meeting, the review of the Executive Directors was also carried out.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors hereby confirms that:

- a) in the preparation of the annual financial statements for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual financial statements have been prepared on a going concern basis;

- e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) there are proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

KEY MANAGERIAL PERSONNEL:

During the year under review, Mr. M. R. Jaishankar, Chairman & Managing Director, Mr. Suresh K, Chief Financial Officer and Mr. P. Om Prakash, Company Secretary were designated as Key Managerial Personnel in accordance with the provisions of Section 203 of the Companies Act, 2013.

REMUNERATION DETAILS OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES:

The particulars as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is contained in **Annexure-4**.

The statement of employees in receipt of remuneration exceeding the limits prescribed under Section 134 of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure- 5**.

STATUTORY AUDITORS:

The members of the Company at the Nineteenth Annual General Meeting held on 5th August, 2014 approved the appointment of Messers S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration Number 101049W) as the Statutory Auditors of the Company for a period of 5 years till the conclusion of Twenty Fourth Annual General Meeting, which is subject to annual ratification by the members of the Company in terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

The resolution relating to annual ratification of statutory auditors appointment is part of the notice of the Twentieth Annual General Meeting. Members may ratify the appointment of Messers S.R. Batliboi & Associates LLP, Chartered Accountants as the Statutory Auditors of the Company for the financial year 2015-16.

There are no qualifications or adverse remarks in the Statutory Auditors' Report for the financial statements for the year ended 31st March, 2015 which require any explanation from the Board of Directors.

SECRETARIAL AUDIT REPORT:

Pursuant to provisions of the Companies Act, 2013, the Board of Directors of the Company have appointed Mr. K. Rajshekar, Practising Company Secretary (CP No. 2468) to conduct the Secretarial Audit for the financial year 2014-15 and his Report on Company's Secretarial Audit is appended as **Annexure-6** to this Report.

There are no qualifications or adverse remarks in the Secretarial Audit Report which require any explanation from the Board of Directors.

COST AUDITORS:

The Board of Directors of the Company have appointed M/s GNV & Associates, Cost Accountants (Firm Regn No. 000150) as Cost Auditors of the Company for the financial year 2014-15 at a fee of ₹ 1.25 lakhs plus applicable taxes and out of pocket expenses subject to the ratification of the said fees by the Shareholders at the ensuing Annual General Meeting of the Company pursuant to provisions of Section 148 of the Companies Act.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges is forming part of the Report.

CORPORATE GOVERNANCE REPORT:

The Company is committed to maintaining the highest standards of Corporate Governance. Company has duly complied with all the mandatory requirements stipulated in Clause 49 of the Listing Agreement.

A detailed Report on Corporate Governance and a certificate from Mr. K Rajshekar, Practising Company Secretary (CP No.2468) affirming compliance with the various conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The details of loans given, investments made, securities provided and guarantees given are provided in note 14 and 15 forming part of the standalone financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All transactions entered into during the financial year 2014-2015 with related parties were in the ordinary course of business and on arm's length basis.

The Company has formulated a policy on Related Party Transactions which is available on the website of the Company at <http://www.brigadegroup.com/investor/images/policy-related-party-transactions.pdf>.

During the year the Company has not entered in to any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Transactions with related parties during the year are listed out in note 37 forming part of the standalone financial statements,

INTERNAL FINANCIAL CONTROL SYSTEM:

The Company has adequate internal financial control systems in place with reference to the financial statements.

During the year under review, these controls were evaluated and no significant weakness was identified either in the design or operation of the controls.

RISK MANAGEMENT COMMITTEE:

As required under Clause 49 of the Listing Agreement, the Company has constituted a Risk Management Committee consisting of Executive Director, Non-Executive Director and an Independent Director to identify and assess business risks and opportunities. The Risk Management Committee identifies the risks at both enterprise level as well as at the project level.

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

CORPORATE SOCIAL RESPONSIBILITY:

A Corporate Social Responsibility (CSR) Committee has been constituted in accordance with the provisions of Section 135 of the Companies Act, 2013.

In terms of Section 134 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, a brief on Corporate Social Responsibility activities of the Company has been disclosed in the Corporate Governance Report forming part of this Annual Report.

VIGIL MECHANISM:

The Company has established a vigil mechanism for Directors and Employees to report their genuine concerns,

illegal, unethical behaviour, suspected fraud or violation of laws, rules and regulation or conduct to the Chief Vigilance Officer and the Audit Committee of the Board of Directors. The details of which have been given in the Corporate Governance Report forming part of this Annual Report.

EXTRACT OF ANNUAL RETURN:

In terms of Section 92 (3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return of the Company for the financial year 2014-15 in Form No. MGT-9 is appended as **Annexure-7** to this Report.

CODE OF CONDUCT:

Pursuant to Clause 49 of the Listing Agreement, the declaration signed by the Chairman and Managing Director affirming compliance of the Code of Conduct by the Directors and senior management personnel of the Company for the financial year 2014-15 is annexed and forms part of the Corporate Governance Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings & outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is appended as an **Annexure-8** to this report.

HUMAN RESOURCES:

The Company has a total workforce of 544 as on 31st March, 2015. The Company believes that the only way it can excel is by empowering its people. Training and development is conducted regularly at all levels to enable employees to reach their individual goals and better align the same with the overall corporate goal. The Company aims to contribute to the overall development of its employees through extensive training and motivational programmes. The Board of Directors would like to express their appreciation to employees for their hard work dedication & commitment.

As a part of the policy for Prevention of Sexual Harassment in the organisation, the Company has in place a Committee called "Complaints Redressal Committee" for prevention and redressal of complaints on sexual harassment of women at work place in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 and relevant rules thereunder. During the period under review, no complaints were received by the Committee.

AWARDS AND RECOGNITIONS:

Among the significant awards Brigade Group has received in 2014-15 are:

- ▶ **Brigade Group** selected as one of **India's Best Companies to Work For 2014** by Economic Times and Great Place to Work Institute, for the fourth consecutive year.
- ▶ **Brigade Group** was recognized and awarded as one of **Bangalore's Hot 50 Brand's** at the Bangalore Brand Summit 2014 award ceremony by Paul Writer.
- ▶ **Brigade Crescent** and **Brigade Horizon** won awards at the 3rd Annual Silicon India Bangalore Real Estate Awards 2014. Brigade Crescent won the '**Ultra luxury Apartment Project Of The Year**' in CBD limits, Bangalore and Brigade Horizon won the '**Luxury Apartment Project Of The Year**', Mysore.
- ▶ Brigade Group won 5 Awards at the 6th REALTY PLUS EXCELLENCE AWARDS 2014 for the following categories:
 - ▶ **World Trade Centre Bangalore @ Brigade Gateway-Commercial Property of the Year**
 - ▶ **Brigade Group for Brigade Magnum-Developer of the Year – Commercial**
 - ▶ **Brigade Lakefront for 'WALK'-Innovative Marketing Concept of the Year**
 - ▶ **Brigade Lakefront for 'WALK'-OOH Marketing campaign of the year**
 - ▶ **Brigade Lakefront for 'WALK'- Print campaign of the year**
 - ▶ **Brigade Rubix** has been awarded the "**Best Architectural Design – Commercial**" at the National Real Estate Development Council (NAREDCO) Awards 2014.
 - ▶ **Mr. Jaishankar** was conferred the '**Construction Week India Hall of Fame**' Award in recognition of his extraordinary work in the real estate sector.
 - ▶ **HIGH** won the "**IMAGES Most Admired Food Service Retail Launch of the Year: Home Grown Retailer**" at the Coca Cola Golden Spoon Awards 2015 in Mumbai.
 - ▶ **Ms. Nirupa Shankar** was awarded the "**Rising Star Award – South Asia**" by the International Society of Hospitality Consultants (ISHC) at the Hotel Investment Forum India (HIFI) in Delhi.
- ▶ **Brigade Meadows** was awarded the '**Budget Apartment Project of the year, Tier 1**' category at the NDTV Property Awards 2014.
- ▶ Brigade Group won 4 awards across various categories at the CARE Awards (CREDAI Real Estate Awards) held on 27th March 2015 at ITC Gardenia, Bangalore. The Awards were split across three zones- North Karnataka, South Karnataka and Bangalore.
- ▶ The Awards Brigade Group won are:
 - ▶ **Brigade Sparkle** won the '**Best Dwelling below 1500 sqft (Residential)**' in South Karnataka.
 - ▶ **Brigade Rubix** won the '**Best Commercial Complex**' in Bangalore.
 - ▶ **Brigade Group** received the '**Best CSR work by a Developer**' for the redevelopment of the Kempegowda Playground in Malleswaram and Skywalk on Dr. Rajkumar Road.
 - ▶ The most prestigious award of the evening was the Special Awards Category- **Mr. M R Jaishankar, CMD, Brigade Group** was given an award for '**Outstanding contribution to the Real Estate Sector**'.
 - ▶ **Mr. Suresh Kris, CFO- Brigade Group** was recognized as one of the **Top 100 CFO's** in the country for 2015 by the CFO India Magazine.
 - ▶ **Mr. Manjunath Prasad, COO Projects** was awarded the **Most Enterprising Real Estate Professional of the year** at the Global Real Estate Brand awards 2015.
 - ▶ **Orion Mall** won the **Best Shopping Mall of the year in South India** at the Indian Retail & e-Retail Awards 2015.
 - ▶ **Orion Mall** received two of the coveted trophies – '**IMAGES Most Admired Shopping Centre of the Year: South**' and '**IMAGES Most Admired Shopping Centre Marketing & Promotions of the Year- South**', at the IMAGES Shopping Centre Awards 2015.

ADDITIONAL INFORMATION TO SHAREHOLDERS:

All important information such as financial results, investor presentations, press releases, new launches and project updates are made available on the Company's website www.BrigadeGroup.com on a regular basis.

DISCLOSURES:

There were no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year till the date of this report.

There is no change in the nature of the business of the Company.

There are no differential voting rights shares issued by the Company.

Neither the Managing Director nor the Wholetime Director have received any remuneration or commission from any of the subsidiaries, joint ventures or associates.

There were no sweat equity shares issued by the Company.

ACKNOWLEDGEMENTS:

The Directors wish to place on record their appreciation and sincere thanks to all the stakeholders for the continued support and patronage. We look forward to your support and co-operation as the Company is entering the next league of growth.

By order of the Board

For Brigade Enterprises Limited

Place: Bangalore

M. R. Jaishankar

Date: 20th May, 2015

Chairman and Managing Director

Annexure-1

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures

Part "A": Subsidiaries

(Amount in ₹ Lakhs)

Particulars	Brigade Tetrarch Private Limited	Brigade Estates and Projects Private Limited	Brigade Infrastructure and Power Private Limited	Orion Mall Management Company Limited	Brigade Hospitality Services Limited
	1	2	3	4	5
Reporting period	2014-15	2014-15	2014-15	2014-15	2014-15
Reporting currency	INR	INR	INR	INR	INR
Share capital	10	5	5	50	1,000
Reserves & surplus	-81	-2	-37	1	-75
Total Assets	1,817	907	6	660	6,934
Total Liabilities	1,817	907	6	660	6,934
Investments					
Turnover	-	-	-	2,531	4,064
Profit/Loss before Taxation	-5	-0	-0	215	229
Provision for Taxation	-	-	-	69	34
Profit/Loss after Taxation	-5	-	-	146	195
Proposed Dividend	-	-	-	-	-
% of Shareholding	100%	100%	100%	100%	100%

Particulars	Prosperita Hotel Ventures Limited	WTC Trades and Projects Private Limited	Celebration Catering and Events, LLP	Brigade Properties Private Limited	Brooke Bond Real Estates Private Limited	BCV Developers Private Limited
	6	7	8	9	10	11
Reporting period	2014-15	2014-15	2014-15	2014-15	2014-15	2014-15
Reporting currency	INR	INR	INR	INR	INR	INR
Share capital	5	288	30	1,173	1,295	2,000
Reserves & surplus	-17	353	70	3,715	-1,234	-698
Total Assets	7,711	2,233	212	43,834	1,879	49,630
Total Liabilities	7,711	2,233	212	43,834	1,879	49,630

Particulars	Prosperita Hotel Ventures Limited	WTC Trades and Projects Private Limited	Celebration Catering and Events, LLP	Brigade Properties Private Limited	Brooke Bond Real Estates Private Limited	BCV Developers Private Limited
Investments						
Turnover	1	358	666	18,199	-	13,170
Profit before Taxation	-17	107	98	5,909	-	-649
Provision for Taxation	-	25	34	1,756	-	-201
Profit after Taxation	-17	82	64	4,153	-	-449
Proposed Dividend	-	-	-	-	-	-
% of Shareholding	100%	100%	95%	51%	100%	50.01%

Notes:

1. Name of subsidiary which is yet to commence the operations: **Brigade (Gujarat) Projects Private Limited**
2. Names of subsidiaries which have been liquidated or sold during the year: **NA**

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Amount in ₹ Lakhs)

Name of associates/Joint Ventures	BCV Estates Private Limited	CV Properties (Bangalore) Private Limited	Tandem Allied Services Private Limited
1. Latest audited Balance Sheet Date	March 31, 2015	March 31, 2015	March 31, 2015
2. Shares of Associate/Joint Ventures held by the company on the year end			
(i) No.	1750000	2500000	370000
(ii) Amount of Investment in Associates/Joint Venture	175	250	7
Extend of Holding%	50%	50%	37%
3. Description of how there is significant influence			
4. Reason why the associate/joint venture is not consolidated	NA	NA	NA
5. Net worth attributable to shareholding as per latest audited Balance Sheet	169	243	572
6. Profit/Loss for the year			
(i) Considered in Consolidation	-4	-6	147
(ii) Not Considered in Consolidation	-4	-6	236

Notes:

1. Names of associates or joint ventures which are yet to commence operations: **NA**
2. Names of associates or joint ventures which have been liquidated or sold during the year: **NA**

Annexure-2

Disclosures as per Regulation 12.1 of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as on 31st March, 2015:

SI No	Particulars	Disclosures
1	Options granted (outstanding as on 01/04/2014)	23,24,300
	Options granted during the year	1,00,000
2	Pricing Formula	Discount to the market price on the date of issue of options.
3	Options Vested during the year	5,81,075
4	Options Exercised	491,700
5	Total number of equity shares arising as a result of exercise of Options	4,91,700
6	Options lapsed/forfeited	231,025
7	Variation of terms of options	N.A
8	Money realised by exercise of options	₹ 2,45,85,000/-
9	Total number of options in force	1,701,575
10	Employee wise details of option granted during the financial year 2014-15: a. Senior Managerial Personnel (CXOs & above). b. Any other employee who receives a grant in any one year of option amounting to 5% or more of the options granted during the year. c. Identified employees who were granted options during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of the grant.	100,000
11	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with {Accounting Standard (AS) 20 "Earnings Per Share"}	6.16
12.	Where the company calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of options and the impact of the difference on profits and EPS of the Company	The company has calculated the employee compensation cost using intrinsic value of the stock option measured by a difference between the fair value of the underline equity shares at the grant date and exercise price. Had the compensation cost be determined in the manner consistent with the fair value method, based on Black-Scholes Model, the employee compensation cost would have been higher by 84 lakhs and profoma profit after tax would have been lower by 84 lakhs. On profoma basis the Basic and Diluted EPS would have been ₹ 6.16 per share and ₹ 6.09 per share respectively.
13	Weighted average exercise price and weighted average fair value of options whose exercise price is equals or exceeds or is less than the market price of the stock	Exercise Price – ₹ 50/- per share. Weighted Average Fair value of Options is ₹ 22.02

14	Description of the method and significant assumptions used during the year to estimate the fair value of the options	The Company has used Black-Scholes Model for computation of fair valuation considering the following significant assumptions:		
			31st March, 2015	31st March, 2014
		Dividend Yield (%)	1.52	2.65
		Expected Life (No. of years)	7.66	8.58
		Risk Free Interest Rate (%)	7.81	9.86
		Volatility (%)	48.42	51.62

Annexure-3

Remuneration policy for Directors, Key Managerial Personnel and Senior Management Personnel

1) PREAMBLE

Brigade Enterprises Limited (BEL) strives to ensure the highest levels of integrity, quality and service in its business. The observance of highest standards & levels of transparency, accuracy, accountability and reliability on the organisation cascades from the Board of Directors across various business segments.

The Company is committed to ensure that remuneration commensurate with the role and responsibilities is paid to the directors, key managerial personnel and senior management personnel.

The remuneration policy for directors, key managerial personnel and senior management personnel has been formulated in accordance with the requirements of the Companies Act, 2013

- » The key objectives of the remuneration policy are as follows:
- » To achieve a performance-driven work culture that generates organisational growth
- » To attract, retain, motivate the best talent , to run the business efficiently and effectively
- » To provide clear focus and measurement on key objectives with a meaningful link to rewards

2) DEFINITIONS:

- a. Director: Director means a person who has been inducted on the Board of Brigade Enterprises Limited.
- b. Executive Director means the Directors who are in wholetime employment of the Company viz. Managing Director and Wholetime Director.
- c. Non- Executive Director means Directors who are not in wholetime employment of the Company.
- d. Independent Directors means Directors appointed in accordance with Section 2(47), 149 and Clause 49 of the Listing Agreement.
- e. Key Managerial Personnel means –
 - » the Chief Executive Officer or Managing Director or Wholetime Director or Manager
 - » Chief Financial Officer
 - » Company Secretary
 - » Such other person as may be prescribed under the Companies Act, 2013.
- f. Senior Management Personnel means employees who are on level below the Board of Directors apart from Key Managerial Personnel.
- g. Nomination and Remuneration Committee means the Committee constituted pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

3) POLICY SCOPE

The remuneration policy is the guiding principle on the basis of which the Nomination and Remuneration Committee will recommend to the Board of Directors the remuneration payable to Directors, Key Managerial Personnel and Senior Managerial Personnel.

4) REMUNERATION TO EXECUTIVE DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR MANAGEMENT PERSONNEL

The Nomination and Remuneration Committee recommends the remuneration payable to the Executive Directors based on which the Board of Directors of the Company fix the remuneration of the Executive Directors within the limits approved by the shareholders.

The Nomination and Remuneration Committee will recommend the remuneration payable to Key Managerial Personnel based on which the Board of Directors will fix the remuneration. In case of any Key Managerial Personnel on the Board then the remuneration fixed should be within the limits approved by the shareholders.

The remuneration structure for Executive Directors, Key Managerial Personnel and Senior Management Personnel shall consist of the following components:

Basic Pay

Perquisites and Allowances

Commission (Applicable to Executive Directors)

Employee Stock Options (ESOP only for Key Managerial Personnel & Senior Management Personnel who are not on the Board)

Variable Pay (Applicable only for Key Managerial Personnel & Senior Management Personnel who are not on the Board)

Retiral Benefits

The remuneration of Executive Directors, Key Managerial Personnel and Senior Management Personnel are fixed by the Board based on the recommendation of the Nomination and Remuneration Committee on basis of individual's qualification, experience, expertise, core competencies, job profile, positive attributes and industry standards.

Based on the comparison of actual performance of the Company in comparison with the annual budgets, the Nomination and Remuneration Committee recommends to the Board, the quantum of Commission payable to Executive Directors.

As regards to the Key Managerial Personnel who are not on the Board variable pay will be based on a weighted average factor of individual performance, department performance and Company's performance.

5) REMUNERATION TO NON-EXECUTIVE DIRECTORS

Non- Executive Directors are entitled to sitting fees for attending the meetings of the Board and Committees.

6) REMUNERATION TO INDEPENDENT DIRECTORS

The Nomination and Remuneration Committee recommends the remuneration by way of commission payable to the Independent Directors based on the performance of the Company in each financial year.

The Board then approves the payment of remuneration by way of commission payable to Independent Directors within the limits approved by the shareholders. This is apart from the sitting fees payable to them for attending the meetings of the Board/Committees.

7) REMUNERATION PAYABLE TO OTHER EMPLOYEES

Employees are assigned bands based on a grading structure. The assignment of a particular band is dependent on their educational qualification, work experience, skill sets, competencies and the role & responsibilities they will be discharging in the Company. Individual remuneration is based on various factors as listed above apart from industry standards.

Annexure 4

Remuneration Details of Directors, Key Managerial Personnel and Employees

(Pursuant to Section 134 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

- I. Ratio of remuneration of each director to the median remuneration of the employees and percentage increase in remuneration:

SI No.	Name of Director / KMP	Designation	Ratio of Remuneration to Median Remuneration	% Increase/ Decrease in Remuneration Y-O-Y	Comparison of KMP remuneration against the Company's performance
1.	Mr. M. R. Jaishankar	Chairman & Managing Director	80.80:1	(3.21%)	<p>Standalone financial statements :</p> <p>Total income increased by 10%.</p> <p>EBITDA increased by 4%</p> <p>Profit After Tax decreased by 22%.</p> <p>Consolidated Financial Statements</p> <p>Total income increased by 38%.</p> <p>EBITDA increased by 27% and Profit After Tax increased by 29%.</p>
2.	Ms. Githa Shankar	Wholetime Director	32.28:1	(3.37%)	-do-
3.	Mr. M. R. Gurumurthy	Non-Executive Director	0.12:1	50%	Not Applicable
4.	Mr. M. R. Shivram	Non-Executive Director	0.08:1	(25%)	Not Applicable
5.	Mr. P. V. Maiya	Non-Executive Independent Director	1.65:1	.85%	Not Applicable
6.	Mr. P. M. Thampi	Non-Executive Independent Director	1.59:1	(.86%)	Not Applicable
7.	Dr. K. Srinivasa Murthy	Non-Executive Independent Director	1.54:1	2.77%	Not Applicable
8.	Mr. Aroon Raman	Non-Executive Independent Director	1.55:1	8.74	Not Applicable
9.	Mr. Bijou Kurien	Non-Executive Independent Director	1.41:1	N. A	Not Applicable

SI No.	Name of Director / KMP	Designation	Ratio of Remuneration to Median Remuneration	% Increase/ Decrease in Remuneration Y-O-Y	Comparison of KMP remuneration against the Company's performance
10.	Mr. K. Suresh	Chief Financial Officer	16.21:1	41.56%	<p>Standalone financial statements :</p> <p>Total income increased by 10%.</p> <p>EBITDA increased by 4%</p> <p>Profit After Tax decreased by 22%.</p> <p>Consolidated Financial Statements</p> <p>Total income increased by 38%.</p> <p>EBITDA increased by 27% and Profit After Tax increased by 29%.</p>
11.	Mr. P. Om Prakash	Company Secretary	5.24:1	50.55%	<p>Standalone financial statements :</p> <p>Total income increased by 10%.</p> <p>EBITDA increased by 4%</p> <p>Profit After Tax decreased by 22%.</p> <p>Consolidated Financial Statements</p> <p>Total income increased by 38%.</p> <p>EBITDA increased by 27% and Profit After Tax increased by 29%.</p>

- II. Mr. Bijou Kurien was inducted on the Board on 31st January, 2015 due to which the percentage increase in remuneration for him as compared to the previous financial year is not applicable.
- III. The Non-Executive Directors were paid sitting fees for attending the Board / Committee Meetings.
- IV. The Non-Executive Independent Directors were paid remuneration by way of commission apart from sitting fees for attending the Board/ Committee Meetings.

- V. The median remuneration of employees during the financial year 2014-15 was ₹ 7.21 Lakhs
- VI. The percentage increase in the median remuneration of employees in the financial year 2014-15 was 2.85% vis-a-vis 2013 -14
- VII. The number of permanent employees on the rolls of Company as on March 31, 2015 was 544.
- VIII. The average increase in remuneration during the financial year 2014-15 was ₹ 1.08 Lakhs.
- IX. Financial performance:

Standalone financial statements :

- Total income increased by 10% as compared to the previous year
- EBITDA increased by 4% vis-à-vis the previous year
- Profit After Tax decreased by 22%.as compared to the previous year

Consolidated Financial Statements:

- Total income increased by 38% as compared to the previous year
 - EBITDA increased by 27% vis-à-vis the previous year
 - Profit After Tax increased by 29% compared to the previous year
- X. During the financial year 2014-15, the aggregate remuneration of Key Managerial Personnel increased from ₹ 709.64 Lakhs to ₹ 737.33 Lakhs, an increase of 3.90%. The performance of the Company during the financial year 2014-15 is detailed in point (VII) above. Key Managerial Personnel includes Chairman and Managing Director, Chief Financial officer and Company Secretary.
- XI. The closing price of the equity shares of the Company on the National Stock Exchange of India Limited as on March 31, 2015 was ₹ 143.05, a decrease of 63% over the issue price during the Initial Public Offering in 2007.

Particulars	As on 31.03.2015	As on 31.03.2014	% Change
Market Capitalisation (₹ in Lakhs)	161,279	68,642	134.95
Price Earnings Ratio (on standalone basis)	17.88	9.82	82.17

- XII. Average percentage increase in the salaries of employees other than the managerial personnel during 2014-15 was 13%. The average percentage increase in the Key managerial remuneration during the same period was 3.90%. The percentage increase in the managerial remuneration was on account of ESOP and the variable component of remuneration payable to the managerial personnel as per the terms and conditions of their appointment.
- XIII. The key parameters and the remuneration details /structure of Directors and Key Managerial Personnel are listed out in the Remuneration Policy, extract to annual return and in the Corporate Governance Report forming part of the Annual Report.
- XIV. There was no employee whose remuneration was in excess of the remuneration of the highest paid director during the financial year.
- XV. The remuneration is as per the Nomination and Remuneration Policy formulated by the Nomination, Remuneration and Governance Committee and approved by the Board of Directors of the Company.

Annexure 5

INFORMATION PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2013 AND RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

S. No.	Name of the Employee	Age (Years)	Designation	Nature of Employment (Contractual or otherwise)	Gross Remuneration (₹ in lakhs) Annual	Qualification	Experience (Years)	Date of commencement of Employment	Previous Employment held
1	Jaishankar M.R	60	Chairman and Managing Director	Permanent Employee	582.59	BSc, MBA	40 yrs.	8-Nov-95	Brigade Investments
2	Githa Shankar	60	Wholetime Director	Permanent Employee	232.78	BA, MBA	36 yrs.	8-Nov-95	Member of Bangalore Stock Exchange
3	Roshin Mathew	52	President - Engineering	Permanent Employee	142.13	B Tech, MBEM	28.1 yrs	8-Jul-05	Kap Group of Companies, Bangalore
4	Vishal K Mirchandani	47	Chief Executive Officer - Retail	Permanent Employee	161.21	B Com, MBA	24.1 yrs.	05-Sept-11	Prozone Enterprises P. Ltd., Mumbai
5	Suresh K	49	Chief Financial Officer	Permanent Employee	116.92	M.Com, ACA, AICWA, ACS, PG Diploma in Foreign Trade Management	25.8 yrs.	05-Dec-11	True Value Homes, Chennai
6	Manjunath Prasad	52	Chief Operating Officer Projects	Permanent Employee	116.88	M.E. (Construction Technology)	26.1 yrs.	06-Oct-05	Jurong Consultants (India) Pvt. Ltd., Bangalore
7	Abdul Gafoor Khan	58	Sr. Vice President – Projects	Permanent Employee	86.21	B.E. (Elec)	35.9 yrs.	13-Oct-08	IBC Knowledge Park P Ltd., Bangalore
8	Shivaram N	54	Vice President – Projects	Permanent Employee	75.65	B.E. (Civil), PGDM (Operations)	32.5 yrs.	28-Feb-11	Patel Realty India Ltd.
9	Jayaprakashan K R	57	Vice President – Projects	Permanent Employee	60.97	Diploma in Civil Engg	32.3 yrs.	18-April-11	JMC Projects (India) Ltd.
10	Visweswara H A	56	Chief Operating Officer - Projects	Permanent Employee	114.13	M.E. (Civil)	32.0 yrs.	26-July-12	Mantri Developers Ltd.
11	Arindam Mukherjee	49	Chief Operating Officer - Projects	Permanent Employee	108.10	B. Tech	25.5 yrs.	06-March-13	Archetype, Mumbai
12	Om Ahuja *	42	Chief Executive Officer - Residential	Permanent Employee	15.02	CA	18.6 yrs.	11-February-15	Jones Lang LasSIlle
13	Viswa Prathap Desu	49	Vice President - Sales	Permanent Employee	75.62	B.Sc., PGDBA	27.4 yrs.	11-April-05	IDEB Construction & Project Pvt. Ltd.
14	Suresh B C	46	Vice President - Projects	Permanent Employee	81.29	B.E. (Civil)	28.1 yrs.	09-Sept-91	M. Mallappa
15	Jagan Mohan W P	55	Vice President – HR	Permanent Employee	64.23	B.Com, MSW(PM & IR)	29.1 yrs.	05-Oct-06	SRF Ltd.
16	Suresh Yadwad	49	Sr. General Manager – Legal	Permanent Employee	67.53	B.Com, LLB	26.2 yrs	21-May-03	Gokhatak Enterprises Ltd.

* employed for part of the year

Annexure-6

Form No.MR-3

SECRETARIAL AUDIT REPORT^s

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

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

To,

The Members,

Brigade Enterprises Limited

Bangalore

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Brigade Enterprises Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **Brigade Enterprises Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Brigade Enterprises Limited** ("the Company") for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;⁷
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;⁸ and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998⁹
- (vi) Other Laws as applicable to Real Estate Company to carry on Real Estate Activities such purchase, sale, mortgage, lease, development of immovable property, viz:-
 1. Indian Contracts Act, 1872, Transfer of Property Act, 1882, Registration Act, 1908, Specific Relief Act, 1963
 2. State Laws such as Stamp Act, Rent Control Act, Municipal Laws, Rules and Procedures
 3. Environment (Protection) Act, 1986, Water (Prevention and Control of Pollution) Act, 1974
 4. Energy Conservation Act, 2001 and other related State laws such as The Karnataka Lifts, Escalators and Passenger conveyors Act, 2012

I have also examined compliance with applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;^a
- (ii) The listing Agreement entered into by the Company with the National Stock Exchange of India Limited and BSE Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc, mentioned above subject to the following observations:

My opinion is based on audit evidence, explanations and information given to me during the audit and the Management Representation Letter in support that there were no specific non compliances in respect of the Act, Rules, Regulations, Guidelines, Standards, etc, mentioned above.

I further report that

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period the company has:

- (i) Allotted 4,91,700 equity shares of ₹ 10/- each to employees who exercised their option under the Employee Stock Option Plan, 2011.
- (ii) Obtained the approval of the Members for enhancement of Borrowing limits of the Board of Directors

Place : Bengaluru

Sd/-

Date : 20th May, 2015

Name of Company

Secretary in practice: K RAJSHEKAR

FCS No.: 4078

C P No.: 2468

⁵ To be read with our letter annexed hereto which forms an integral part of this report

⁷ SEBI(Share Based Employee Benefits) Regulations, 2014 w.e.f from 28th October, 2014.

⁸ Adherence to Secretarial Standards are not mandatory for the year 2014-15.

⁹ There were no actions necessitating compliance under these Regulations.

^a Adherence to Secretarial Standards are not mandatory for the year 2014-15.

Annexure

To,
The Members,
Brigade Enterprises Limited
Bangalore

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

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

Place : Bengaluru
Date : 20th May, 2015

Sd/-
Name of Company Secretary in practice: K RAJSHEKAR
FCS No: 4078
C P No.: 2468

Annexure-7

Extract of Annual Return

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L85110KA1995PLC019126
2	Registration Date	8th November, 1995
3	Name of the Company	Brigade Enterprises Limited
4	Category/Sub-category of the Company	Company Limited by Shares Indian Non Government Company
5	Address of the Registered office & contact details	29 & 30th Floors, World Trade Center, 26/1, Brigade Gateway Campus, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bangalore - 560 055
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot no.31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032, Tel no.040 - 67162222

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Real Estate	45201	72%
2	Hospitality	55101	12%
3	Leasing	70106	16%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NIL

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	64,602,739		64,602,739	57.55%	64,602,739		64,602,739	57.30%	0.00%
b) Central Govt			-	0.00%			-	0.00%	0.00%
c) State Govt(s)			-	0.00%			-	0.00%	0.00%
d) Bodies Corp.	131,517		131,517	0.12%	131,517		131,517	0.12%	0.00%

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Banks / FI			-	0.00%			-	0.00%	0.00%
f) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (1)	64,734,256	-	64,734,256	57.67%	64,734,256	-	64,734,256	57.42%	0.00%
(2) Foreign									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	64,734,256	-	64,734,256	57.67%	64,734,256	-	64,734,256	57.42%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	420,925		420,925	0.37%	3,093,798		3,093,798	2.74%	635.00%
b) Banks / FI	1,051,537		1,051,537	0.94%	908,038		908,038	0.81%	-13.65%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) FIIs	4,664,673		4,664,673	4.16%	4,047,780		4,047,780	3.59%	-13.22%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
Sub-total (B) (1):-	6,137,135	-	6,137,135	5.47%	8,049,616	-	8,049,616	7.14%	31.16%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2,628,126		2,628,126	2.34%	3069153		3,069,153	2.72%	16.78%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	5,899,000	14	5,899,014	5.26%	5399668	14	5,399,682	4.79%	-8.46%
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	26,510,434	5,338,854	31,849,288	28.37%	26726105	4241580	30,967,685	27.47%	-2.77%
c) Others (specify)									
Directors	257		257	0.00%	257		257	0.00%	0.00%
Non Resident Indians	292,585		292,585	0.26%	346952		346,952	0.31%	18.58%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Clearing Members	166,973		166,973	0.15%	50890		50,890	0.05%	-69.52%
Employees	30,775		30,775	0.03%	-	-	-	-	-
HUF	512,866		512,866	0.46%	-	-	-	-	-
Trusts	665		665	0.00%	125149		125,149	0.11%	18719.40%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
Sub-total (B) (2):-	36,041,681	5,338,868	41,380,549	36.86%	35,718,174	4,241,594	39,959,768	35.44%	-3.43%
Total Public (B)	42,178,816	5,338,868	47,517,684	42.33%	43,767,790	4,241,594	48,009,384	42.58%	1.03%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%				0.00%	0.00%
Grand Total (A+B+C)	106,913,072	5,338,868	112,251,940	100.00%	108,502,046	4,241,594	112,743,640	100.00%	1.03%

(ii) Shareholding of Promoter

S. N.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		Demat	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	M R JAISHANKAR		23045064	20.53%		23045064	20.44%	0.09%
2	GITHA SHANKAR		18700500	16.66%		18700500	16.59%	0.07%
3	NIRUPA SHANKAR		9326625	8.31%		9326625	8.27%	0.04%
4	M R JAISHANKAR - HUF		2764125	2.46%		2764125	2.45%	0.01%
5	MYSORE RAMACHANDRA SETTY KRISHNAKUMAR		2124069	1.89%		2124069	1.88%	0.01%
6	M R SHIVRAM		2035847	1.81%		2035847	1.81%	0.00%
7	M R KRISHNA KUMAR		1927618	1.72%		1927618	1.71%	0.01%
8	M R SHIVRAM		1741243	1.55%		1741243	1.54%	0.01%
9	GURUMURTHY.M.R		1706053	1.52%		1706053	1.51%	0.01%
10	G R ARUNDHATI		560393	0.50%		560393	0.50%	0.00%
11	M R GURUMURTHY		431669	0.38%		431669	0.38%	0.00%
12	A R RUKMINI		239533	0.21%		239533	0.21%	0.00%
13	MYSORE HOLDINGS PRIVATE LIMITED		131517	0.12%		131517	0.12%	0.00%

* Reason for change in % of Shareholding is due to ESOP allotment done during the year 2014-15

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

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. N.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	CITIGROUP GLOBAL MARKETS MAURITIUS PRIVATE LIMITED						
	At the beginning of the year	01.04.2014		4,529,000	4.03%		
	Changes during the year		Market Sale	1,829,000	1.64%		
	At the end of the year	31.03.2015		2,700,000	2.39%	2,700,000	2.39%
2	M K MANJULA						
	At the beginning of the year	01.04.2014		3,547,687	3.16%		
	Changes during the year			-	0.00%		
	At the end of the year	31.03.2015		3,547,687	3.15%	3,547,687	3.15%
3	B S ADHINARAYANA GUPTHA						
	At the beginning of the year	01.04.2014		3,477,887	3.10%		
	Changes during the year		Market Purchase	13,736	0.03%		
	At the end of the year	31.03.2015		3,464,151	3.07%	3,464,151	3.07%
4	SURAJ GURUMURTHY MYSORE						
	At the beginning of the year	01.04.2014		3,150,000	2.81%		
	Changes during the year			-	0.00%		
	At the end of the year	31.03.2015		3,150,000	2.79%	3,150,000	2.79%
5	M G SURAJ						
	At the beginning of the year	01.04.2014		2,619,750	2.33%		
	Changes during the year			-	0.00%		
	At the end of the year	31.03.2015		2,619,750	2.32%	2,619,750	2.32%
6	M S RAVINDRA						
	At the beginning of the year	01.04.2014		2,205,000	1.96%		
	Changes during the year			-	0.00%		
	At the end of the year	31.03.2015		2,205,000	1.96%	2,205,000	1.96%
7	ARTHI D VUMMIDI						
	At the beginning of the year	01.04.2014		1,634,063	1.46%		
	Changes during the year			-	0.00%		
	At the end of the year	31.03.2015		1,634,063	1.45%	1,634,063	1.45%
8	LATHA SHIVRAM						
	At the beginning of the year	01.04.2014		1,459,056	1.30%		
	Changes during the year			-	0.00%		
	At the end of the year	31.03.2015		1,459,056	1.29%	1,459,056	1.29%
9	AMAR SHIVARAM MYSORE						
	At the beginning of the year	01.04.2014		1,284,070	1.14%		
	Changes during the year			-	0.00%		
	At the end of the year	31.03.2015		1,284,070	1.14%	1,284,070	1.14%
10	FRANKLIN INDIA SMALLER COMPANIES FUND						
	At the beginning of the year	01.04.2014		-	0.00%		
	Changes during the year		Market Purchase	1,256,926	1.11%		0.00%
	At the end of the year	31.03.2015		1,256,926	1.11%	1,256,926	1.11%

* Reason for change in % of Shareholding is due to ESOP allotment done during the year 2014-15

v) Shareholding of Directors and Key Managerial Personnel:

S. N.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year	Cumulative Shareholding during the year			% of total shares
					No. of shares	% of total shares	No. of shares	
1	PALLIPURAM MATHAI THAMPI							
	At the beginning of the year				200	0.00%		
	Changes during the year							
	At the end of the year				200	0.00%	200	0.00%
2	K.R.S. MURTHY							
	At the beginning of the year				57	0.00%		0.00%
	Changes during the year							0.00%
	At the end of the year				57	0.00%	57	0.00%

V. INDEBTEDNESS

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

(Amt. ₹ /Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	84,328.00	-	-	84,328.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	84,328.00	-	-	84,328.00
Change in Indebtedness during the financial year				
* Addition	65,665.00	-	-	65,665.00
* Reduction	(25,848.00)	-	-	(25,848.00)
Net Change	39,817.00	-	-	39,817.00
Indebtedness at the end of the financial year				
i) Principal Amount	124,145.00	-	-	124,145.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	124,145.00	-	-	124,145.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Amt. ₹/Lakhs)

S. N.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		M.R.Jaishankar	Githa Shankar	
	Name	Chairman and Managing Director	Wholetime Director	
	Designation			
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	76.92	57.91	134.83
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	505.67	174.87	680.54
	- others, specify	-	-	-
5	Others, please specify			
	Total (A)	582.59	232.78	815.37
	Ceiling as per the Act	583.01	583.01	1,166.02

B. Remuneration to other Directors

(Amt. ₹/Lakhs)

S. N.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		P.V.Maiya (1)	P.M.Thampi (2)	Dr.Srinivasa Murthy (3)	
1	Independent Directors				
	Fee for attending board committee meetings	1.90	1.50	1.10	4.50
	Commission	10.00	10.00	10.00	30.00
	Others, please specify	-	-	-	-
	Total (1)	11.90	11.50	11.10	34.50
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	11.90	11.50	11.10	34.50
	Total Managerial Remuneration				34.50
	Overall Ceiling as per the Act				116.60

(Amt. ₹/Lakhs)

S. N.	Particulars of Remuneration	Name of Directors			Total Amount
		Aroon Raman (4)	Bijou Kurien (5)	M.R.Shivram (6)	
1	Independent Directors				
	Fee for attending board committee meetings	1.20	0.20		1.40
	Commission	10.00	10.00		20.00
	Others, please specify	-	-	-	-
	Total (1)	11.20	10.20	-	21.40
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	0.60	0.60
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	0.60	0.60
	Total (B)=(1+2)	11.20	10.20	0.60	22.00
	Total Managerial Remuneration				56.50
	Overall Ceiling as per the Act				116.60

(Amt. ₹/Lakhs)

S. N.	Particulars of Remuneration	Name of Directors	Total Amount
		M.R. Gurumurthy (7)	
1	Independent Directors		
	Fee for attending board committee meetings	-	-
	Commission	-	-
	Others, please specify	-	-
	Total (1)	-	-
2	Other Non-Executive Directors		
	Fee for attending board committee meetings	0.90	0.90
	Commission	-	-
	Others, please specify	-	-
	Total (2)	0.90	0.90
	Total (B)=(1+2)	0.90	0.90
	Total Managerial Remuneration		57.40
	Overall Ceiling as per the Act		116.60

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTd

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name		Suresh K	Om Prakash P	(₹/Lakh)
	Designation		CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		98.80	32.50	131.30
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		18.12	5.32	23.44
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-	-	-
2	Stock Option (in Nos.)		20500	5825	-
3	Sweat Equity		-	-	-
4	Commission				-
	- as % of profit		-	-	-
	- others, specify		-	-	-
5	Others, please specify		-	-	-
	Total		116.92	37.82	154.74

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS			NIL		
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Annexure-8

I. Conservation of Energy

(a) Energy conservation measures taken:

The conservation of Energy and Water, and the protection of the environment – air, water & Land from pollution – is an integral part of Design and Development. The cost of power / fuel consumption doesn't constitute a major cost of the project. This cost per se is the power and fuel purchased for construction process such as operation of cranes, lifts, conveyors lighting, welding, cutting, drilling and operation of other electrical instruments at the project sites. The buildings being Mega and High raised structures it is imperative to use power assisted gadgets for the safety of the workers.

However the company has been taking energy saving measures viz.,

- ▶ Design of Energy Efficient Buildings by carrying out Energy & Fresh Air Modelling.
- ▶ Installation of energy efficient CFL and LED lamps / lights in Common areas of the Buildings, Street lights & for Landscape Lighting.
- ▶ Daylight sensors are used to optimize the use of energy efficient lighting systems
- ▶ Use of occupancy sensors in sparingly used area in the buildings, viz., Rest Rooms, Change Rooms, Corridors, Staircase, etc.
- ▶ The Window (glazing / façade) to Wall Ratio (WWR) is minimized to less than 40% to reduce energy consumption for Air Conditioning / Cooling.
- ▶ Use of double glazed glass as building material to maximize the use of Day-light in offices and projects of the company and at the same time not increasing the air conditioning load by suitably shading the building.
- ▶ Non-air conditioned buildings are designed with cross ventilation to minimize the dependency on fans, coolers, split air conditioners, etc.
- ▶ Utilization of solar energy wherever possible for water heating and lighting in all the projects of the company
- ▶ Energy efficient Lifts and Pumps.
- ▶ Use of Energy efficient Water Cooled Air Conditioning System in all Commercial Buildings developed by the company
- ▶ Use of low flow water fixtures to reduce the water demand and energy requirement for pumping water in all the projects of the company
- ▶ Design and Implementation of Green Building norms in all our future projects
- ▶ 100% of the sewage effluent generated from all the projects of the company is treated in state-of-the-art Sewage Treatment Plant and is made fit for reuse for toilet flushing and landscaping. This reduces the dependency on municipal water supply which is pumped from far off location; indirectly saving energy and fresh water.
- ▶ Treated sewage effluent is also used for cooling towers in all the commercial buildings of the company
- ▶ 100% rainwater harvesting systems are installed in all company projects to conserve water & energy
- ▶ The municipal solid waste is segregated at source for Organic & Inorganic Waste. The Organic Waste is converted to compost within the project site. The compost is used as manure in the landscaped / greenbelt area.
- ▶ The Inorganic Waste is further segregated into various sub categories viz., based on its recyclability and value. This segregated waste is sold to authorized recyclers.
- ▶ The traditional or conventional method of construction for mass housing & high rise buildings is comparatively, a slow process and has limited quality control, particularly when a large size project is involved.
- ▶ The Indian construction sectors have grown many folds over the past few years but the manpower in these sectors have not grown at the same pace, making alternative methods a necessity. We have installed a precast factory to manufacture building structures viz., wall panels, beams, floor slabs, columns, chajjas, lintels, stairs, Sills etc.

- ▶ The production of precast concrete elements takes place under controlled conditions in enclosed factories. This makes the control of manufacturing, waste, emissions, noise levels, etc. easy compared with the same processes at a building site. The raw material consumption is similar for similar qualities of concrete, whether the production takes place in a factory, at a ready-mix plant or at a building site. The raw material waste in precast concrete production is very small.
- ▶ Precast concrete reinforces the quality of construction and extends building life span. Research proved precast elements have over 100 year life with much lower life cycle costs. Factory - made products are the result of rational & efficient manufacturing processes, skilled workers, quality surveillance, etc.
- ▶ We have also adopted the use of Aluminium Formwork for construction. The technology is environment friendly as there is no use of timber. The formwork gives the box or cellular design resulting in the walls giving support to the super structure in two directions. As a result, the structures are more resistant to earthquakes than the traditional RCC column and beam designs.

- (b) Additional investment and proposals, if any being implemented for reduction in consumption of energy.

The Company as a matter of policy has a regular and ongoing programme for investments in energy saving devices, wherever possible, used in construction. Studies are being made to reduce energy consumption and make suitable investments in this area, if necessary.

- (c) Impact of measures taken at (a) and (b) above for reduction of Energy consumption and consequent impact of the same

The impact of the measures taken cannot be quantified as the company is in the construction field

- (d) Total energy consumption and energy consumption per unit as per form – A of the Annexure to the rules of industries specified in the schedule thereto:

Not Applicable.

II. Technology absorption.

Company works on a mechanized process to reduce cost and increase the efficiency of the operations.

Company has from time to time engaged international architects and consultants in its integrated enclave projects for using the latest designs and technology.

Company has implemented ERP package SAP for integrating the various process and operations of the Company.

Modern Technology / Machinery is used by the Company from time to time to achieve maximum efficiency in operations.

III. Research and Development

More standardized building elements which adheres to quality standards

More efficient and effective planning of construction activities for maintaining the quality.

Benefits derived from R & D

The buildings constructed adhere to highest standard of quality.

Expenditure on R & D

It forms part of the project cost and cannot be quantified separately.

IV. Foreign Exchange Earnings & Outgo

The details of Earnings and Expenditure from Foreign Exchange during the year are as follows:

Particulars	2014-15	2013 – 14
Earnings:		
Income from property development	1,104	931
Income from hospitality services	5,523	3,277
Total	6,627	4,208
Expenditure:	5,523	
i. Legal & Professional fees	693	584
ii. Advertisement & Sales Promotion	402	68
	173	-
iii. Brokerage & Discounts	280	153
iv. Employee benefits expense	196	320
v. Others		
Total	1,744	1,125

Corporate Governance Report

PHILOSOPHY ON CORPORATE GOVERNANCE AT BRIGADE ENTERPRISES LIMITED

The Philosophy on Corporate Governance at Brigade Enterprises Limited is:

- To ensure highest levels of integrity and quality.
- To ensure observance of highest standards & levels of transparency, accuracy, accountability and reliability on the organisation.
- To ensure protection of wealth and other resources of the Company for maximising the benefits to the stakeholders of the Company.

The Corporate Governance Report of the Company for the year ended 31st March 2015 is as follows:

BOARD OF DIRECTORS

The Board of Directors of the Company comprises of 9 Directors as on 31st March, 2015 who have expertise in their respective fields.

The composition and category of the Directors are as follows:

Category	Name of Director	Designation	No. of Directors	% to total number of Directors
Executive Promoter Directors	Mr. M.R. Jaishankar	Chairman & Managing Director	2	22.22%
	Ms. Githa Shankar	Whole-time Director		
Non – Executive Directors	Mr. M. R. Gurumurthy	Director	2	22.22%
	Mr. M. R. Shivram	Director		
Independent Non-Executive Directors	Mr. P. V. Maiya	Director	5	55.56%
	Mr. P.M. Thampi	Director		
	Mr. Aroon Raman	Director		
	Dr. Srinivasa Murthy	Director		
	Mr. Bijou Kurien*	Director		
	Total		9	100.00%

*Mr. Bijou Kurien was appointed as an Additional Director of the Company w.e.f. 31st January, 2015.

BOARD MEETINGS

The details of the Board Meetings held in the financial year 2014-2015 are as follows:

SI. No.	Date
1	Wednesday, 7 th May, 2014
2	Friday, 6 th June, 2014
3	Tuesday, 5 th August, 2014
4	Tuesday, 4 th November, 2014
5	Saturday, 31 st January, 2015
6	Monday, 16 th February, 2015

The attendance of the Directors in Board Meetings, previous Annual General Meeting, Directorships and Committee positions held by them in other Companies are as follows:

Name of the Director	Date of joining the Board	No. of shares held and percentage to paid up share capital	Board meetings attended in the financial year 2014-2015	Attendance in the 19th Annual General Meeting held on 5 th August, 2014	No. of other Directorships	No. of Committee positions held in other Companies	
						Chairman	Member
Mr. M.R. Jaishankar	08/11/1995	23045064 20.44%	6	Yes	12	Nil	Nil
Ms. Githa Shankar	08/11/1995	18700500 16.58%	5	Yes	7	Nil	Nil
Mr. M.R. Gurumurthy	08/11/1995	2137722 1.9%	5	Yes	1	Nil	Nil
Mr. M.R. Shivram	08/11/1995	3777090 3.35%	4	No	1	Nil	Nil
Mr. P. V. Maiya	06/03/2000	Nil	6	Yes	3	1	3
Mr. P.M. Thampi	10/11/2000	200	6	Yes	3	Nil	2
Dr. Srinivasa Murthy	28/10/2009	57	6	Yes	2	1	1
Mr. Aroon Raman	29/10/2013	Nil	5	Yes	7	Nil	1
Mr. Bijou Kurien	31/01/2015	Nil	2	NA	6	Nil	3

- During the year Mr. Bijou Kurien was inducted on the Board as an Additional Director w.e.f. 31st January 2015.
- None of the Directors is a member of the Board of not more than twenty companies or more than ten committees of the Board or Chairman of five committees of the Board.
- Independent Directors are not on the Board of not more than seven listed Companies.
- Directorships in public companies, private companies and Section 8 companies have been considered. Directorships in Foreign companies has been excluded.
- The Committee positions specified in the table above relates to only Audit Committee and Stakeholders Relationship Committee of the Board in accordance with Clause 49 of the Listing Agreement.

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

The Board of Directors of the Company have laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct also contains the duties of independent directors. Board Members and Senior Management of the Company have affirmed compliance to the Code for the financial year ended 31st March, 2015. A declaration to this effect by the Chairman & Managing Director of the Company is annexed to this report. The Code of Conduct has also been posted on the website of the Company.

The Company has formulated the Policy called "Code of Internal Procedures and Conduct for prevention of Insider

Trading in securities of Brigade Enterprises Limited" applicable to all the Designated Persons of the Company and its subsidiaries with effect from 15th May, 2015, replacing the existing Insider Trading Code relating to prohibition of trading in the securities of the Company.

All the Independent Directors of the Company at the time of their first appointment to the Board and thereafter in the first meeting of the Board in each financial year give a declaration that they meet the criteria of independence as provided under clause 49 of the Listing Agreement.

FAMILIARISATION PROGRAMME FOR DIRECTORS

The Board Members are provided with brochures, reports, documents, internal policies etc., to familiarise the new members inducted with the culture, code, policies, procedures and practices of the Company. The Chairman & Managing Director and Vice President – Human Resources make a presentation to the new Directors inducted to give a birds's eyeview on the Company and Group in the first board meeting attended by the Director. Presentations are made at the Board / Committee meetings by the respective Strategic Business Unit (SBU) Heads and Functional Heads who provide updates on the financial and operational performance of the Company and strategies for the future. The Company also nominates Directors for the various training programmes from time to time.

Quarterly updates on important changes in the regulatory environment is presented to the Board by the functional heads. Apart from this, the statutory auditors as well as the internal auditors present to the Audit Committee / Board on regular intervals on important changes. The

Company's policy on Familiarisation of Board of Directors is disclosed on its website www.brigadegroup.com/investor.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and the Listing Agreement entered with the Stock Exchanges separate meeting of the Independent Directors is being held every financial year. None of the other Directors or Key Managerial Personnel are present for this meeting. During the financial year 2014-15 the meeting of the Independent Directors was held on 9th March, 2015.

AUDIT COMMITTEE

The composition and attendance of the members for the Committee meetings held during the year are as follows:

Sl. No.	Name	Position	Attendance
1.	Mr. P. V. Maiya	Chairman	4
2.	Mr. PM. Thampi	Member	4
3.	Mr. M. R. Gurumurthy	Member	4
4.	Mr. Aroon Raman	Member	3
5.	Mr. Bijou Kurien*	Member	-

*Mr. Bijou Kurien was inducted in the Audit Committee as a member w.e.f. 31st January, 2015.

During the year the Audit Committee meetings were held on 7th May, 2014, 5th August, 2014, 4th November, 2014 and 31st January, 2015.

Company Secretary is the Secretary of the Committee.

All the members of the Committee possess accounting knowledge, financial expertise and exposure.

The terms of reference of the Audit Committee shall include:

- Overseeing the Company's financial reporting process and disclosure of its financial information and the Auditors' Report thereon.
- The recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
- Review and monitor the Auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Reviewing, with the Management, the annual Financial Statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Clause (c) of Section 134 (3) of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by Management.
 - Significant adjustments made in the Financial Statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to Financial Statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- Reviewing, with the Management, the quarterly, half-yearly and annual Financial Statements before submission to the Board for approval.
- Reviewing, with the Management, the performance of statutory and internal auditors, and adequacy of the internal financial control and risk management systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal Audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with Internal Auditors on any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- Scrutiny of inter-corporate loans and investments.
- Reviewing the functioning of the Whistle Blower Mechanism.
- Review of Management discussion and analysis of financial condition and results of operations, statements of significant related party transactions submitted by management, management letters issued by the Statutory Auditors, Internal audit reports relating to internal control weaknesses, and the appointment, removal and terms of remuneration of the Chief Internal Auditor.
- Ensuring compliance with applicable accounting standards.

17. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.
18. Valuation of undertakings or assets of the Company, wherever it is necessary.
19. Monitoring the end use of funds raised through public offers and related matters
20. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

The powers of the Audit Committee shall include the power:

1. To investigate activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

NOMINATION & REMUNERATION COMMITTEE

The composition of the Nomination & Remuneration Committee & attendance in the meetings for the financial year 2014-15 were as follows:

Sl. No.	Name	Position	Attendance
1.	Mr. P. M. Thampi	Chairman	5
2.	Mr. P. V. Maiya	Member	5
3.	Mr. Aroon Raman	Member	4
4.	Mr. Bijou Kurien	Member	1

Company Secretary is the Secretary of the Committee.

During the year Nomination & Remuneration Committee meetings were held on 7th May, 2014, 5th August, 2014, 4th November, 2014, 31st January, 2015 and 9th March, 2015

The terms of reference of the Nomination & Remuneration Committee inter-alia includes the following:

1. To formulate criteria for determining qualifications, positive attributes and independence of Directors.
2. To formulate policy relating to remuneration of directors, key managerial personnel and senior management employees.
3. To devise a policy on Board diversity.
4. To identify persons who are qualified to become directors and who may be appointed in the senior management in accordance with the criteria laid down in this policy.
5. To formulate criteria for evaluation of independent directors and Board.
6. To recommend to the Board the appointment and removal of directors and senior management employees.
7. To carry out such other function as may be mandated by the Board from time to time.

The Nomination & Remuneration Committee has laid down the Performance Evaluation criteria of Independent Directors in terms of Clause 49(II)B of the Listing Agreements with Stock Exchanges.

The Remuneration Policy of the Company for the Directors, Key Managerial Personnel and Senior Management Personnel is annexed to the Board's Report.

The details of remuneration paid /payable to the Directors for the year ended on 31st March, 2015 are as follows:

Name of the Director	Salary & Perquisites (₹)	Sitting Fees (₹)	Commission (₹)	Total (₹)
Mr. M. R. Jaishankar	76,92,160	Nil	5,05,67,191	5,82,59,351
Ms. Githa Shankar	57,91,120	Nil	1,74,87,780	2,32,78,900
Mr. M. R. Gurumurthy	Nil	90,000	Nil	90,000
Mr. P. V. Maiya	Nil	2,00,000	10,00,000	12,00,000
Mr. M. R. Shivram	Nil	60,000	Nil	60,000
Mr. P. M. Thampi	Nil	1,60,000	10,00,000	11,60,000
Dr. Srinivasa Murthy	Nil	1,10,000	10,00,000	11,10,000
Mr. Aroon Raman	Nil	1,30,000	10,00,000	11,30,000
Mr. Bijou Kurien	Nil	40,000	10,00,000	10,40,000

Number of shares held by Non Executive Directors as on 31st March, 2015 is disclosed below:

Name of the Director	No. Of Shares
Mr. M. R. Gurumurthy	2137722
Mr. P. V. Maiya	Nil
Mr. M. R. Shivram	3777090
Mr. P. M. Thampi	200
Dr. Srinivasa Murthy	57
Mr. Aroon Raman	Nil
Mr. Bijou Kurien	Nil

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Investor Grievance Committee was constituted by the Board on 20th July 2007. Subsequently, the Committee name has been changed to "Stakeholders' Relationship Committee" from 31st January, 2015 in accordance with the provisions of Section 178 of the Companies Act, 2013.

The terms of reference of the Stakeholders' Relationship Committee are as follows:

1. Investor relations and redressal of Shareholders' grievances in general and relating to non-receipt of dividends, interest, non- receipt of Balance Sheet etc.
2. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

A total of four meetings were held in the financial year on the following dates:

7th May, 2014, 5th August, 2014, 4th November, 2014 and 31st January, 2015.

The composition of the Committee & attendance in the meetings were as follows:

Sl.No.	Name	Position	Attendance
1.	Dr. Srinivasa Murthy	Chairman	4
2.	Mr. P. V. Maiya	Member	4
3.	Mr. M. R. Shivram	Member	2

Company Secretary is the Secretary to the Committee

There was one complaint pending as on 31st March 2014 . A Total of 56 complaints received during the year. All the complaints were redressed as on 31st March, 2015.

COMMITTEE OF DIRECTORS:

Board of Directors of the Company constituted a Committee of Directors on 25th April, 2008.

The Committee has been delegated certain powers relating to certain regular business:

The Composition of the Committee & attendance in the meetings were as follows:

Sl.No.	Name	Position	Attendance
1.	Mr. M. R. Jaishankar	Chairman	1
2.	Mr. P. M. Thampi	Member	1
3.	Mr. P. V. Maiya	Member	Nil

Company Secretary is the Secretary of the Committee.

During the year Committee of Directors meeting was held on 25th September, 2014.

SHARE TRANSFER COMMITTEE

The Board of the Directors of the Company constituted a Share Transfer Committee on 18th December 2007. The composition of the Share Transfer Committee is as follows:

Sl.No.	Name	Position
1.	Mr. M. R. Jaishankar	Chairman
2.	Ms. Githa Shankar	Member
3.	Mr. M. R. Shivram	Member

Company Secretary is the Secretary of the Committee.

No meeting of the Share Transfer Committee was held during the year as the Company did not receive any transfer, transmission split, consolidation, re-materialization of shares or issue of duplicate share certificates. requests during the year.

RISK MANAGEMENT COMMITTEE

Risk Management Committee has been constituted by the Board of Directors of the Company w.e.f. 7th May, 2014. The Risk Management Committee of the Board of Directors is entrusted with the responsibility of establishing policies to monitor and evaluate the risk management systems of the Company.

The terms of reference to the Risk Management Committee are as follows:

1. To establish a risk policy for the Company.
2. To oversee and review the implementation of risk management and internal control systems.
3. To establish policies to monitor and evaluate the risk management systems in the Company from time to time.
4. To identify, assess and mitigate the existing as well as potential risks to the Company and to recommend strategies to the Audit Committee/ Board to overcome them.

5. To review the internal control systems based on internal audit exercise done by the external internal auditors and the internal auditors in the Company from time to time.
6. To review the reports, develop and implement action plans to mitigate risks.
7. To perform such other tasks as may be requested by the Audit Committee / Board.

Composition of Risk Management Committee is as follows:

Sl.No.	Name	Position
1.	Mr. M.R. Jaishankar	Chairman
2.	Mr. P.V. Maiya	Member
3.	Mr. M.R. Shivram	Member

Company Secretary is the Secretary of the Committee.

During the year, the Audit Committee had a part of its scope looked at Risk Management review due to which there was no meeting of the Risk Management Committee held during the year.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Corporate Social Responsibility (CSR) Committee has been constituted by the Board of Directors of the Company w.e.f. 7th May, 2014 as per the provisions of the Section 135 of the Companies Act, 2013 and Corporate Social Responsibility (CSR) Rules, 2014 together with Schedule VII of the new Act.

Scope and Functions of the CSR Committee are as follows:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII
2. To recommend the amount of expenditure to be incurred on the activities referred to in clause (a)
3. To monitor the Corporate Social Responsibility Policy of the Company from time to time

Activities of CSR Committee includes the following:

- i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

- iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- vi) Measures for the benefit of armed forces veterans, war widows and their dependents;
- vii) Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
- viii) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- ix) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- x) Rural development projects.

Composition of CSR Committee is as follows:

Sl.No.	Name	Position
1.	Mr. M.R. Jaishankar	Chairman
2.	Mr. P.V. Maiya	Member
3.	Dr. Srinivasa Murthy	Member

Company Secretary is the Secretary of the Committee.

No meeting of the CSR Committee was held during the year.

The CSR activities undertaken by the Company during the financial year 2014-15 are as follows:

- Company had contributed ₹ 250 Lakhs to the Indian Music Experience Trust towards promotion of Arts, Culture & Work of Art.
- Contribution of ₹ 50 Lakhs to Brigade Foundation Trust a not for profit trust in the field of education.

SUBSIDIARY COMPANIES

The Company does not have a material non-listed Subsidiary Company whose turnover or net worth exceeds 20% of the consolidated turnover or networth of Brigade Enterprises Limited.

In terms of Clause 49(V) D, policy on determining material subsidiary has been formulated as a part of Related Party Transaction Policy and is available on the Company's website www.brigadegroup.com.

The Financial Statements including the investments made by the unlisted Subsidiary Companies have been reviewed by the Board of Directors of the Company.

Copies of Minutes of the Board Meetings of the Subsidiary Companies are placed before Board for their attention.

GENERAL MEETINGS

The details of the Annual General Meetings held during the last three years are as follows:

Year	No. of AGM	Day, Date & Time of AGM	Venue
2013-14	19	Tuesday, 5 th August, 2014 at 11.00 a.m.	The Atria Hotel, P.B.No.5089, No.1, Palace Road, Bangalore- 560 001
2012-13	18	Wednesday, 31 st July, 2013 at 11:00 a.m.	MLR Convention Center, Brigade Millennium, 7 th Phase, J P Nagar, Bangalore 560076
2011-12	17	Tuesday, 7 th August, 2012 at 10:30 a.m.	Chowdaiah Memorial Hall, Gayathri Devi Park extension, 16 th Cross, Malleswaram, Vyalikaval, Bangalore-560003

Special Resolutions passed in the previous three Annual General Meetings are as follows:

AGM	AGM date	Special Resolutions passed through / show of hands
19	5 th August, 2014	i) Approval of Borrowing powers to the Board of Directors up to ₹2500,00,00,000 in one or more tranches from banks, Financial Institutions and other lending Institutions. ii) Approval for issue of Securities for an amount not exceeding ₹500,00,00,000/-. iii) Approval and Consent of the Company for Issue of Reminder Options under the 'Brigade Employees Stock Option Plan 2011' exercisable or convertible into equity shares. iv) Approval of 'Brigade Employees Stock Option Plan 2011' Extended to Subsidiaries.
18	31 st July, 2013	iv) Approval of Remuneration not exceeding 1% of net profits of the company for a Period of 5 Years w.e.f. 1 st April, 2013 to Independent Directors.
17	7 th August, 2012	i) Reappointment of Mr. M.R. Jaishankar as Managing Director for a period of 5 years w.e.f. 1 st April, 2012. ii) Reappointment of Ms. Githa Shankar as Wholtime Director for a period of 5 years w.e.f. 1 st April, 2012.

EXTRAORDINARY GENERAL MEETING

There were no extraordinary general meetings held during the year.

There were no Resolutions passed through postal ballot during the year.

DISCLOSURES

1) RELATED PARTY TRANSACTIONS

There are no materially significant related party transactions entered by the Company with related parties that may have a potential conflict with the interests of the Company. Transactions with related parties during the year were done with the approval of the Audit Committee and are listed out in note 37 forming part of the standalone financial statements. The Company has formulated a policy on Related Party Transactions which is available on the website of the Company.

2) COMPLIANCE

The Company has duly complied with the requirements of the regulatory authorities on capital market. There

are no penalties imposed nor any strictures have been passed against the Company during the last three years.

3) DISCLOSURE OF ACCOUNTING TREATMENT

The Company has prepared the financial statements to comply in all material respects with the accounting standards specified under Section 133 of the Companies Act, 2013 read with Companies(Accounts) Rules, 2014. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

4) WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company has adopted Whistle Blower Policy and established necessary mechanism in line with Clause 49 (II)F of the Listing Agreements with Stock Exchanges, for employees to report concerns about unethical Behaviour. No personnel has denied access to Ethics Counsellor/ Chairman of the Audit Committee.

The Company has established a vigil mechanism to promote ethical behaviour in all its business activities and has in place a mechanism for employees to report

any genuine grievances, illegal, unethical behaviour, suspected fraud or violation of laws, rules and regulation or conduct to the Chief Vigilance Officer and the Audit Committee of the Board of Directors. The Policy also provides for adequate protection to the whistle blower against victimisation or discriminatory practices. The Policy is available on the website of the Company www.brigadegroup.com.

- 5) The mandatory requirements laid down in Clause 49 of the Listing Agreement has been duly complied by the Company Compliance with non-mandatory requirements listed under Annexure XIII to the Listing Agreement is as follows :

(i) The Board

The Chairman of the Company is an Executive Director and therefore the provision relating to Non-Executive Chairman is not applicable.

(ii) Shareholder Rights

The Company does not send half-yearly financial results, including summary of significant events in the last six months as the same are published in newspapers and also posted on the website of the Company.

(iii) Audit Qualifications

The Auditors have not qualified the financial statements of the Company.

(iv) Separate Post of Chairman & CEO

The Chairman of the Company is also the Managing Director but each business vertical is headed by a CEO.

(v) Internal Auditor

The internal auditor reports to the Audit Committee.

VIGIL MECHANISM

The Company has established a vigil mechanism to promote ethical behaviour in all its business activities and has in place a mechanism for employees to report any genuine grievances, illegal, unethical behaviour, suspected fraud or violation of laws, rules and regulation or conduct to the Chief Vigilance Officer and the Audit Committee of the Board of Directors. The Policy also provides for adequate protection to the whistle blower against victimisation or discriminatory practices. The Policy is available on the website of the Company www.brigadegroup.com.

MEANS OF COMMUNICATION

Financial Results:

The Financial Results of the Company are furnished to the Stock Exchanges on a periodic basis (quarterly, half yearly and annually) after the approval of the Board of Directors.

The results are published in "Economic Times" / "Business Standard" / "The financial Express" - English Newspapers and "Vijayavani" / "Vijaya Karnataka" - Kannada Newspapers within 48 hours after the approval by the Board.

The details of the financial results and shareholding pattern are hosted on the Company's website: www.brigadegroup.com. All other official news and press releases are displayed on the same website.

Detailed Presentations are made to Investors/ Financial Analysts on the unaudited quarterly financial results as well as the annual audited financial results of the Company. These Presentations are also uploaded on the Company's website: www.brigadegroup.com.

GENERAL SHAREHOLDER INFORMATION

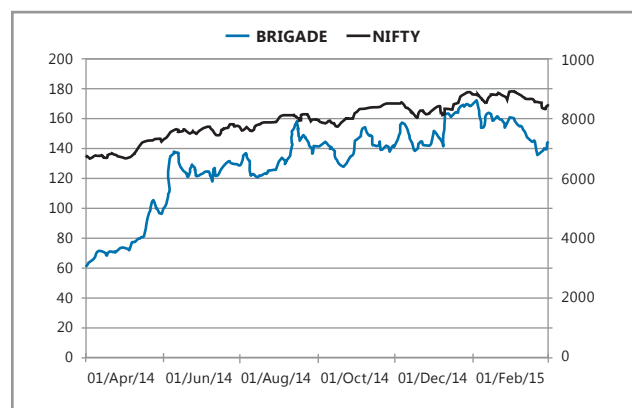
1	Registration Details	Company is registered in the State of Karnataka and The Corporate Identity Number allotted by Ministry of Corporate Affairs (MCA) is L85110KA1995PLC019126
2	Registered Office	29 th & 30 th Floors, World Trade Center, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bangalore - 560055
3	Compliance Officer	P. Om Prakash
4	Date, time & venue of the 20 th AGM :	25 th September, 2015 at 11.00 a.m. at The Atria Hotel, Palace Road, Bangalore
5	Financial Year	2014-2015
6	Date of Book Closure	18 th September, 2015
7	Dividend	The Board of Directors of the Company have recommended a dividend of ₹ 2.00/- (20%) per equity share. Dividend, if approved in the ensuing Annual General Meeting will be paid to those Shareholders, whose name appear in the Register of Members as on 18 th September, 2015.
8	Listing in Stock Exchanges:	The Equity Shares of the Company are listed in the following Stock Exchanges: National Stock Exchange of India Limited BSE Limited
9	Stock Code	BSE Limited - 532929 National Stock Exchange of India Limited - BRIGADE, series-EQ BE
10	Listing Fees:	Listing Fees as prescribed has been paid fully to all the Stock Exchanges where the shares of the Company are listed.

11 Stock Performance

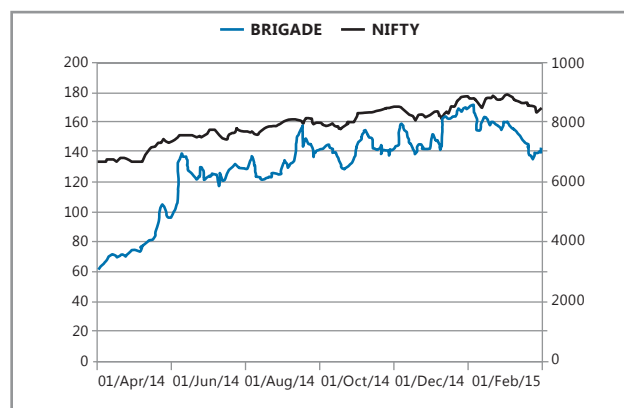
The performance of the stock in BSE Limited & National Stock Exchange of India Limited for the period from 1st April, 2014 to 31st March, 2015 was as follows:

Month	National Stock Exchange of India Limited (NSE)			BSE Limited (BSE)		
	High	Low	Total Turnover	High	Low	Total Turnover
April	77.90	60.70	14,29,14,000	77.75	60.75	4,02,13,769
May	110.50	71.25	40,83,43,000	109.70	71.30	12,22,61,609
June	142.50	93.15	67,24,09,000	142.00	95.00	17,58,38,547
July	135.00	114.10	29,99,73,000	135.10	115.00	5,88,46,264
August	142.80	117.35	24,88,91,000	142.80	117.60	7,28,04,403
September	161.00	122.50	57,65,95,000	160.50	122.35	18,00,17,716
October	153.00	128.00	12,30,91,000	152.80	128.00	2,76,34,727
November	158.50	135.00	17,01,75,000	158.50	135.55	3,66,95,962
December	169.95	131.90	52,92,82,000	169.95	131.90	10,31,15,255
January	177.75	135.75	102,65,88,000	177.70	139.70	21,28,61,518
February	180.00	151.00	43,92,06,000	179.60	151.00	9,17,97,907
March	163.90	134.20	22,21,19,000	163.40	133.30	5,84,37,353

EXCHANGE: BSE DATE: 1-4-2014 END DATE: 31-3-2015



EXCHANGE: NSE DATE: 1-4-2014 END DATE: 31-3-2015



12 Dematerialisation of shares

The ISIN for the Equity Shares of the Company is INE791I01019. A total of 10,85,02,046 Equity Shares aggregating to 96.24% of the total shares of the Company are in dematerialised form as on 31st March 2015.

13 Registrars and Share Transfer Agents:

For Share related matters, members are requested to correspond with the Companies registrar and Transfer Agents- Karvy Computershare Private Limited quoting their folio no./ DP ID & Client ID at the following Address:

Karvy Computershare Private Limited

Karvy Selenium Tower B, Plot No. 31 & 32, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, Ph No.: +91 40 6716 1500, Fax No.: 040 23420814, Email: raju.sv@karvy.com

14 Share Transfer System:

Share Transfer in physical form can be lodged with Karvy Computershare Private Limited at the above mentioned address. The transfers are normally processed within fortnight from the date of receipt if the documents are complete in all respects. Certain Directors and the Company Secretary are severally empowered to approve transfers.

15 Distribution of Shareholding as on 31st March, 2015:

Category (Amount)	No. of Shareholders	%	Amount	%
1-5000	64759	97.77	37329390	3.31
5001- 10000	737	1.11	5769500	0.51
10001- 20000	306	0.46	4589770	0.41
20001- 30000	112	0.17	2924820	0.26
30001- 40000	41	0.06	1512020	0.13
40001- 50000	33	0.05	1551540	0.14
50001- 100000	89	0.13	6485750	0.58
100001 & Above	161	0.24	1067273610	94.66
Total	66238	100.00	1127436400	100

16. Categories of Shareholders as on 31st March 2015:

Category	No. of Shares	% to Total Shares
Promoters & their Relatives	64734256	57.42
Mutual Funds	3093798	2.74
Banks, Financial Institutions	908038	0.81
Foreign Institutional Investors	4047780	3.59
Non Resident Indians	346952	0.31
Indian Companies	3069153	2.72
Indian Public	36367367	32.26
Trusts	125149	0.11
Clearing Members	50890	0.05
Total	11,27,43,640	100.00

Promoters / Promoter group haven't pledged any equity shares of the Company held by them in the Company in the financial year 2014-15.

17. Transfer of Unclaimed/Unpaid Dividend

During the year under review, the Company has transferred ₹2,23,860/- to Investor Education and Protection Fund Account which was pertaining to Brigade Enterprises Limited Public Issue Refund Account and remained as unclaimed for a period of 7 years from the date of transfer to refund account (i.e. 24.12.2007).

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

Sl. No.	Financial Year	AGM Date at which the Dividend declared	Dividend per Share (in ₹)	Due date for transfer of unclaimed Dividend to IEPF
1	2007-08	13 th AGM – 27 th June, 2008	2.00	28 th July, 2015
2	2008-09	14 th AGM – 30 th July, 2009	1.20	30 th August, 2016
3	2009-10	15 th AGM – 23 rd July, 2010	1.20	23 rd August, 2017
4	2010-11	16 th AGM – 11 th August, 2011	1.50	11 th September, 2018
5	2011-12	17 th AGM – 7 th August, 2012	1.50	7 th September, 2019
6	2012-13	18 th AGM – 31 st July, 2013	1.50	1 st September, 2020
7	2013-14	19 th AGM – 5 th August, 2014	2.00	7 th September, 2021

18. Equity Shares in the Suspense Account

In terms of Clause 5A (I) of the Listing Agreement, the Company reports the following details relating to the shares held in a suspense account which were issued in demat form.

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	48	1828
Number of shareholders who approached issuer for transfer of shares from suspense account during the year	1	57
Number of shareholders to whom shares were transferred from suspense account during the year	1	57
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	47	1771

The voting rights on the shares outstanding in the suspense account as on 31st March, 2015 shall remain frozen till the rightful owner of such shares claims the shares.

19. Financials Release Dates for 2015-16

Quarter	Release Date (tentative & subject to change)
1 st Quarter ending 30 th June 2015	First week of August 2015
2 nd Quarter ending 30 th September 2015	First week of November 2015
3 rd Quarter ending 31 st December 2015	First week of February 2016
4 th Quarter ending 31 st March 2016	Fourth week of May 2016

Internet access: www.brigadegroup.com

The website of the Company contains all relevant information about the Company. The Annual Reports, Shareholding pattern, un-audited quarterly results and all other material information are hosted in this site.

Email Id for Investor Grievances

Company has a dedicated e-mail id (investors@brigadegroup.com) for redressal of grievances of investors. Investors are requested to use this facility.

Place: Bangalore

Date : 20th May, 2015

CEO/CFO Certification Pursuant to Clause 49 of the Listing Agreement

The Board of Directors,
Brigade Enterprises Limited
29th & 30th Floors, World Trade Center
Brigade Gateway Campus,
26/1, Dr. Rajkumar Road,
Malleswaram-Rajajinagar, Bangalore – 560055

This is to certify that:

- a. We have reviewed financial statements and the cash flow statement for the financial year ended 31st March, 2015 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2015, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- d. We have indicated to the Auditors and the Audit Committee:
 - (i) that there are no significant changes in internal control over financial reporting during the year;
 - (ii) that there are no significant changes in accounting policies during the year; and
 - (iii) that there are no instances of significant fraud of which we have become aware.
- e. We further declare that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year 2014-2015.

For **BRIGADE ENTERPRISES LIMITED**

M.R. Jaishankar
Chairman & Managing Director

Suresh K
Chief Financial Officer

Bangalore
20th May, 2015

Corporate Governance Compliance Certificate

To,
The Members of
Brigade Enterprises Limited

I have examined the compliance of conditions of Corporate Governance by Brigade Enterprises Limited ('the Company') for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges. I have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

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

In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with;

- All the mandatory conditions of Corporate Governance as stipulated in the Clause of the Listing Agreement.
- Following non-mandatory requirements as per Annexure XIII of the Listing Agreement:
 - o Clause 1 relating to the Board
 - o Clause 3 relating to Audit Qualifications
 - o Clause 5 relating to Reporting of Internal Auditor

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

Place: Bangalore
Date : 20th May, 2015

K RAJSHEKAR
Practicing Company Secretary
FCS 4078, CP No. 2468

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Brigade Enterprises Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Brigade Enterprises Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether

due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

- (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) 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:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law

or accounting standards, for material foreseeable losses on long-term contracts - Refer Note 8 to the financial statements.

- iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W

per Adarsh Ranka
Partner
Membership Number: 209567

Place: Bengaluru
Date: May 20, 2015

Annexure referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date

Re: Brigade Enterprises Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) The Company has granted loans that are repayable on demand, to nine parties covered in the register maintained under section 189 of the Companies Act, 2013. The loans granted are interest free and re-payable on demand. We are informed that the Company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent.
- (b) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us and having regard to the explanation that purchases of certain items of inventories and fixed assets are of proprietary nature for which alternative sources are not available to

obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.

- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Disputed Amount (₹ lakhs)	Amount Paid under protest (₹ lakhs)	Financial Year to which it relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	37	37	2008-09	Income Tax Appellate Tribunal
		973	-	2009-10	Commissioner Of Income Tax (Appeals)
		298	-	2010-11	
		2	2	2011-12	
Finance Act, 1994	Service Tax	97	-	2004-06	Custom Excise & Service Tax Appellate Tribunal
		16	-	2006-08	
		81	-	2006-08	
Karnataka Value Added Tax, 2003	Value added tax	222	222	2006-07	The Joint Commissioner of Commercial Taxes (Appeals)
		50	50	2008-09	The Joint Commissioner of Commercial Taxes (Appeals)
		48	48	2009-10	The Joint Commissioner of Commercial Taxes (Appeals)
		435	237*	2010-11	The Joint Commissioner of Commercial Taxes (Appeals)
		115	115	2011-12	The Joint Commissioner of Commercial Taxes (Appeals)
Karnataka Tax On Entry of Goods Act, 1979	Entry tax	113	30	2008-09	The Joint Commissioner of Commercial Taxes (Appeals)

* Excluding bank guarantee of ₹ 198 lakhs provided by the Company under protest.

- (d) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or bank. The Company did not have any outstanding dues in respect of debenture holders during the year.
- (x) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from banks, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Company, having regard to management's representation that the guarantee is given to such party considering the long-term trade relationship with the Company. According to

the information and explanations given to us, the Company has not given any guarantee for loans taken by others from financial institutions.

- (xi) Based on the information and explanations given to us by the management, term loans (representing loans with a repayment period beyond 36 months) were applied for the purpose for which the loans were obtained.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W

per Adarsh Ranka
Partner
Membership Number: 209567

Place: Bengaluru
Date: May 20, 2015

Balance Sheet as at March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	March 31, 2015	March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	11,274	11,225
Reserves and surplus	4	120,381	115,959
		131,655	127,184
Non-current liabilities			
Long-term borrowings	5	55,663	37,470
Deferred tax liabilities (net)	6	3,649	3,550
Other long-term liabilities	7	4,184	4,530
Long-term provisions	8	46	38
		63,542	45,588
Current liabilities			
Short-term borrowings	9	959	1,639
Trade payables	10	24,801	18,172
Other current liabilities	7	132,082	99,887
Short-term provisions	8	3,233	2,871
		161,075	122,569
TOTAL		356,272	295,341
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	108,561	116,052
Intangible assets	12	140	196
Capital work-in-progress	13	37,717	18,794
Non-current investments	14	19,215	13,300
Long-term loans and advances	15	64,539	52,685
Other non-current assets	16.2	7,521	7,477
		237,693	208,504
Current assets			
Inventories	17	97,789	71,245
Trade receivables	16.1	1,615	3,381
Cash and bank balances	18	2,241	2,779
Short-term loans and advances	15	8,662	7,092
Other current assets	16.2	8,272	2,340
		118,579	86,837
TOTAL		356,272	295,341

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W

For and on behalf of the board of directors of
Brigade Enterprises Limited

M. R. Jaishankar
Chairman & Managing Director

M. R. Shivram
Director

per **Adarsh Ranka**
Partner
Membership No.: 209567

K. Suresh
Chief Financial Officer

P. Om Prakash
Company Secretary

Place: Bengaluru
Date: May 20, 2015

Statement of Profit and Loss for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	March 31, 2015	March 31, 2014
Income			
Revenue from operations	19	98,805	89,870
Other income	20	1,996	1,707
Total revenue (i)		100,801	91,577
Expenses			
Sub-contractor cost		46,016	30,175
Cost of raw materials, components and stores consumed	21	12,987	9,176
Land purchase cost		6,564	7,052
(Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress	22	(23,612)	(9,631)
Employee benefits expense	23	8,862	7,751
Finance costs	24	11,460	10,242
Depreciation and amortization expense	25	9,199	7,653
Other expenses	26	18,459	16,861
Total expenses (ii)		89,935	79,279
Profit before tax (i)-(ii)		10,866	12,298
Tax expense			
Current tax			
Pertaining to profit for the current year		3,512	2,414
Adjustment of tax relating to earlier years [(net of MAT credit entitlement of ₹ 534 lakhs (March 31, 2014: Nil)]		205	-
Deferred tax charge		149	904
Total tax expense		3,866	3,318
Profit for the year		7,000	8,980
Earnings per equity share			
[nominal value of share ₹ 10 (March 31, 2014: ₹ 10)]	27		
Basic (₹)		6.23	8.00
Diluted (₹)		6.16	7.97

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For **S. R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W

For and on behalf of the board of directors of

Brigade Enterprises Limited

M. R. Jaishankar

Chairman & Managing Director

M. R. Shivram

Director

per **Adarsh Ranka**

Partner

Membership No.: 209567

K. Suresh

Chief Financial Officer

P. Om Prakash

Company Secretary

Place: Bengaluru

Date: May 20, 2015

Cash Flow Statement for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	March 31, 2015	March 31, 2014
Cash flows from operating activities		
Profit before tax	10,866	12,298
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	9,199	7,653
Finance costs	11,460	10,242
Interest income	(623)	(140)
Dividend income	(19)	(18)
Profit on sale of fixed assets	(28)	(791)
Provision for diminution in value of investments written back	(424)	(127)
Provisions no longer required written back	(277)	(11)
Loans and advances written off	693	36
Employee stock compensation expense	29	13
Provision for doubtful debts	20	-
Provision for loss on construction contracts	231	-
Operating profit before working capital changes	31,127	29,155
Movements in working capital :		
Increase/ (decrease) in trade payables	6,906	2,719
Increase/ (decrease) in other liabilities	9,186	24,151
Decrease / (increase) in trade receivables	1,746	(1,824)
Decrease / (increase) in inventories	(26,544)	(10,947)
Decrease / (increase) in other assets	(6,364)	(339)
Decrease / (increase) in loans and advances	(14,606)	4,699
Increase / (decrease) in provisions	54	(343)
Cash generated from / (used in) operations	1,505	47,271
Direct taxes paid, net	(3,108)	(2,384)
Net cash flow from / (used in) operating activities (A)	(1,603)	44,887
Cash flows from investing activities		
Purchase of fixed assets (including capital work in progress and capital advances)	(19,672)	(11,683)
Proceeds from sale of fixed assets	2,099	-
Purchase of non current investments	(5,492)	(3,944)
Investments in bank deposits	(1,610)	(362)
Interest received	620	108
Dividends received	19	18
Net cash flow from / (used in) investing activities (B)	(24,036)	(15,863)

Cash Flow Statement for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	March 31, 2015	March 31, 2014
Cash flows from financing activities		
Proceeds from issuance of share capital (including securities premium)	246	-
Proceeds from long-term borrowings	65,665	30,677
Repayment of long-term borrowings	(25,168)	(44,475)
Increase/(decrease) of short-term borrowings, net	(680)	(1,335)
Interest paid	(12,342)	(11,733)
Dividends paid (including tax on dividend)	(2,620)	(1,974)
Net cash flow from / (used in) in financing activities (C)	25,101	(28,840)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(538)	184
Cash and cash equivalents at the beginning of the year	2,779	2,595
Cash and cash equivalents at the end of the year	2,241	2,779
Components of cash and cash equivalents		
Cash on hand	85	588
With banks:		
- on current accounts	2,010	2,179
- unpaid dividend accounts*	13	12
- on deposit accounts	133	-
Total cash and cash equivalents (note 18)	2,241	2,779

*The Company can utilize these balances only toward settlement of the respective unpaid dividend.

Summary of significant accounting policies

2.1

As per our report of even date

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W

For and on behalf of the board of directors of
Brigade Enterprises Limited

M. R. Jaishankar
Chairman & Managing Director

M. R. Shivram
Director

per **Adarsh Ranka**
Partner
Membership No.: 209567

K. Suresh
Chief Financial Officer

P. Om Prakash
Company Secretary

Place: Bengaluru
Date: May 20, 2015

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

1 Corporate information

Brigade Enterprises Limited ('BEL' or the 'Company') was incorporated on November 8, 1995 and is listed on the National Stock Exchange of India Limited and BSE Limited. The Company is carrying on the business of real estate development, leasing, hospitality and related services.

2 Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

2.1 Summary of significant accounting policies

(a) Changes in accounting policies

I. Depreciation on fixed assets

Till the year ended March 31, 2014, Schedule XIV to the Companies Act, 1956 ('Schedule XIV'), prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013 ('Schedule II'). The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

i. Useful lives / depreciation rates

Till the year ended March 31, 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. Accordingly, the carrying amount as at April 1, 2014 is being depreciated over the revised remaining useful life of the asset. The carrying value of Rs.148 lakhs, in case of assets with nil revised remaining useful life as at April 1, 2014, is reduced after tax adjustment from the retained earnings as at such date. Further, had the Company continued with the previously assessed useful lives, charge for depreciation for the year ended March 31, 2015 would have been lower by ₹ 2,005 lakhs and the profit before tax for the year ended March 31, 2015 would have been higher by such amount, with a corresponding impact on net block of fixed assets as at March 31, 2015.

ii. Depreciation on assets costing less than ₹ 5,000/-

Till year ended March 31, 2014, to comply with the requirements of Schedule XIV, the Company was charging 100% depreciation on assets costing less than ₹ 5,000/- in the year of purchase. However, Schedule II, applicable from the current year, does not recognize such practice. Hence, to comply with the requirement of Schedule II, the Company has changed its accounting policy for depreciation of assets costing less than ₹ 5,000/-. As per the revised policy, the Company is depreciating such assets over their useful life as assessed by the management. The management has decided to apply the revised accounting policy prospectively from accounting periods commencing on or after April 1, 2014.

The change in accounting for depreciation of assets costing less than ₹ 5,000/- did not have any material impact on the financial statements of the Company for the current year.

II. Employee stock compensation cost

Till October 27, 2014, the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (the 'Guidelines'), dealt with the grant of share-based payments to employees. Among other matters, the Guidelines prescribed accounting for grant of share-based payments to employees. Hence, the Company being a listed entity was required to comply with the Guidelines as well as the Guidance Note on Accounting for Employee Share-based Payments (the 'Guidance Note') with regard to accounting for employee share-based payments. Particularly, in case of conflict between the two requirements, the Guidelines were prevailing over the Guidance Note. For example,

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

in case of equity settled option expiring unexercised after vesting, the Guidelines required expense to be reversed through the statement of Profit and Loss whereas the reversal of expense through the statement of profit and loss is prohibited under the Guidance Note. In these cases, the requirement of the Guidelines was being previously complied with.

From October 28, 2014, the Guidelines have been replaced by the SEBI (Share Based Employee Benefits) Regulations, 2014 (the 'Regulations'). The Regulations do not contain any specific accounting treatment; rather, they require the Guidance Note to be followed. Consequent to the application of the Regulations, the Company has changed its accounting for equity settled option expiring unexercised after vesting in line with accounting prescribed in the Guidance Note, i.e., expense is not reversed through the statement of profit and loss. The management has decided to apply the revised accounting policy prospectively from the date of notification of the Regulations, i.e., October 28, 2014.

Since there are no equity settled options expiring unexercised after October 28, 2014, the change in accounting policy did not have any material impact on the financial statements. However due to application of the Regulations, the manner of presentation of "Employee Stock Option Outstanding Account" (net of "Deferred Employee Stock Compensation Expense") has been changed and included under the head "Reserves and Surplus" amounting to ₹ 16 lakhs (March 31, 2014: ₹ 14 lakhs). The Company has changed this presentation for the current as well as previous year.

(b) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Any revision to accounting estimates is recognized prospectively.

(c) Tangible fixed assets and capital work-in-progress

Tangible fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to

its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work-in-progress.

(d) Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on written down value basis using the following useful lives estimated by the management, which are equal to those prescribed under Schedule II:

Tangible Fixed Assets	Useful lives (in years)	
	31-Mar-15 (Schedule II)	31-Mar-14 (Schedule XIV)
Buildings (other than factory buildings)	60	60
Plant and machinery	15	20
Furniture and fixtures		
i. General Furniture and fixtures	10	15
ii. Furniture and fixtures used in hotels	8	10
Computer hardware		
i. Computer equipment	3	6
ii. Servers and network equipment	6	6
Office equipment	5	20
Motor Vehicles	8	10

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Leasehold land is amortized on a straight line basis over the period of lease of 99 years.

Based on the planned usage of certain project-specific assets and technical evaluation thereon, the management has estimated the useful lives of such classes of assets as below, which are lower from the useful lives as indicated in Schedule II and are depreciated on straight line basis:

i. Buildings	-	14 - 25 years
ii. Furniture and fixtures	-	5 years
iii. Office equipment	-	5 years
iv. Plant and Machinery	-	5 years

Component approach requires that the Company should determine significant components of their assets and if useful life of such significant components is different from useful life of the asset then the useful life of that significant component would be determined separately (i.e., a component approach). As per the Ministry of Corporate Affairs, the component approach would be voluntary in respect of the financial year commencing on or after April 01, 2014. and will be mandatory in respect of financial years commencing on or after April 01, 2015. The Company has decided to adopt component approach from the financial year commencing on April 01, 2015.

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets comprising of computer software are amortized on a written down value basis over a period of three years, which is estimated by the management to be the useful life of the asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(f) Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets

or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(g) Leases

Where the Company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

(h) Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized/inventorised as part of the cost of the respective asset. All other borrowing costs are charged to statement of profit and loss.

(i) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(j) Inventories

Direct expenditure relating to real estate activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the real estate activity.

- i. Work-in-progress: Represents cost incurred in respect of unsold area (including land) of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Work-in-progress is valued at lower of cost and net realizable value.
- ii. Finished goods - Stock of Flats: Valued at lower of cost and net realizable value.
- iii. Raw materials, components and stores: Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis.
- iv. Land stock: Valued at lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(k) Land

Advances paid by the Company to the seller/ intermediary toward outright purchase of land is recognized as land advance under loans and advances during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Company, whereupon it is transferred to land stock under inventories.

Amounts paid by the Company to the land owners towards right for development of land in exchange of constructed area are recognized as land advance under loans and advances and on the launch of the project, the non-refundable amount is transferred as land cost to work-in-progress.

The Company has entered into agreements with land owners/ possessor to develop properties on such land in lieu of which, the Company has agreed to transfer certain percentage of constructed area. The Company measures development rights/land received under these agreements at cost of construction transferred, as adjusted for other cash/ non-cash consideration.

(l) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

The Company collects taxes such as value added tax, luxury tax, entertainment tax, service tax, etc on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from the aforesaid revenue/ income.

The following specific recognition criteria must also be met before revenue is recognized:

Recognition of revenue from real estate development

Revenue from real estate development is recognized upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards, revenue in such cases is recognized by applying the percentage of completion method only if 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 (excluding land cost) is not less than 25 % of the total estimated construction and development costs;

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

- iii. at least 25 % of the saleable project area is secured by contracts/agreements with buyers; and
- iv. at least 10 % of the contracts/agreements value are realized at the reporting date in respect of such contracts/agreements.

When the outcome of a real estate project can be estimated reliably and the conditions above are satisfied, revenue and costs associated with the real estate development are recognized as revenue and expenses by reference to the stage of completion of the project activity at the reporting date arrived at with reference to the entire project costs incurred (including land costs).

Revenue from hospitality services

Revenue from hospitality operations comprise revenue from rooms, restaurants, banquets and other allied services, including telecommunication, laundry, etc. Revenue is recognized as and when the services are rendered and is disclosed net of allowances.

Income from leasing

Rental income receivable under operating leases (excluding variable rental income) is recognized in the income statement on a straight-line basis over the term of the lease. Rental income under operating leases having variable rental income is recognized as per the terms of the contract.

Income from other services

Commission, management fees, vehicle parking fees and other fees receivable for services rendered are recognized as and when the services are rendered as per the terms of the contract.

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Dividend income

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

(m) Foreign currency translation - Foreign currency transactions and balances

- i. Initial recognition - Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- ii. Conversion - Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are

measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

- iii. Exchange differences - The Company accounts for exchange differences arising on translation/settlement of foreign currency monetary items as income or as expense in the period in which they arise.

(n) Retirement and other employee benefits

Retirement benefits in the form of state governed Employee Provident Fund, Employee State Insurance and Employee Pension Fund Schemes are defined contribution schemes (collectively the 'Schemes'). The Company has no obligation, other than the contribution payable to the Schemes. The Company recognizes contribution payable to the Schemes as expenditure, when an employee renders the related service. The contribution paid in excess of amount due is recognised as an asset and the contribution due in excess of amount paid is recognised as a liability.

Gratuity is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method, made at the end of each financial year. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method, made at the end of each financial year. Actuarial gains/losses are immediately taken to the statement of profit and loss. The Company presents the accumulated leave liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(o) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset

is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(p) Employee stock compensation cost

Employees (including senior executives) of the Company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

(q) Segment reporting

- i. Identification of segments - The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.
- ii. Inter-segment transfers - The Company generally accounts for intersegment sales and transfers at appropriate margins.
- iii. Unallocated items - Unallocated items include general corporate asset, liability, income and expense items which are not allocated to any business segment.
- iv. Segment accounting policies - The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(r) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(s) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(t) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(u) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

3 Share capital

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Authorized shares		
1,500 lakhs (March 31, 2014: 1,500 lakhs)	15,000	15,000
Equity shares of ₹ 10 each		
Issued, subscribed and fully paid-up shares		
1,128 lakhs (March 31, 2014: 1,123 lakhs)	11,274	11,225
Equity Shares of ₹ 10 each		
Total issued, subscribed and fully paid-up share capital	11,274	11,225

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares

	March 31, 2015		March 31, 2014	
	No. in lakhs	₹ in lakhs	No. in lakhs	₹ in lakhs
At the beginning of the year	1,123	11,225	1,123	11,225
Issued during the year pursuant to the exercise of stock options by certain employees	5	49	-	-
Outstanding at the end of the year	1,128	11,274	1,123	11,225

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of director is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2015, the amount of dividend recognized as distributions to equity shareholders was ₹ 2 (March 31, 2014: ₹ 2) per share.

In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the company

	March 31, 2015		March 31, 2014	
	No. in lakhs	% holding	No. in lakhs	% holding
Equity shares of ₹ 10 each fully paid				
M. R. Jaishankar	230	20%	230	20%
Githa Shankar	187	17%	187	17%
Nirupa Shankar	93	8%	93	8%

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

As per records of the Company, including its register of shareholders / members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

(d) Shares issued and reserved for issue under options

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company, refer note 42.

Further, the Company has issued 4.92 lakhs shares (March 31, 2014: Nil) on exercise of options granted under ESOP wherein part consideration was received in the form of employee services.

4 Reserves and surplus

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Securities premium account		
Balance as per the last financial statements	68,572	68,572
Add: received during the year on issue of equity shares	224	-
Closing Balance	68,796	68,572
Employee stock option outstanding		
Balance as per last financial statements	14	-
Add: Compensation expense for options granted during the year	29	14
Less: Transferred to securities premium on exercise of stock options	27	-
Closing Balance	16	14
General reserve		
Balance as per the last financial statements	7,869	6,875
Add: amount transferred from Surplus in the statement of profit and loss	-	674
Add: amount transferred from Surplus in the statement of profit and loss towards future capital expansion	882	320
Closing Balance	8,751	7,869
Surplus in the statement of profit and loss		
Balance as per last financial statements	39,504	34,138
Profit for the year	7,000	8,980
Less: Appropriations		
Profit transferred to General Reserve	-	674
Proposed Dividend	2,255	2,245
Tax on Proposed Dividend	451	375
Transitional adjustment on account of depreciation [also refer note 2.1(a)(i); net of tax of ₹ 50 lakhs (March 31, 2014: Nil)]	98	-
Transfer to General Reserve towards future capital expansion	882	320
Total appropriations	3,686	3,614
Net surplus in the statement of profit and loss	42,818	39,504
Total reserves and surplus	120,381	115,959

5 Long-term borrowings

(₹ in Lakhs)

	Non-current portion		Current maturities*	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Term loan from banks (secured)	55,663	37,470	67,523	45,219
	55,663	37,470	67,523	45,219
Amount disclosed under the head "Other current liabilities" (note 7)	-	-	(67,523)	(45,219)
Net amount	55,663	37,470	-	-

Note 1: Includes term loan from banks secured by way of assignment of project receivables ₹ 57,465 lakhs (March 31, 2014: ₹ 39,882 lakhs) and further secured by collateral security of underlying land, building and movable fixed assets. The loans carry interest in the range of 11-12% and are repayable within 60-120 installments, each ranging between ₹ 33 lakhs to ₹ 227 lakhs. Certain loans are further guaranteed by Company's Directors - ₹ 28,153 Lakhs (March 31, 2014: ₹ 31,721 Lakhs) and a subsidiary company - ₹ 8,373 Lakhs (March 31, 2014: ₹ 9,651 Lakhs).

Note 2: Includes term loan from banks by way of mortgage of project properties ₹ 65,721 lakhs (March 31, 2014: ₹ 42,807 lakhs). The loans carry interest rate in the range of 11-14% and are repayable within 12-54 installments, each ranging between ₹ 20 lakhs to ₹ 300 lakhs. Certain loans are further guaranteed by Company's directors - ₹ 38,881 Lakhs (March 31, 2014: ₹ 33,255 Lakhs).

*Represent amounts repayable within the operating cycle. Amount repayable within twelve months is ₹ 26,606 lakhs (March 31, 2014: ₹ 19,198 Lakhs).

6 Deferred tax liabilities (net)

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Deferred tax liabilities		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	4,024	3,698
Gross deferred tax liabilities	4,024	3,698
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years	375	148
Gross deferred tax assets	375	148
Net deferred tax liabilities	3,649	3,550

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

7 Other liabilities

	(₹ in Lakhs)			
	Long-term		Short-term	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Current maturities of long-term borrowings (note 5)	-	-	67,523	45,219
Investor education and protection fund will be credited by following amounts (as and when due)				
Unclaimed dividend	-	-	13	12
Others				
Lease deposits	3,558	4,530	4,747	3,228
Lease equalisation reserve	626	-	8	-
Advance from customers	-	-	52,094	43,808
Interest free deposits from customers	-	-	4,630	4,881
Payable towards purchase of fixed assets	-	-	359	-
Employee benefits payable	-	-	1,900	1,647
Statutory dues payable	-	-	808	1,092
	4,184	4,530	132,082	99,887

8 Provisions

	(₹ in Lakhs)			
	Long-term		Short-term	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Provision for employee benefits				
Provision for gratuity (note 28)	46	38	59	33
Provision for leave benefits	-	-	237	218
	46	38	296	251
Other provision				
Provision for losses on construction contracts	-	-	231	-
Provision for equity dividend	-	-	2,255	2,245
Provision for tax on proposed equity dividend	-	-	451	375
	-	-	2,937	2,620
	46	38	3,233	2,871

9 Short-term borrowings

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Cash credit facilities from banks (secured)	959	1,639
	959	1,639

Note: Cash credit facilities from banks are secured by way of mortgage of project properties and are personally guaranteed by the directors of the Company. The facilities carry interest rate in the range of 12-14% and are repayable on demand.

10 Trade payables

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Trade payable (refer note 32 for details of dues to micro and small enterprises)	24,801	18,172
	24,801	18,172

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

11 Tangible assets

(₹ in Lakhs)

	Freehold Land	Leasehold Land	Building	Furniture & Fixtures	Plant & Machinery	Office Equipment	Computer Hardware	Vehicles	Total
Cost									
At April 1, 2013	8,047	-	83,409	12,657	5,934	2,780	624	410	113,861
Additions	1,768	-	26,144	1,217	320	334	84	73	29,940
Disposals	1,790	-	3,370	-	61	-	1	70	5,292
At March 31, 2014	8,025	-	106,183	13,874	6,193	3,114	707	413	138,509
Additions	-	644	596	106	262	64	27	7	1,706
Disposals	9	-	26	6	33	-	20	26	120
At March 31, 2015	8,016	644	106,753	13,974	6,422	3,178	714	394	140,095
Depreciation									
At April 1, 2013	-	-	6,851	5,551	1,120	1,125	474	264	15,385
Charge for the year	-	-	4,766	1,628	672	343	82	46	7,537
Disposals	-	-	381	-	18	-	-	66	465
At March 31, 2014	-	-	11,236	7,179	1,774	1,468	556	244	22,457
Charge for the year	-	6	4,784	2,285	844	948	81	60	9,008
Disposals	-	-	9	6	12	-	4	20	51
Other adjustments	-	-	-	15	7	38	60	-	120
At March 31, 2015	-	6	16,011	9,473	2,613	2,454	693	284	31,534
Net Block									
At March 31, 2014	8,025	-	94,947	6,695	4,419	1,646	151	169	116,052
At March 31, 2015	8,016	638	90,742	4,501	3,809	724	21	110	108,561

Note: Tangible assets include following assets given on operating lease:

(₹ in Lakhs)

	Freehold Land	Building	Plant & Machinery	Office Equipment	Furniture & Fixtures	Total
Gross Block						
March 31, 2014	6,412	82,868	4,109	1,307	5,460	100,156
March 31, 2015	6,403	85,315	4,077	1,307	5,454	102,556
Depreciation charge for the year						
March 31, 2014	-	3,758	458	105	485	4,806
March 31, 2015	-	3,885	594	414	751	5,644
Accumulated depreciation						
March 31, 2014	-	8,242	990	514	2,725	12,471
March 31, 2015	-	12,118	1,572	928	3,470	18,088
Net book value						
March 31, 2014	6,412	74,626	3,119	793	2,735	87,685
March 31, 2015	6,403	73,197	2,505	379	1,984	84,468

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

12 Intangible assets

	(₹ in Lakhs)	
	Computer Software	Total
Cost or Valuation		
At April 1, 2013	625	625
Additions	62	62
Disposals	-	-
At March 31, 2014	687	687
Additions	164	164
Disposals	-	-
At March 31, 2015	851	851
Depreciation		
At April 1, 2013	375	375
Charge for the year	116	116
Disposals	-	-
At March 31, 2014	491	491
Charge for the year	191	191
Disposals	-	-
Other adjustments	29	29
At March 31, 2015	711	711
Net Block		
At March 31, 2014	196	196
At March 31, 2015	140	140

13 Capital work-in-progress ('CWIP')

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Opening Balance	18,794	35,623
- Additions during the year	18,923	14,344
- Capitalised during the year	-	(31,173)
Closing Balance	37,717	18,794

Note: Additions to CWIP include certain expenses of revenue nature, which have been directly capitalized to CWIP. Consequently, expenses disclosed under the respective notes are net of such amounts capitalized by the Company.

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Land cost	-	1,622
Sub-contractor cost	9,709	7,260
Cost of material	7,087	2,337
Interest expense	882	1,491
Employee benefits expense	274	285
License fees and plan approval charges	185	342
Architect and consultancy fees	444	287
Others	342	720
	18,923	14,344

14 Non-current investments

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments		
<i>Investment in subsidiaries</i>		
100 lakhs (March 31, 2014: 100 lakhs) Equity shares of ₹ 10/- each fully paid up in Brigade Hospitality Services Ltd.	1,000	1,000
0.51 lakhs (March 31, 2014: 0.51 lakhs) Class A Equity shares of ₹ 10/- each fully paid up in Brigade Properties Pvt. Ltd.	5	5
10.17 lakhs (March 31, 2014: 10.17 lakhs) Class C Equity shares of ₹ 10/- each fully paid up in Brigade Properties Pvt. Ltd.	102	102
95.90 lakhs (March 31, 2014: 95.90 lakhs) 0.01% Preference shares of ₹ 10/- each fully paid up in Brigade Properties Pvt. Ltd.	959	959
0.50 lakhs (March 31, 2014: 0.50 lakhs) Equity shares of ₹ 10/- each fully paid up in Brigade Infrastructure and Power Pvt. Ltd.	5	5
0.50 lakhs (March 31, 2014: 0.50 lakhs) Equity shares of ₹ 10/- each fully paid up in Brigade Estates and Projects Pvt. Ltd.	5	5
10.02 lakhs (March 31, 2014: 10.02 lakhs) Equity shares of ₹ 10/- each fully paid up in Brigade Tetrarch Pvt. Ltd.	38	38
28.75 lakhs (March 31, 2014: 10 lakhs) Equity shares of ₹ 10/- each fully paid up in WTC Trades and Projects Pvt. Ltd.	841	466
5 lakhs (March 31, 2014: 5 lakhs) Equity shares of ₹ 10/- each fully paid up in Orion Mall Management Company Ltd.	50	50
0.50 lakhs (March 31, 2014: 0.50 lakhs) Equity shares of ₹ 10/- each fully paid up in Prosperita Hotel Ventures Ltd.	5	5
100.01 lakhs (March 31, 2014: Nil) Equity shares of ₹ 10/- each fully paid up in BCV Developers Pvt. Ltd. * #	1,000	-
	4,010	2,635
Less: Provision for diminution in value of investment	-	(378)
	4,010	2,257
<i>Investment in Joint Venture Companies</i>		
Nil (March 31, 2014: 100 lakhs) Equity shares of ₹ 10/- each fully paid up in BCV Developers Pvt. Ltd. *	-	1,000
17.5 lakhs (March 31, 2014: 17.5 lakhs) Equity shares of ₹ 10/- each fully paid up in BCV Estates Pvt. Ltd. #	175	175
2.50 lakhs (March 31, 2014: 2.50 lakhs) Equity shares of ₹ 10/- each fully paid up in CV properties (Bangalore) Private Limited #	250	250
	425	1,425
Less: Provision for diminution in value of investment	-	(45)
	425	1,380

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Investment in Associate Companies		
3.7 lakhs (March 31, 2014: 3.7 lakhs) Equity shares of ₹ 10/- each fully paid up in Tandem Allied Services Pvt. Ltd.	7	7
	7	7
Investment in Other Companies		
1.56 lakhs (March 31, 2014: Nil) Equity shares of ₹ 10/- each fully paid up in Mangalore Energies Private Limited	16	-
	16	-
Unquoted debt instruments		
Investment in Subsidiaries		
24.51 lakhs (March 31, 2014: 24.51 lakhs) Series A Optionally convertible debentures of ₹ 100/- each fully paid up in Brigade Properties Pvt. Ltd.	2,452	2,452
47.02 lakhs (March 31, 2014: 47.02 lakhs) Series B Optionally convertible debentures of ₹ 100/- each fully paid up in Brigade Properties Pvt. Ltd.	4,703	4,703
51 lakh (March 31, 2014: Nil) Series C Fully Convertible Debentures of ₹ 100/- each fully paid in Brigade Properties Pvt. Ltd.	5,100	-
	12,255	7,155
Total Trade investments (A)	16,713	10,799
Non-trade investments, unquoted (valued at cost unless stated otherwise)		
Investment in equity instrument		
0.05 lakhs (March 31, 2014: 0.05 lakhs) Equity shares of ₹ 10/- each fully paid up in Diagnostic Research Pvt. Ltd.	1	1
2.39 lakhs (March 31, 2014: 2.39 lakhs) Equity shares of ₹ 10/- each fully paid up in AEC Promag Pvt. Ltd.	24	24
	25	25
Less: Provision for diminution in value of investment	(25)	(25)
	-	-
Investment in Bonds		
250 bonds (March 31, 2014: 250 bonds) of ₹ 10 lakhs each fully paid up in Lakshmi Vilas Bank Limited	2,500	2,500
	2,500	2,500
Government and trust securities		
Investment in Government securities	2	1
	2	1
Total Non-trade investments (B)	2,502	2,501
Total (A) + (B)	19,215	13,300
Aggregate amount of unquoted investments	19,215	13,300
Aggregate provision for diminution in value of investments	25	448

* On January 21, 2015, the Company has acquired 0.01 lakh shares of BCV Developers Pvt. Ltd. at Rs. 10/- each, whereby the total shareholding of the Company has increased to 50.01%. Effective such date, BCV Developers Pvt Ltd has ceased to be a Joint Venture Company and has become a Subsidiary Company. Also refer note 37 and 41.

BCV Developers Private Limited, a subsidiary company, had filed a scheme of amalgamation along with two joint venture companies, with the appointed date for such scheme being October 1, 2013. The scheme has been sanctioned by the High Court of Karnataka and the process of amalgamation is currently pending for filing of the order with the Registrar of Companies. Pending such filing, the amalgamation is not expected to have any impact on the carrying value of such investments.

15 Loans and advances (Unsecured, considered good)

(₹ in Lakhs)

	Non-current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Land advances*	27,902	17,735	-	-
Loan and advances to related parties (note 37)***	28,327	26,042	275	224
Advance to suppliers	-	-	5,346	5,070
Advance income-tax (net of provision for taxation)	1,196	1,306	-	-
MAT credit entitlement****	3,791	4,289	-	-
Balances with statutory / government authorities**	2,398	3,266	1,643	466
Other loans and advances				
Prepaid expenses	-	-	515	511
Security deposit*****	661	47	502	398
Advances recoverable in cash or kind	144	-	25	388
Capital advances	120	-	-	-
Loans to employees	-	-	356	35
Total	64,539	52,685	8,662	7,092

* Advances for land though unsecured, are considered good as the advances have been given based on arrangements/ memorandum of understanding executed by the Company and the Company/ seller/ intermediary is in the course of obtaining clear and marketable title, free from all encumbrances, including for certain properties under litigation.

Includes property advance to related party - M. R. Jaishankar ₹ 752 lakhs (March 31, 2014: ₹ 752 lakhs).

** Includes amount paid under protest of ₹ 702 lakhs (March 31, 2014: ₹ 1,654 Lakhs).

**** Net of utilization of ₹ 1,032 lakhs (March 31, 2014: ₹ Nil)

***** Includes security deposit to related party - WTPPL of ₹ 613 lakhs (March 31, 2014: ₹ Nil)

*** Includes loans and advances due by directors or other officers, etc. as below.

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	(₹ in Lakhs)			
	Non-current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Dues from M/s BCV Developers Private Limited in which Company's director is a director	12,301	12,301	-	-
Dues from M/s Prosperita Hotel Ventures Limited in which Company's director is a director	7,515	4,847	-	-
Dues from M/s BCV Estates Private Limited in which Company's director is a director	2,476	2,476	-	-
Dues from M/s Brigade Tetrarch Private Limited in which Company's director is a director	1,887	1,901	-	-
Dues from M/s Brigade Estates & Projects Private Limited in which Company's director is a director	899	904	-	-
Dues from M/s Brigade Properties Private Limited in which Company's director is a director	-	-	150	164
Dues from M/s Brigade Infrastructure & Power Private Limited in which Company's director is a director	-	-	38	38
Dues from Mr. M. R. Jaishankar, Managing Director	-	-	5	-
Dues from M/s Mysore Holdings Private Limited in which Company's director is a director	-	-	-	20

16 Trade receivables and other assets

16.1 Trade receivable

	(₹ in Lakhs)			
	Non-current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, considered good	-	-	65	176
Doubtful	1	4	-	-
	1	4	65	176
Provision for doubtful trade receivables	(1)	(4)	-	-
(A)	-	-	65	176

	(₹ in Lakhs)			
	Non-current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Other receivables				
Unsecured, considered good	-	-	1,550	3,205
Doubtful	-	-	23	-
	-	-	1,573	3,205
Provision for doubtful trade receivables			(23)	-
(B)	-	-	1,550	3,205
Total (A+B)	-	-	1,615	3,381

Trade receivables include receivable due by directors or other officers, etc.

	(₹ in Lakhs)			
	Non-current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Dues from M/s BCV Developers Private Limited in which Company's director is a director	-	-	175	-
Dues from M/s Brigade Properties Private Limited in which Company's director is a director	-	-	151	-
Dues from M/s WTC Trades & Projects Private Limited in which Company's director is a director	-	-	-	52
Dues from M/s Brigade Estates and Projects Private Limited in which Company's director is a director	-	-	4	-
Dues from M/s Brigade Hospitality Services Limited in which Company's director is a director	-	-	219	-

16.2 Other assets

	(₹ in Lakhs)			
	Non-current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Unsecured, considered good				
Non-current bank balances (note 18)	2,884	1,274	-	-
(A)	2,884	1,274		
Others				
Interest accrued and not due on deposits	-	-	51	47
Unbilled revenue	-	-	8,137	2,244

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(₹ in Lakhs)

	Non-current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Receivable on sale of fixed assets	3,978	5,979	-	-
Other assets	659	224	84	49
(B)	4,637	6,203	8,272	2,340
Total (A+B)	7,521	7,477	8,272	2,340

17 Inventories (valued at lower of cost and net realizable value)

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Raw materials, components and stores	7,101	4,169
Work-in-progress	78,565	46,399
Land stock	7,635	15,964
Stock of flats	4,488	4,713
	97,789	71,245

18 Cash and bank balances

(₹ in Lakhs)

	Non-current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Cash and cash equivalents				
Balances with banks:				
– On current accounts	-	-	2,010	2,179
– On unpaid dividend account	-	-	13	12
Cash on hand	-	-	85	588
	-	-	2,108	2,779
Other bank balances				
– Deposits with original maturity for more than 12 months	-	11	133	-
– Margin money deposits	2,884	1,263	-	-
	2,884	1,274	133	-
Amount disclosed under non-current assets (note 16.2)	2,884	1,274	-	-
	-	-	2,241	2,779

19 Revenue from operations

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Revenue from operations		
Income from property development *	69,251	63,094
Income from leasing **	15,560	13,296
Income from hospitality services	10,783	11,285
Total (A)	95,594	87,675
Other operating revenue		
Management fees	964	495
Revenue from parking services	764	683
Commission income	365	346
Others	1,118	671
Total other operating revenue (B)	3,211	2,195
Total revenue from operations (A) + (B)	98,805	89,870

* The Company has revised its project estimates in the current year, as a result of which the revenue is lower by ₹ 2,127 lakhs (March 31, 2014: ₹ Nil).

** Including ₹ 433 lakhs (March 31, 2014: ₹ Nil) towards impact of straight-lining of lease rental income for earlier years.

20 Other income

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Interest income on		
Bank deposits	189	84
Others	434	56
Dividend income on long term investment	19	18
Profit on sale of fixed assets	28	791
Provision no longer required, written back	277	11
Provision for diminution in value of investments written back	424	127
Other non-operating income	625	620
	1,996	1,707

21 Cost of raw materials, components and stores consumed

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Inventory at the beginning of the year	4,169	3,009
Add: Purchases	15,919	10,336
	20,088	13,345
Less: Inventory at the end of the year	(7,101)	(4,169)
Cost of raw materials, components and stores consumed	12,987	9,176

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Details of raw materials, components and stores consumed		
Steel	7,716	6,530
Others	5,271	2,646
	12,987	9,176

	March 31, 2015	March 31, 2014
Details of inventory		
Steel	3,381	2,926
Others	3,720	1,243
	7,101	4,169

22 (Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Inventories at the end of the year		
Work-in-progress - Real estate	78,565	46,399
Stock of flats	4,488	4,713
Land stock	7,635	15,964
	90,688	67,076
Inventories at the beginning of the year		
Work-in-progress - Real estate	46,399	32,236
Stock of flats	4,713	12,973
Land stock	15,964	12,236
	67,076	57,445
	(23,612)	(9,631)

23 Employee benefit expense

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Salaries, wages and bonus *	8,250	7,268
Contribution to provident and other funds	303	209
Employee stock option scheme	29	13
Staff welfare expenses	280	261
	8,862	7,751

* Net of reversal for earlier years of ₹ Nil (March 31, 2014: ₹ 291 lakhs) towards excess accrual of gratuity expense.

24 Finance costs

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Interest		
On borrowings	11,234	10,553
On others	1,027	1,019
Bank charges	81	161
	12,342	11,733
Less: Interest capitalised to capital work-in-progress	(882)	(1,491)
Total*	11,460	10,242

* Gross of interest of ₹ 5,370 lakhs (March 31, 2014: ₹ 4,073 lakhs) inventorised to qualifying work in progress.

25 Depreciation and amortization expense

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Depreciation of tangible assets	9,008	7,537
Amortization of intangible assets	191	116
	9,199	7,653

26 Other expenses

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Legal and professional fees	1,156	1,520
Payments to auditors (refer note below)	54	32
Architect & Consultancy Fees	1,451	1,624
Property Tax	756	726
Power and fuel	1,879	989
Rent*	846	198
Repairs & Maintenance		
Building	739	673
Plant & Machinery	132	131
Others	227	386
Insurance	125	98
Rates and taxes	68	81
License fees and plan approval charges	1,151	2,250
Brokerage and discounts	1,114	1,374
Advertisement and sales promotion	4,886	3,840
Travelling and conveyance	762	757
Training and recruitment expenses	180	67
Communication costs	206	186
Loans and advances written off	693	36
Provision for doubtful debts	20	-
Printing and stationery	147	120
Security charges	284	595
Provision for loss on construction contracts	231	-
Donation (refer note 43 for amount of CSR expenditure) [including contribution to political party, Bharatiya Janata Party - ₹ Nil (March 31, 2014: ₹ 5 lakhs)]	314	343
Directors' sitting fees and commission	57	47
Exchange difference (net)	54	25
Miscellaneous expenses	927	763
	18,459	16,861

* Including ₹ 613 lakhs (March 31, 2014: ₹ Nil) towards impact of straight-lining of lease rental expense for earlier years.

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Payment to auditor**

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
As auditor:		
Audit fee	24	14
Taxation matter	-	8
Limited review	7	7
Other audit fees	22	-
In other capacity:		
Other services	-	3
Reimbursement of expenses (excluding service tax)	1	-
	54	32
** Includes fees paid to a firm of Chartered Accountants other than S. R. Batliboi & Associates LLP	2	32

27 Earnings per share

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Profit after tax	7,000	8,980
Weighted average number of equity shares in calculating basic EPS (No. in lakhs)	1,124	1,123
Effect of dilution:		
Stock options granted under ESOP (No. in lakhs)	11	4
Weighted average number of equity shares in calculating diluted EPS (No. in lakhs)	1,135	1,127

28 Gratuity

The Company operates defined gratuity plan for its employees. Under the plan, every employee who has completed atleast five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for gratuity.

Statement of profit and loss

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Net employee benefit expense recognized in the employee cost		
Current service cost	101	83
Interest cost on benefit obligation	25	24
Expected return on plan assets	(23)	(20)

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Net actuarial (gain) / loss recognized in the year	(1)	-
Net benefit expense	102	87
Actual return on plan assets	28	21
Balance sheet		
Benefit asset/ liability		
Present value of defined benefit obligation	437	348
Fair value of plan assets	(332)	(277)
Plan liability / (asset)	105	71
Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	348	286
Current service cost	101	83
Interest cost	25	24
Benefits paid	(3)	(6)
Benefits settled through fund	(38)	(40)
Actuarial (gains) / losses	4	1
Closing defined benefit obligation	437	348
Changes in the fair value of plan assets are as follows:		
Opening fair value of plan assets	277	252
Expected return	23	20
Contributions by employer	65	44
Benefits settled through fund	(38)	(40)
Actuarial gains / (losses)	5	1
Closing fair value of plan assets	332	277

The Company expects to contribute ₹ 59 lakhs (March 31, 2014: ₹ 33 lakhs) to gratuity fund in the following year.

Major categories of plan assets as a percentage of the fair value of total plan assets:

	March 31, 2015	March 31, 2014
Investments with insurer	100%	100%
Principal assumptions used in determining gratuity:		
Discount rate	8%	9%
Expected rate of return on assets	8%	8%

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

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Amounts for the current and previous four periods are as follows:

	(₹ in Lakhs)				
	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Define benefit obligation	437	348	286	217	171
Less: Plan assets	332	277	252	162	157
Surplus / (deficit)	(105)	(71)	(34)	(55)	(14)
Experience adjustments on plan liabilities	4	1	3	-	49
Experience adjustments on plan assets	5	1	-	10	-

29 Leases

Operating lease: Company as lessee

The Company has taken office and commercial space under cancellable and non-cancellable operating leases. These leases have life of upto twenty four years with renewal option and include a clause to enable upward revision of the lease rental on periodical basis. There are no restrictions placed upon the Company by entering into these leases.

	(₹ in Lakhs)	
Particulars	March 31, 2015	March 31, 2014
Lease payments recognised as an expense in the statement of profit and loss	846	198

Future minimum rentals payable under non-cancellable operating leases are as follows:

	(₹ in Lakhs)	
Particulars	March 31, 2015	March 31, 2014
Within one year	162	150
After one year but not more than five years	545	637
More than five years	2,550	2,637
	3,257	3,424

Operating lease commitments – Company as lessor

The Company has entered into commercial property leases on its fixed assets. These operating leases have terms of upto eleven years. All leases include a clause to enable upward revision of the lease rental on periodical basis and includes variable rent determined based on percentage of sales of lessee.

	(₹ in Lakhs)	
Particulars	March 31, 2015	March 31, 2014
Lease rentals recognised as an income in the statement of profit and loss*	15,560	13,296

* Lease rental income includes:

- income from certain commercial properties, which are held as inventory and leased out during the interim period until such properties are sold.
- income based on percentage of sales is ₹ 1,983 lakhs (March 31, 2014: ₹ 1,299 lakhs).

Future minimum rentals receivable under non-cancellable operating leases are as follows:

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Within one year	7,745	10,118
After one year but not more than five years	9,705	12,263
More than five years	2,354	3,375
	19,804	25,756

30 Capital and other Commitments

- At March 31, 2015, the estimated amount of contract (net of capital advance) remaining to be executed on capital account not provided for was ₹ 16,266 lakhs (March 31, 2014: ₹ 31,765 lakhs).
- For commitments relating to lease arrangements, please refer note 29.
- At March 31, 2015, the Company has given ₹ 27,902 lakhs (March 31, 2014: ₹ 17,735 lakhs) as advances for purchase of land/ joint development. Under the agreements executed with the land owners, the Company is required to make further payments and/ or give share in area/ revenue from such development in exchange of undivided share in land based on the agreed terms/ milestones.
- In connection with Company's investments in certain subsidiaries and joint ventures, the Company has entered into shareholders agreement with other shareholders wherein it has certain commitments including further investment in accordance with the terms of the agreement.
- The Company has entered into a power purchase agreement with a party wherein the Company has committed minimum purchase of power.
- The Company is committed to provide financial support to some of its subsidiaries to ensure that these entities operate on going concern basis and are able to meet their debts and liabilities as they fall due.

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

31 Contingent liabilities

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Claims against the company not acknowledged as debts		
- Income tax	163	20
- Sales tax / Value added tax / Entry tax	983	1,852
- Service tax	2,881	2,499
Letter of credit and bank guarantees	4,368	3,547
	8,395	7,918

Other Litigations:

The Company is also subject to certain legal proceedings and claims, which have arisen in the ordinary course of business, including certain litigation for land parcels held for construction purposes, either through joint development arrangements or through outright purchases, the impact of which is not quantifiable. These cases are pending with various courts and are scheduled for hearings. After considering the circumstances and legal evaluation thereon, the management believes that these cases will not have an adverse effect on the financial statements.

Note: The Company does not expect any reimbursement in respect of the above contingent liabilities and it is not practicable to estimate the timing of the cash outflows, if any, in respect of aforesaid matters and it is not probable that an outflow of resources will be required to settle the above obligations/claims.

32 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
The principal amount remaining unpaid to any supplier	1,680	6
The amount of interest due and remaining unpaid to any supplier	-	-
The amount of interest paid by the Company along with the amount of the payments 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).	-	-
The amount of interest accrued and remaining unpaid at the end of the year.	-	-
The amount of further interest remaining due and payable for the earlier years.	-	-
	1,680	6

Note: The above information is furnished based on the information available with the Company.

33 Value of imports calculated on CIF basis

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Raw materials, components and spares	2,976	64
	2,976	64

34 Expenditure in foreign currency (accrual basis)

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Legal and professional fees	693	584
Advertisement and sales promotion	402	68
Brokerage and discounts	173	-
Employee benefits expense	280	153
Others	196	320
	1,744	1,125

35 Imported and indigenous raw materials, components and spare parts consumed

	March 31, 2015		March 31, 2014	
	% of total consumption %	Consumption value ₹ in lakhs	% of total consumption %	Consumption value ₹ in lakhs
Raw Materials, components and spares				
Imported	20%	2,559	1%	64
Indigenous	80%	10,428	99%	9,112
	100%	12,987	100%	9,176

36 Earnings in foreign currency (accrual basis)

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Income from property development	1,104	931
Income from hospitality services	5,523	3,277
	6,627	4,208

37 Related Party disclosures

I. Names of related parties and related party relationship

(i) Related parties where control exists

Subsidiaries	Brigade Hospitality Services Limited	"BHSL"
	Brigade Tetrarch Private Limited	"BTPL"
	Brigade Estates and Projects Private Limited	"BEPPL"
	Brigade Properties Private Limited	"BPPL"
	Brigade Infrastructure and Power Private Limited	"BIPPL"
	BCV Developers Private Limited (from January 21, 2015, also refer note 4 below)	"BDPL"
	WTC Trades and Projects Private Limited	"WTPPL"

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Orion Mall Management Company Limited	"OMMCL"
	Prosperita Hotel Ventures Limited	"PHVL"
	Celebration Catering and Events, LLP	"CCEL"
	Brigade (Gujarat) Projects Private Limited	"BGPPL"
	Brooke Bond Real Estates Private Limited	"BBREPL"

(ii) Related parties under AS18 with whom transactions have taken place during the year:

Associates	Tandem Allied Services Private Limited	"TASPL"
Jointly controlled entities	BCV Developers Private Limited (upto January 20, 2015, also refer note 4 below)	"BDPL"
	BCV Estates Private Limited	"BEPL"
	CV Properties (Bangalore) Private Limited	"CPPL"
Key management personnel ("KMP")	Mr. M.R. Jaishankar, Chairman and Managing Director Ms. Githa Shankar, Executive Director	
Relatives of KMP	Ms. Nirupa Shankar	
	Mr. M.K. Shivraj Harsha	
Enterprises owned or significantly influenced by KMP	Mysore Holdings Private Limited	"MHPL"
	Brigade Foundation Trust	"BFT"
	M.R. Jaishankar (HUF)	"MRJ"
	Indian Music Experience Trust	"IMET"
	Alta Collis LLC	"ACLLC"

(iii) Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year

KMP - Chief Financial Officer	Mr. K. Suresh	
- Company Secretary	Mr. P. Om Prakash	
Other Directors	Mr. M.R. Shivram	
	Mr. M.R. Gurumurthy	
	Mr. P.V. Maiya	
	Mr. P.M. Thampi	
	Dr. Srinivas Murthy	
	Mr. Aroon Raman	
	Mr. Bijou Kurien (w.e.f 31-Jan-15)	
Relatives of Other Directors	Mr. M.G. Suraj	

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

II. Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

a. Sale/purchase of goods, services and capital assets and advances given

Year ended		Transactions during the year						Balances as at the year-end						(₹ in Lakhs)
	Revenue from operation	Purchase of capital assets	Purchase of goods	Purchase of services	Sale of capital assets	Security deposits given	Advances given / (repaid)	Trade Receivable	Other Receivable	Trade Payable	Other current liabilities	Long term loans and advances	Short term loans and advances	
Related parties where control exists														
BHSL	31-Mar-15	464	359	-	24	-	-	219	-	-	359	-	-	-
	31-Mar-14	230	-	-	262	-	-	-	-	44	-	-	-	-
WTPPL	31-Mar-15	82	-	-	185	8	613	-	-	12	-	613	-	-
	31-Mar-14	101	-	-	179	-	-	52	-	-	-	-	-	-
OMMCL	31-Mar-15	34	-	-	406	-	-	-	-	-	-	-	-	-
	31-Mar-14	121	-	-	435	-	-	-	-	-	-	-	-	-
BPPL	31-Mar-15	460	-	-	-	-	-	151	-	-	-	-	150	150
	31-Mar-14	162	-	-	-	-	-	-	-	-	-	-	164	164
BTPL	31-Mar-15	-	-	-	-	-	-	(14)	-	-	-	1,887	-	-
	31-Mar-14	-	-	-	-	-	-	(7,194)	-	-	-	1,901	-	-
BEPPL	31-Mar-15	-	-	-	-	-	-	(5)	4	-	-	899	-	-
	31-Mar-14	-	-	-	-	-	-	(3,600)	-	-	-	904	-	-
BIPPL	31-Mar-15	-	-	-	-	-	-	-	-	-	-	-	38	38
	31-Mar-14	-	-	-	-	-	-	-	-	-	-	-	38	38
CCEL	31-Mar-15	-	-	9	-	-	-	-	-	1	-	-	-	-
	31-Mar-14	-	-	-	-	-	-	-	-	-	-	-	-	-
BDPL	31-Mar-15	260	-	-	-	-	(35)	175	-	-	-	12,301	-	-
	31-Mar-14	-	-	-	-	-	-	-	-	-	-	-	-	-
PHVL	31-Mar-15	-	-	-	-	-	2,668	-	-	-	-	7,515	-	-
	31-Mar-14	-	-	-	-	-	2,081	-	-	-	-	4,847	-	-
Associates														
TASPL	31-Mar-15	465	-	107	176	-	-	-	-	-	217	-	-	-
	31-Mar-14	652	-	-	129	-	-	-	-	10	-	-	-	-
Jointly Controlled Entities														
BDPL	31-Mar-15	499	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-14	450	-	-	-	-	91	-	35	-	-	12,301	-	-

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

a. Sale/ purchase of goods, services and capital assets and advances given... continued

Year ended		Transactions during the year						Balances as at the year-end						(₹ in Lakhs)
		Revenue from operation	Purchase of capital assets	Purchase of goods	Purchase of services	Sale of capital assets	Security deposits given	Advances given / (repaid)	Trade Receivable	Other Receivable	Trade Payable	Other current liabilities	Long term loans and advances	
BEPL	31-Mar-15	-	-	-	-	-	-	-	-	-	-	2,476	-	
	31-Mar-14	-	-	-	-	-	-	-	-	-	-	2,476	-	
	31-Mar-15	-	-	-	-	-	-	-	-	-	-	3,069	-	
	31-Mar-14	-	-	-	-	-	-	-	-	-	-	3,069	-	
Enterprises owned or significantly influenced by KMP														
MHPL	31-Mar-15	2,439	-	-	-	-	-	-	-	-	846	-	-	
	31-Mar-14	3,300	-	-	-	8	-	-	-	-	-	-	20	
	31-Mar-15	-	-	-	-	-	-	-	3,978	-	-	180	-	
	31-Mar-14	10	-	-	-	5,610	-	-	5,979	-	-	180	-	
MRJ	31-Mar-15	-	-	-	-	-	-	(51)	-	-	-	-	-	
	31-Mar-14	-	-	-	-	-	-	-	-	-	-	51	-	
	31-Mar-15	-	-	-	329	-	-	-	-	-	-	-	-	
	31-Mar-14	-	-	-	-	-	-	-	-	-	-	-	-	
IMET	31-Mar-15	-	-	-	-	-	-	(278)	-	-	-	-	80	
	31-Mar-14	-	-	-	-	-	-	(19)	-	-	-	278	-	
	KMP													
	M R Jaishankar	31-Mar-15	-	-	-	-	-	-	-	-	-	522	752	5
31-Mar-14		-	-	-	-	-	-	-	-	-	-	752	-	
31-Mar-15		-	-	-	-	-	-	-	-	-	181	-	-	
31-Mar-14		347	-	-	-	-	-	-	-	-	-	-	-	
Relatives of KMP/ Other Directors														
M.K. Shivraj Harsha	31-Mar-15	-	-	-	-	-	-	-	-	-	-	-	2	
	31-Mar-14	-	-	-	-	-	-	-	-	-	-	-	2	
	31-Mar-15	-	-	-	-	-	-	-	-	-	109	-	-	
	31-Mar-14	-	-	-	-	-	-	-	-	-	-	-	-	

Note: The Company has given aforesaid advances for the working capital requirements of the aforesaid related parties.

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

b. Reimbursement of expenses paid/ received

(₹ in Lakhs)

	Year ended	Reimbursement paid	Reimbursement received
Related parties where control exists			
BHSL	31-Mar-15	34	11
	31-Mar-14	8	24
WTPPL	31-Mar-15	24	9
	31-Mar-14	-	102
BTPL	31-Mar-15	-	1
	31-Mar-14	-	-
OMMCL	31-Mar-15	-	14
	31-Mar-14	-	-
PHVL	31-Mar-15	1	46
	31-Mar-14	-	-
CCEL	31-Mar-15	2	-
	31-Mar-14	-	-
BDPL	31-Mar-15	9	15
	31-Mar-14	-	-
BPPL	31-Mar-15	-	846
	31-Mar-14	-	731
Jointly Controlled Entities			
BDPL	31-Mar-15	-	18
	31-Mar-14	-	72
Associates			
TASPL	31-Mar-15	-	18
	31-Mar-14	-	-
KMP			
M R Jaishankar	31-Mar-15	-	17
	31-Mar-14	-	-
Enterprises owned or significantly influenced by KMP			
MHPL	31-Mar-15	-	85
	31-Mar-14	-	-

c. Remuneration

(i) Salaries, Bonus and Contribution to PF*

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
KMP/ Relatives of KMP		
Mr. M.R. Jaishankar	599	603
Mrs. Githa Shankar	239	241
Mr. K. Suresh	117	81
Mr. P. Om Prakash	36	25
Ms. Nirupa Shankar	27	23

* Excludes expense towards gratuity, leave benefits and stock options as they are determined and recorded for the Company as a whole.

(ii) Directors' Sitting fees and commission

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Other directors		
Mr. M.R. Shivram	1	1
Mr. M.R. Gurumurthy	1	1
Mr. P.V. Maiya	12	12
Mr. P.M. Thampi	11	11
Dr. Srinivas Murthy	11	11
Mr. Aroon Raman	11	11
Mr. Bijou Kurien	10	-

d. Other transactions:

- During the year ended March 31, 2015, the Company has invested ₹ 5,100 lakhs in Series C fully convertible debentures (face value of ₹ 100/- each) fully paid up in BPPL. (March 31, 2014: ₹ 1,195 lakhs in Series B Optionally convertible debentures (face value of ₹ 100/- each) fully paid up. Also refer note 14.
- During the year ended March 31, 2015, the Company has invested ₹ Nil (March 31, 2014 : ₹ 250 lakhs) in equity shares of ₹ 10/- each fully paid up in CVPL. Also refer note 14.
- During the year ended March 31, 2015, the Company has invested ₹ 375 lakhs in Equity shares ₹ 10/- each fully paid up in WTPPL. Also refer note 14.
- During the year ended March 31, 2015, the Company has invested ₹ 0.1 lakhs in Equity shares ₹ 10/- each fully paid up in BDPL whereby the total shareholding of the Company has increased from 50.00% to 50.01% and consequently, BDPL has ceased to be a Joint Venture Company and has become a Subsidiary Company.
- During the year ended March 31, 2015, the Company has incorporated/acquired the following companies as its subsidiaries:
 - Brigade (Gujarat) Projects Pvt. Ltd. (incorporated on March 26, 2015)
 - Brooke Bond Real Estate Pvt. Ltd. (through its subsidiary Brigade Properties Pvt. Ltd.)
- During the year ended March 31, 2015, the Company has made following donation:
 - IMET - ₹ 250 lakhs (March 31, 2014: ₹ 312 lakhs)
 - BFT - ₹ 50 lakhs (March 31, 2014: Nil)
- The Company has received dividend from TASPL of ₹ 18 lakhs during the year ended March 31, 2015. (March 31, 2014: ₹ 13 lakhs)
- The Company has earned interest on debentures from BPPL of ₹ 28 lakhs during the year ended March 31, 2015. (March 31, 2014: Nil)
- The Company has provided corporate guarantee of ₹ 2,000 lakhs for the loan taken by BFT for the working capital requirements of BFT. (March 31, 2014: ₹ 2,000 lakhs)
- Refer notes 5 & 9 for guarantees received from directors and subsidiary companies in respect of loans availed by the Company.

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

38 Segment reporting

The primary segment reporting is determined to be business segments as the Company's risks and rates of return are affected predominantly by differences in the products and services offered, with each segment representing a strategic business unit that offers different products and serves different markets. Secondary information is reported geographically.

The Company has identified Real Estate, Hospitality and Leasing as primary business segments of the Company.

The accounting policies consistently used in the preparation of the financial statements are also applied to record revenue and expenditure in individual segments. Assets, liabilities, revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segments on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company therefore believes that it is not practical to provide segment disclosures relating to such items, and accordingly such items are separately disclosed as 'unallocated'. Transfer prices between business segments are set at appropriate margins.

The Company operates in India and there is no other geographical segment. Hence, disclosure of secondary segment information is not required to be furnished.

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Segment revenue		
Real estate	70,628	63,775
Hospitality	12,053	12,144
Leasing	16,226	14,002
	98,907	89,921
Less: Inter segment revenue	(102)	(51)
	98,805	89,870
Segment profit		
Real estate	18,186	18,189
Hospitality	858	2,236
Leasing	8,306	7,263
	27,350	27,688
Finance costs	(11,460)	(10,242)
Other income (including interest income)	1,996	1,707
Other unallocable expenditure	(7,020)	(6,855)
Profit before tax	10,866	12,298
Tax expense	(3,866)	(3,318)
Profit after tax	7,000	8,980

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Segment assets		
Real estate	136,184	106,090
Hospitality	31,653	37,789
Leasing	120,054	89,695
Unallocated	68,381	61,767
	356,272	295,341
Segment liabilities		
Real estate	75,404	52,857
Hospitality	2,708	11,818
Leasing	12,847	12,581
Unallocated	133,658	90,901
	224,617	168,157
Capital expenditure		
Real estate	47	1,096
Hospitality	3,197	1,989
Leasing	16,729	9,782
Unallocated	820	306
	20,793	13,173
Depreciation and amortization (excluding transitional adjustment)		
Real estate	41	22
Hospitality	3,364	2,804
Leasing	5,456	4,544
Unallocated	338	283
	9,199	7,653

39 Construction contracts

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
(i) Amount of contract revenue recognised as revenue for the year	69,251	63,094
(ii) Amounts in respect of contracts in progress at the reporting date:		
a. Aggregate amount of costs incurred and recognised profits/(losses)	168,612	85,790
b. Amount of advances received (gross)	153,729	110,847

40 Unhedged foreign currency exposure

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Trade payable	548	1,494

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

41 Interest in joint venture

The Company has the following stake in jointly controlled entities, which are engaged in real estate development:

	March 31, 2015	March 31, 2014
BCV Developers Private Limited*	*	50%
BCV Estates Private Limited	50%	50%
CV Properties Private Limited	50%	50%

The Company's share of the assets, liabilities, income and expense of the jointly controlled entity are as follows:

	March 31, 2015*	March 31, 2014
(₹ in Lakhs)		
Current assets	5,977	23,977
Non current assets	-	1,844
Current liabilities	(21)	(6,682)
Non current liabilities	(5,544)	(17,844)
Equity	412	1,295
Revenue	4,438	7
Expenses	(4,924)	(127)
Profit/(loss) before tax	(486)	(120)
Tax expense/(credit)	(171)	(36)
Net profit/(loss)	(315)	(84)

*On January 21, 2015, the Company has acquired 0.01 lakh shares of BCV Developers Pvt. Ltd. at ₹ 10/- each, whereby the total shareholding of the Company has increased from 50% to 50.01% and consequently, BCV Developers Pvt Ltd has ceased to be a Joint Venture Company and has become a Subsidiary Company. Accordingly, the above-mentioned disclosure for the current year includes details of revenue, expenses and tax expense till such date and excludes details of assets and liabilities as at current year-end.

42 Employee stock option plan

The Company provides share-based payment schemes to its employees. During the year ended March 31, 2015, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below.

The Company instituted an Employees Stock Option Scheme ('ESOP 2011') pursuant to the Board of Directors and Shareholders' resolution dated May 4, 2011 and August 11, 2011, respectively. As per ESOP 2011, the Company granted 2,424,300 (March 31, 2014: 2,324,300) options comprising equal number of equity shares in one or more tranches to the eligible employees of the Company and its subsidiaries. The options under this grant would vest to the employees equally as 25% of the total grant every year at the end of first, second, third and fourth year from the date of the grant respectively, with an exercise period of five years from the date of respective vesting. The contractual life (comprising the vesting period and the exercise period)

of options granted is 9 years from date of such grant. The other relevant terms of the grant are as

Vesting period	4 years
Grant date	October 29, 2013 and March 9, 2015
Exercise period	5 years from the date of vesting
Expected life	9 years from the date of grant
Exercise price	₹ 50
Market price as at October 29, 2013 and March 9, 2015	₹ 55.50 and ₹ 155.38

The details of activity under the Scheme are summarized below:

	March 31, 2015		March 31, 2014	
	No. of options (lakhs)	WAEP* ₹	No. of options (lakhs)	WAEP* ₹
Outstanding at the beginning of the year	23	50	-	-
Granted during the year	1	50	23	50
Forfeited during the year	2	50	-	-
Exercised during the year	5	50	-	-
Outstanding at the end of the year	17	50	23	50
Exercisable at the end of the year	1	50	-	-

*Weighted Average Exercise Price

For options exercised during the period, the weighted average share price at the exercise date was Rs.152.30 per share (March 31, 2014: Not applicable since no option exercised). The weighted average remaining contractual life for the stock options outstanding as at March 31, 2015 is 7.66 years (March 31, 2014: 8.58 years).

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	March 31, 2015	March 31, 2014
Dividend yield (%)	1.52%	2.65%
Expected volatility	48.42%	51.62%
Risk-free interest rate	7.81%	9.86%
Weighted average share price (₹)	131.68	59.60
Exercise price (₹)	50	50
Expected life of the options granted (in years) (vesting and exercise period)	7.66	8.58

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of

Notes to Standalone Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

future trends, which may also not necessarily be the actual outcome.

The Company measures the cost of ESOP using the intrinsic value method. Had the company used the fair value model to determine compensation, its profit after tax and earnings per share as reported would have changed to the amounts indicated below:

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Profit after tax as reported	7,000	8,980
Add: ESOP cost using the intrinsic value method	29	13
Less: ESOP cost using the fair value method	113	54
Proforma profit after tax	6,916	8,939
Earnings Per Share		
Basic		
- As reported	6.23	8.00
- Proforma	6.16	7.96
Diluted		
- As reported	6.16	7.97
- Proforma	6.09	7.93

43 The gross amount to be spent by the Company on Corporate Social Responsibility (CSR) during the year is ₹ 138 lakhs (March 31, 2014: ₹ Nil). The details of amount spent during the year by the Company on CSR are as below:

	(₹ in Lakhs)		
	Amount paid	Amount yet to be paid	Total amount
Donation*	300	-	300

* Includes contribution of ₹ 250 lakhs to IMET and ₹ 50 lakhs to BFT. Also refer note 37.

As per our report of even date

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W

per **Adarsh Ranka**
Partner
Membership No.: 209567

Place: Bengaluru
Date: May 20, 2015

44 Disclosure as per Clause 32 of the Listing agreement of the loans / advances in the nature of loans granted to subsidiaries, fellow subsidiaries, joint ventures, associates and other companies in which the directors are interested:

Name of the party	March 31, 2015		March 31, 2014	
	Closing Balance	Maximum amount due	Closing Balance	Maximum amount due
Brigade Tetrarch Private Limited	1,887	1,901	1,901	9,101
Brigade Estates and Projects Private Limited	899	904	904	904
BCV Developers Private Limited	12,301	12,336	12,301	12,336
BCV Estates Private Limited	2,476	2,476	2,476	2,476
Prosperita Hotel Ventures Limited	7,515	7,515	4,847	4,847

45 As per the transfer pricing rules prescribed under the Income-tax Act, 1961, the Company is examining the domestic and international transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustment with regard to the transactions involved.

46 The figures of previous year have been regrouped/reclassified, wherever necessary, to conform to the current year's classification. The figures of previous year were audited by a firm of Chartered Accountants other than S. R. Batliboi & Associates LLP.

For and on behalf of the board of directors of
Brigade Enterprises Limited

M. R. Jaishankar
Chairman & Managing Director

M. R. Shivram
Director

K. Suresh
Chief Financial Officer

P. Om Prakash
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of Brigade Enterprises Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Brigade Enterprises Limited (hereinafter referred to as "the Holding Company"), its subsidiaries, its jointly controlled companies and associate company (the Holding Company, its subsidiaries, its jointly controlled companies and associate together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2015, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement 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 Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies and management of a subsidiary partnership firm included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, issued by the Institute of Chartered Accountants of India, as 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. 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. In making those risk assessments, the auditor considers internal financial control 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 but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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 the other auditors in terms of their reports referred to in paragraph under the Other Matters 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, the 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 of the Group as at March 31, 2015, their consolidated profit, and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 38 to the accompanying consolidated financial statements regarding a scheme of amalgamation filed by BCV Developers Private Limited, a subsidiary company, along with two joint venture companies, with the appointed date for such scheme being October 1, 2013. The scheme has been sanctioned by the High Court of Karnataka and the process of amalgamation is currently pending for filing of the order with the Registrar of Companies. Pending such filing, the amalgamation has not been accounted for in the accompanying consolidated financial statements for the year ended March 31, 2015. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's report of the Holding company, its subsidiary companies, its

jointly controlled companies and associate company incorporated in India, to whom the Order applies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

- (a) We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary companies, jointly controlled companies and associate company incorporated in India, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) 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:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group— Refer Note 31 to the consolidated financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the

applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 8 to the consolidated financial statements in respect of such items as it relates to the Group.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies, jointly controlled companies and associate company incorporated in India.

Other Matter

The accompanying consolidated financial statements include (after elimination) total assets of ₹ 75,432 lakhs as at March 31, 2015, and total revenues and net cash inflows of ₹ 15,033 lakhs and ₹ 2,986 lakhs respectively for the year ended on that date, in respect of ten subsidiaries, and two jointly controlled companies, which have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Company's share of net profit of ₹ 147 lakhs for the year ended March 31, 2015, as considered in the consolidated financial statements, in respect of one associate company, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled companies and associate company, 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 subsidiaries, jointly controlled companies and associate company, is based solely on the reports of such other auditors.

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

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W

per Adarsh Ranka
Partner
Membership Number: 209567

Place: Bengaluru
Date: May 20, 2015

Annexure referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

Re: The Group, comprising Brigade Enterprises Limited (the “Holding Company”) and its subsidiary companies, jointly controlled companies and associate company incorporated in India and to whom the provisions of the Order apply (together referred to as the “Covered entities” in this report)

- (i) (a) The Holding Company and certain Covered entities of the Group have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management of the Holding Company and certain Covered entities of the Group during the year but there is a regular programme of verification which, in our opinion and as reported by the other auditors who audited the financial statements of the Covered entities, is reasonable having regard to the size of the Holding Company and the Covered entities of the Group and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The management of the Holding Company and certain Covered entities of the Group have conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Holding Company and certain Covered entities of the Group and the nature of their business.
- (c) The Holding Company and certain Covered entities of the Group are maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) According to the information and explanations given to us and as reported by the other auditors who audited the financial statements of certain Covered entities of the Group, the Holding Company and certain Covered entities of the Group have granted loans to ten parties covered in the register maintained under Section 189 of the Companies Act, 2013.

With respect to the Holding Company, the loans granted are interest free and re-payable on demand. We are informed that the Holding Company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent.

With respect to certain Covered entities, the loans granted are re-payable as per the contractual terms and the interest is payable as per

contractual terms and as and when demanded. As per contractual terms, the loan has not fallen due. We are informed that such Covered entities has not demanded repayment of interest during the year, and thus, there has been no default on the part of the parties to whom the money has been lent as per agreed terms.

- (b) According to the information and explanations given to us and as reported by the other auditors who audited the financial statements of certain Covered entities of the Group, there is no overdue amount of loans granted by the Holding Company and such Covered entities of the Group to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us and as reported by the other auditors who audited the financial statements of certain Covered entities of the Group, having regard to the explanation that purchases of certain items of inventories and fixed assets are of proprietary nature for which alternative sources are not available to obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Holding Company and certain Covered entities of the Group and the nature of its businesses, for the purchase of inventory and fixed assets and for the sale of goods and services, to the extent applicable to the nature of the business of the covered entities of the Group. During the course of our audit and as reported by the other auditors who audited the financial statements of certain Covered entities of the Group, no major weakness was observed or continuing failure to correct any major weakness in the internal control system of the Holding Company and certain Covered entities of the Group in respect of these areas.
- (v) The Holding Company and the Covered entities of the Group have not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Holding Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

Further, as reported by the other auditors who audited the financial statements of the Covered entities of the Group, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the Covered entities of the Group.

- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities by the Holding Company and the Covered entities of the Group.
- (b) According to the information and explanations given to us and as reported by the other auditors who audited the financial statements of the Covered entities of the Group, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-

tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (c) According to the records of the Holding Company and the Covered entities of the Group and as reported by other auditors who audited the financial statements of the Covered entities of the Group, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Disputed Amount (₹ lakhs)	Amount Paid under protest (₹ lakhs)	Financial Year to which it relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	37	37	2008-09	Income Tax Appellate Tribunal
		973	-	2009-10	Commissioner Of Income Tax (Appeals)
		298	-	2010-11	
		2	2	2011-12	
Finance Act, 1994	Service Tax	97	-	2004-06	Custom Excise & Service Tax Appellate Tribunal
		16	-	2006-08	
		81	-	2006-08	
Karnataka Value Added Tax, 2003	Value added tax	222	222	2006-07	The Joint Commissioner of Commercial Taxes (Appeals)
		50	50	2008-09	The Joint Commissioner of Commercial Taxes (Appeals)
		48	48	2009-10	The Joint Commissioner of Commercial Taxes (Appeals)
		435	237*	2010-11	The Joint Commissioner of Commercial Taxes (Appeals)
		115	115	2011-12	The Joint Commissioner of Commercial Taxes (Appeals)
Karnataka Tax On Entry of Goods Act, 1979	Entry tax	113	30	2008-09	The Joint Commissioner of Commercial Taxes (Appeals)
		2	-	2011-12	

* Excluding bank guarantee of ₹ 198 lakhs provided by the Company under protest.

(d) According to the information and explanations given to us and as reported by the other auditor who audited the financial statements of the Covered entities of the Group, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time to the extent applicable to the Holding Company and the Covered entities.

(viii) The Holding Company and certain Covered entities of the Group have no accumulated losses at the end of the financial year and have not incurred cash losses in the current and immediately preceding financial year.

In respect of three Covered entities of the Group that have been registered for a period of more than five years, the accumulated losses at the end of the financial year are less than fifty per cent of its net worth. Of the above, one Covered entity has not incurred cash losses in the current and immediately preceding financial year and two Covered entities have incurred cash losses in the current and immediately preceding financial year.

In respect of one Covered entity of the Group that have been registered for a period of more than five years, the accumulated losses at the end of the financial year are more than fifty per cent of its net worth and has incurred cash losses during the current and immediately preceding financial year.

In respect of two Covered entities of the Group that have been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty per cent or more of its net worth and whether it has incurred cash losses in the current financial year and in the immediately preceding financial year.

(ix) Based on our audit procedures and as per the information and explanations given by the management and as reported by the other auditor who audited the financial statements of certain Covered entities of the Group, we are of the opinion that the Holding Company and certain Covered entities of the Group have not defaulted in their repayment of dues to a financial institution, bank or debenture holders.

(x) According to the information and explanations given to us and based on the reports of the other auditors who audited the financial statements of certain Covered entities of the Group, the Holding Company and certain Covered entities have given guarantees for loans taken by others from banks or financial institutions, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Holding Company and certain Covered entities of the Group, having regard to management's representation that the guarantee is given to such party considering the long-term trade relationship with the Holding Company and certain Covered entities of the Group.

(xi) Based on the information and explanations given to us by the management and the report other auditors who audited the financial statements of certain Covered entities of the Group, term loans (representing loans with a repayment period beyond 36 months) were applied for the purpose for which the loans were obtained by the Holding Company and certain Covered entities of the Group.

(xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the consolidated financial statements and as per the information and explanations given by the management and reports of the other auditors who audited the financial statements of the Covered entities of the Group, which we have relied upon, we report that no fraud on or by the Holding Company and the Covered entities of the Group have been noticed or reported during the year.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W

per Adarsh Ranka
Partner
Membership Number: 209567

Place: Bengaluru
Date: May 20, 2015

Consolidated Balance Sheet as at March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	March 31, 2015	March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	11,274	11,225
Reserves and surplus	4	124,395	116,798
		135,669	128,023
Minority interests		2,584	-
Non-current liabilities			
Long-term borrowings	5	89,255	53,266
Deferred tax liabilities (net)	6.1	3,656	3,550
Other long-term liabilities	7	12,385	11,996
Long-term provisions	8	53	47
		105,349	68,859
Current liabilities			
Short-term borrowings	9	6,093	1,639
Trade payables	10	29,840	20,325
Other current liabilities	7	147,320	112,509
Short-term provisions	8	3,297	2,909
		186,550	137,382
TOTAL		430,152	334,264
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	116,854	122,069
Intangible assets	12	323	228
Capital work-in-progress	13.1	47,156	24,464
Intangible assets under development	13.2	1,409	135
Goodwill on consolidation		19,015	366
Non-current investments	14.1	3,447	3,284
Deferred tax assets (net)	6.2	344	133
Long-term loans and advances	15	43,132	40,367
Other non-current assets	16.2	7,521	7,474
		239,201	198,520
Current assets			
Current investments	14.2	-	4,933
Inventories	17	154,438	112,309
Trade receivables	16.1	1,496	3,719
Cash and bank balances	18	8,293	3,829
Short-term loans and advances	15	14,105	8,597
Other current assets	16.2	12,619	2,357
		190,951	135,744
TOTAL		430,152	334,264

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **S. R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W

For and on behalf of the board of directors of

Brigade Enterprises Limited

M. R. Jaishankar

Chairman & Managing Director

M. R. Shivram

Director

per **Adarsh Ranka**

Partner

Membership No.: 209567

K. Suresh

Chief Financial Officer

P. Om Prakash

Company Secretary

Place: Bengaluru

Date: May 20, 2015

Consolidated Statement of Profit & Loss for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	March 31, 2015	March 31, 2014
Income			
Revenue from operations	19	131,083	94,676
Other income	20	2,001	1,993
Total revenue (i)		133,084	96,669
Expenses			
Sub-contractor cost		55,865	32,478
Cost of raw materials, components and stores consumed	21	17,004	10,448
Land purchase cost		8,005	11,311
(Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress	22	(22,515)	(19,617)
Employee benefits expense	23	10,475	9,144
Finance costs	24	13,139	11,307
Depreciation and amortization expense	25	9,918	8,176
Other expenses	26	23,945	21,063
Total expenses (ii)		115,836	84,310
Profit before tax (i)-(ii)		17,248	12,359
Tax expenses			
Current tax			
Pertaining to profit for the current period		5,398	2,552
Adjustment of tax relating to earlier periods [(net of MAT credit entitlement of ₹ 534 lakhs (March 31, 2014: ₹ Nil)]		205	-
MAT Credit availed		(27)	(65)
Deferred tax charge, net		177	977
Total tax expense		5,753	3,464
Profit after tax		11,495	8,895
Add: Share in profit from associate company		147	99
Profit for the year		11,642	8,994
Profit/(loss) attributable to:			
- Owners of the Company		9,523	9,197
- Minority interest		2,119	(203)
		11,642	8,994
Earnings per equity share	27		
[nominal value of share ₹ 10 (March 31, 2014: ₹ 10)]			
Basic (₹)		8.47	8.19
Diluted (₹)		8.40	8.16
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W

For and on behalf of the board of directors of
Brigade Enterprises Limited

M. R. Jaishankar
Chairman & Managing Director

M. R. Shivram
Director

per **Adarsh Ranka**
Partner
Membership No.: 209567

K. Suresh
Chief Financial Officer

P. Om Prakash
Company Secretary

Place: Bengaluru
Date: May 20, 2015

Consolidated Cash Flow Statement for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	March 31, 2015	March 31, 2014
Cash flow from operating activities		
Profit before tax	17,248	12,359
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	9,918	8,176
Employee stock compensation expense	29	13
Finance costs	13,139	11,307
Loans and advances written off	693	36
Provision for doubtful debts	27	2
Provision for loss on construction contracts	231	-
Profit on sale of fixed assets	(24)	(791)
Profit on sale of current investments	(1)	-
Provisions no longer required written back	(278)	(12)
Interest income	(770)	(187)
Dividend income	(265)	(155)
Provision for diminution in value of investments written back	-	(127)
Operating profit before working capital changes	39,947	30,621
Movements in working capital :		
Increase/ (decrease) in trade payables	9,282	4,195
Increase/ (decrease) in other liabilities	7,027	31,720
Decrease / (increase) in trade receivables	2,198	(1,746)
Decrease / (increase) in inventories	(25,980)	(21,321)
Decrease / (increase) in other assets	(9,775)	(21)
Decrease / (increase) in loans and advances	(15,016)	8,488
Increase / (decrease) in provisions	47	(371)
	(32,217)	20,944
Cash generated from /(used in) operations	7,730	51,565
Direct taxes paid, net	(5,134)	(2,531)
Net cash flow from/ (used in) operating activities (A)	2,596	49,034
Cash flows from investing activities		
Purchase of fixed assets (including capital work in progress and capital advances)	(24,282)	(15,413)
Proceeds from sale of fixed assets	2,371	-
Purchase of non current investments	(16)	(2,850)
Payment for subsidiary acquisition	(18,279)	-
Purchase of current investments	-	(4,933)
Proceeds from sale of current investments	4,934	405
Investments in bank deposits	(4,502)	(901)
Interest received	753	162
Dividends received	265	155
Net cash flow from/ (used in) investing activities (B)	(38,756)	(23,375)
Cash flows from financing activities		
Proceeds from issuance of share capital (including securities premium)	246	-
Proceeds from long-term borrowings	71,779	33,405
Repayment of long-term borrowings	(23,439)	(44,620)
Increase/(decrease) of short-term borrowings, net	4,454	(1,045)
Interest paid	(13,082)	(11,927)
Dividends paid (including tax on dividend)	(2,620)	(1,974)
Net cash flow from/ (used in) in financing activities (C)	37,338	(26,161)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	1,178	(502)

Consolidated Cash Flow Statement for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	March 31, 2015	March 31, 2014
Cash inflow on acquisition of subsidiaries	394	-
Cash and cash equivalents at the beginning of the year	3,829	4,331
Cash and cash equivalents at the end of the year	5,401	3,829
Components of cash and cash equivalents		
Cash on hand	97	606
Cheques/ drafts on hand	32	19
With banks:		
– on current accounts	4,966	2,843
– Deposits with maturity for less than 3 months	293	349
– unpaid dividend accounts*	13	12
Total cash and cash equivalents (note 18)	5,401	3,829

*The Group can utilize these balances only toward settlement of the respective unpaid dividend.

Summary of significant accounting policies 2.1

As per our report of even date

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W

For and on behalf of the board of directors of
Brigade Enterprises Limited

M. R. Jaishankar
Chairman & Managing Director

M. R. Shivram
Director

per **Adarsh Ranka**
Partner
Membership No.: 209567

K. Suresh
Chief Financial Officer

P. Om Prakash
Company Secretary

Place: Bengaluru
Date: May 20, 2015

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

1 Corporate information

Brigade Enterprises Limited ('BEL' or 'the Company' or 'the Holding Company') was incorporated on November 8, 1995 and is listed on the National Stock Exchange of India Limited and BSE Limited. BEL together with its subsidiaries, jointly controlled companies and associate company are hereinafter collectively referred to as 'the Group' or 'BEL Group'. The Group is carrying on the business of real estate development, leasing, hospitality and related services.

2 Basis of preparation

The accompanying consolidated financial statements of the Group ('CFS') have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). CFS has been prepared to comply in all material respects with the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. CFS has been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of CFS are consistent with those of previous year, except for the change in accounting policy explained below.

2.1 Summary of significant accounting policies

(a) Changes in accounting policies

I. Depreciation on fixed assets

Till the year ended March 31, 2014, Schedule XIV to the Companies Act, 1956 ('Schedule XIV'), prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013 ('Schedule II'). The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

i. Useful lives/ depreciation rates

Till the year ended March 31, 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Group was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the consolidated financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. Accordingly,

the carrying amount as at April 1, 2014 is being depreciated over the revised remaining useful life of the asset. The carrying value of ₹ 158 lakhs, in case of assets with nil revised remaining useful life as at April 1, 2014, is reduced after tax adjustment from the retained earnings as at such date. Further, had the Group continued with the previously assessed useful lives, charge for depreciation for the year ended March 31, 2015 would have been lower by ₹ 2,082 lakhs and the profit before tax for the year ended March 31, 2015 would have been higher by such amount, with a corresponding impact on net block of fixed assets as at March 31, 2015.

ii. Depreciation on assets costing less than ₹ 5,000/-

Till year ended March 31, 2014, to comply with the requirements of Schedule XIV, the Group was charging 100% depreciation on assets costing less than ₹ 5,000/- in the year of purchase. However, Schedule II, applicable from the current year, does not recognize such practice. Hence, to comply with the requirement of Schedule II, the Group has changed its accounting policy for depreciation of assets costing less than ₹ 5,000/-. As per the revised policy, the Group is depreciating such assets over their useful life as assessed by the management. The management has decided to apply the revised accounting policy prospectively from accounting periods commencing on or after April 1, 2014.

The change in accounting for depreciation of assets costing less than ₹ 5,000/- did not have any material impact on the consolidated financial statements of the Group for the current year.

II. Employee stock compensation cost

Till October 27, 2014, the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (the 'Guidelines'), dealt with the grant of share-based payments to employees. Among other matter, the Guidelines prescribed accounting for grant of share-based payments to employees. Hence, the Company being a listed entity was required to comply with the Guidelines as well as the Guidance Note on Accounting for Employee Share-based Payments (the 'Guidance Note') with regard to accounting for employee share-based payments. Particularly, in case of conflict between the two requirements, the Guidelines were prevailing over the Guidance Note. For example, in case of equity settled option expiring unexercised after vesting, the Guidelines required expense to be reversed through the statement of Profit and Loss whereas the reversal of expense through the statement of profit and loss is prohibited under the Guidance Note. In these cases, the requirement of the Guidelines was being previously complied with.

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

From October 28, 2014, the Guidelines have been replaced by the SEBI (Share Based Employee Benefits) Regulations, 2014 (the 'Regulations'). The Regulations do not contain any specific accounting treatment; rather, they require the Guidance Note to be followed. Consequent to the application of the Regulations, the Company has changed its accounting for equity settled option expiring unexercised after vesting in line with accounting prescribed in the Guidance Note, i.e., expense is not reversed through the statement of profit and loss. The management has decided to apply the revised accounting policy prospectively from the date of notification of the Regulations, i.e., October 28, 2014.

Since there are no equity settled options expiring unexercised after October 28, 2014, the change in accounting policy did not have any material impact on the consolidated financial statements. However due to application of the Regulations,

the manner of presentation of "Employee Stock Option Outstanding Account" (net of "Deferred Employee Stock Compensation Expense") has been changed and included under the head "Reserves and Surplus" amounting to ₹ 16 lakhs (March 31, 2014: ₹ 14 lakhs). The Company has changed this presentation for the current as well as previous year.

(b) Principles of consolidation

CFS has been prepared in accordance with Accounting Standard (AS) 21 – 'Consolidated Financial Statements', AS 23 – 'Accounting for investments in Associates in Consolidated Financial Statements' and AS 27 – 'Financial Reporting of Interests in Joint Ventures' specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

The list of subsidiaries, joint ventures and associate consolidated in CFS are as follows:

Name	Country of incorporation	Proportion of ownership interest	
		March 31, 2015	March 31, 2014
Subsidiaries:	India		
Brigade Hospitality Services Limited	"BHSL"	100%	100%
Brigade Tetrarch Private Limited	"BTPL"	100%	100%
Brigade Estates and Projects Private Limited	"BEPPL"	100%	100%
Brigade Properties Private Limited	"BPPL"	51%	51%
Brigade Infrastructure and Power Private Limited	"BIPPL"	100%	100%
WTC Trades and Projects Private Limited	"WTPPL"	100%	100%
Orion Mall Management Company Limited	"OMMCL"	100%	100%
Prosperita Hotel Ventures Limited	"PHVL"	100%	100%
BCV Developers Private Limited	"BDPL"	50.01%	[*]
Brooke Bond Real Estates Private Limited	"BBREPL"	100%	-
Celebrations Catering & Events LLP	"CCELLP"	95%	95%
Brigade (Gujarat) Projects Private Limited	"BGPPL"	100%	-
Joint ventures:	India		
BCV Developers Private Limited	"BDPL"	[*]	50%
BCV Estates Private Limited	"BEPL"	50%	50%
CV Properties (Bangalore) Private Limited	"CPPL"	50%	50%
Associate:	India		
Tandem Allied Services Private Limited	"TASPL"	37%	37%

[*]On January 21, 2015, the Company has acquired 0.01 lakh shares of BDPL at ₹ 10/- each, whereby the total shareholding of the Company has increased from 50% to 50.01% and consequently, BDPL has ceased to be a joint venture company and has become a subsidiary company. Accordingly, the consolidation of BDPL has been done as a joint venture company upto January 20, 2015 and as a subsidiary company from January 21, 2015.

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

The consolidated financial statements are prepared on the following basis:

- i) Subsidiary companies are consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all intra-group balances and intra-group transactions and also unrealized profits/losses.
- ii) Interest in the assets, liabilities, income and expenses of the joint ventures is consolidated using proportionate consolidation method. Intra group balances, transactions and unrealized profits/losses are eliminated to the extent of the Company's proportionate share.
- iii) The difference between the cost to the Company of investment in the subsidiaries and joint ventures and the proportionate share in the equity of such subsidiaries and joint ventures as at the date of acquisition of stake is recognized in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be. Goodwill arising on consolidation is disclosed under Non-current Assets and is not amortised but tested for impairment annually. Goodwill arising on consolidation of components, where investments are made primarily for acquisition of right over land parcels owned by such components, is derecognized to the extent it pertains to sold land parcels based on stage of completion and proportion of the area sold from such development and charged to the consolidated statement of profit and loss.
- iv) Investment in associate is accounted for using the equity method. The excess of cost of investment over the proportionate share in equity of the associate as at the date of acquisition of stake is identified as Goodwill and included in the carrying value of the investment in the associate. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the associate. However, the share of losses is accounted for only to the extent of the cost of investment. Subsequent profits of such associate are not accounted for unless the accumulated losses (not accounted for by the Group) are recouped. The standalone financial statements of associate is used for the purpose of consolidation.
- v) Minority interest in net profits of consolidated subsidiaries for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Company. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual obligation on the minorities, the same is accounted for by the Holding Company.

vi) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Holding Company's standalone financial statements.

vii) The financial statements of the components used for the purpose of consolidation are drawn up to the same reporting date as that of the Holding Company.

(c) Use of estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Any revision to accounting estimates is recognized prospectively.

(d) Tangible fixed assets and capital work-in-progress

Tangible fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

(e) Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on written down value basis using the following useful lives estimated by the management, which are equal to those prescribed under Schedule II:

Tangible Fixed Assets	Useful lives (in years)	
	March 31, 2015 (Schedule II)	March 31, 2014 (Schedule XIV)
Buildings (other than factory buildings)	60	60
Plant and machinery	15	20
Furniture and fixtures		
i. General Furniture and fixtures	10	15
ii. Furniture and fixtures used in hotels	8	10
Computer hardware		
i. Computer equipment	3	6
ii. Servers and network equipment	6	6
Office equipment	5	20
Motor Vehicles	8	10

Leasehold land is amortized on a straight line basis over the period of lease of 99 years.

Based on the planned usage of certain project-specific assets and technical evaluation thereon, the management has estimated the useful lives of such classes of assets as below, which are lower from the useful lives as indicated in Schedule II and are depreciated on straight line basis:

i. Buildings	-	14 - 25 years
ii. Furniture and fixtures	-	5-10 years
iii. Office equipment	-	5-10 years
iv. Plant and machinery	-	5-10 years
v. Motor Vehicles	-	5 years
vi. Computer hardware	-	3 years

Component approach requires that the Group should determine significant components of their assets and if useful life of such significant components is different from useful life of the asset then the useful life of that significant component would be determined separately (i.e., a

component approach). As per the Ministry of Corporate Affairs, the component approach would be voluntary in respect of the financial year commencing on or after April 01, 2014. and will be mandatory in respect of financial years commencing on or after April 01, 2015. The Group has decided to adopt component approach from the financial year commencing on April 01, 2015.

(f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets comprising of computer software are amortized on a written down value basis over a period of three years, which is estimated by the management to be the useful life of the asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Costs of assets not ready for use at the balance sheet date are disclosed under intangible assets under development.

(g) Impairment of tangible and intangible assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(h) Leases

Where the Group is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

(i) Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized/inventorised as part of the cost of the respective asset. All other borrowing costs are charged to statement of profit and loss.

(j) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the consolidated financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However,

provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(k) Inventories

Direct expenditure relating to real estate activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the real estate activity.

- i. Work-in-progress: Represents cost incurred in respect of unsold area (including land) of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Work-in-progress is valued at lower of cost and net realizable value.
- ii. Finished goods – Stock of flats - Valued at lower of cost and net realizable value.
- iii. Raw materials, components and stores: Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis.
- iv. Land stock: Valued at lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(l) Land

Advances paid by the Group to the seller/ intermediary toward outright purchase of land is recognized as land advance under loans and advances during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Group, whereupon it is transferred to land stock under inventories.

Amounts paid by the Group to the land owners towards right for development of land in exchange of constructed area are recognized as land advance under loans and advances and on the launch of the project, the non-refundable amount is transferred as land cost to work-in-progress.

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

The Group has entered into agreements with land owners/ possessor to develop properties on such land in lieu of which, the Group has agreed to transfer certain percentage of constructed area. The Company measures development rights/land received under these agreements at cost of construction transferred, as adjusted for other cash/ non-cash consideration.

(m) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

The Company collects taxes such as value added tax, luxury tax, entertainment tax, service tax, etc. on behalf of the Government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from the aforesaid revenue/ income.

The following specific recognition criteria must also be met before revenue is recognized:

Recognition of revenue from real estate development

Revenue from real estate development is recognized upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Where the Group still has obligations to perform substantial acts even after the transfer of all significant risks and rewards, revenue in such cases is recognized by applying the percentage of completion method only if 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 (excluding land cost) is not less than 25 % of the total estimated construction and development costs;
- iii. at least 25 % of the saleable project area is secured by contracts/agreements with buyers; and
- iv. at least 10 % of the contracts/agreements value are realized at the reporting date in respect of such contracts/agreements.

When the outcome of a real estate project can be estimated reliably and the conditions above are satisfied, revenue and costs associated with the real estate development are recognized as revenue and expenses by reference to the stage of completion of the project activity at the reporting date arrived at with reference to the entire project costs incurred (including land costs).

Revenue from hospitality services

Revenue from hospitality operations comprise revenue from rooms, restaurants, banquets and other allied services, including membership, telecommunication, laundry, etc. Revenue is recognized as and when the services are rendered and is disclosed net of allowances. Revenue from membership fees is recognized as income on straight-line basis over the membership term.

Income from leasing

Rental income receivable under operating leases (excluding variable rental income) is recognized in the income statement on a straight-line basis over the term of the lease. Rental income under operating leases having variable rental income is recognized as per the terms of the contract.

Income from other services

Commission, management fees, vehicle parking fees and other fees receivable for services rendered are recognized as and when the services are rendered as per the terms of the contract.

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Dividend income

Dividend income is recognized when the Group's right to receive dividend is established by the reporting date.

(n) Foreign currency translation - Foreign currency transactions and balances

- i. Initial recognition - Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- ii. Conversion - Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.
- iii. Exchange differences - The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expense in the period in which they arise.

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(o) Retirement and other employee benefits

Retirement benefits in the form of state governed Employee Provident Fund, Employee State Insurance and Employee Pension Fund Schemes are defined contribution schemes (collectively the 'Schemes'). The Company has no obligation, other than the contribution payable to the Schemes. The Company recognizes contribution payable to the Schemes as expenditure, when an employee renders the related service. The contribution paid in excess of amount due is recognised as an asset and the contribution due in excess of amount paid is recognised as a liability.

Gratuity is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method, made at the end of each financial year. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method, made at the end of each financial year. Actuarial gains/losses are immediately taken to the statement of profit and loss. The Company presents the accumulated leave liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(p) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

(q) Employee stock compensation cost

Employees (including senior executives) of the Group receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

(r) Segment reporting

- i. Identification of segments - The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.
- ii. Inter-segment transfers - The Group generally accounts for intersegment sales and transfers at appropriate margins. These transfers are eliminated in consolidation.
- iii. Unallocated items - Unallocated items include general corporate asset, liability, income and expense items which are not allocated to any business segment.
- iv. Segment accounting policies - The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

(s) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly

paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(t) Provisions

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(u) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

(v) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

3 Share capital

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Authorized shares		
1,500 lakhs (March 31, 2014: 1,500 lakhs) Equity shares of ₹ 10 each	15,000	15,000
Issued, subscribed and fully paid-up shares		
1,128 lakhs (March 31, 2014: 1,123 lakhs) Equity Shares of ₹ 10 each	11,274	11,225
Total issued, subscribed and fully paid-up share capital	11,274	11,225

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

	March 31, 2015		March 31, 2014	
	No. lakhs	₹	No. lakhs	₹
Equity Shares				
At the beginning of the year	1,123	11,225	1,123	11,225
Issued during the year pursuant to the exercise of stock options by certain employees	5	49	-	-
Outstanding at the end of the year	1,128	11,274	1,123	11,225

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of director is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2015, the amount of dividend recognized as distributions to equity shareholders was ₹ 2 (March 31, 2014: ₹ 2) per share .

In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the company

	March 31, 2015		March 31, 2014	
	No. in lakhs	% holding	No. in lakhs	% holding
Equity shares of ₹10 each fully paid				
M.R. Jaishankar	230	20%	230	20%
Nirupa Shankar	93	8%	93	8%
Githa Shankar	187	17%	187	17%

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

(d) Shares issued and reserved for issue under options

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company, refer note 35.

Further, the Company has issued 4.92 lakhs equity shares (March 31, 2014: Nil) on exercise of options granted under ESOP wherein part consideration was received in the form of employee services.

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

4 Reserves and surplus

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Securities premium account		
Balance as per the last financial statements	69,489	69,489
Add: received during the year on issue of equity shares	224	-
Closing Balance	69,713	69,489
Debenture Redemption Reserve		
Balance as per the last financial statements	-	-
Add: amount transferred from surplus balance in the statement of profit and loss	236	-
Closing Balance	236	-
Employee stock option outstanding		
Balance as per last financial statements	14	-
Add: Compensation options granted during the year	29	14
Less: Transferred to securities premium on exercise of stock options	(27)	-
Closing Balance	16	14
General reserve		
Balance as per the last financial statements	8,201	7,045
Add: amount transferred from Surplus in the statement of profit and loss	-	674
Add: amount transferred from Surplus in the statement of profit and loss towards future capital expansion	951	482
Closing Balance	9,152	8,201
Surplus in the statement of profit and loss		
Balance as per last financial statements	39,094	33,781
Profit for the year (net of minority interest)	9,523	9,197
Add: Adjustment towards provision for diminution in value of investments in subsidiaries written back (including for prior year of ₹ 127 lakhs)	554	-
Add: Adjustment to minority interest towards losses in excess of equity accounted in the statement of profit and loss of previous year	108	(108)
Less: Appropriations		
Profit transferred to General Reserve	-	674
Proposed Dividend	2,255	2,245
Adjustment of Fixed Assets (net of tax of ₹ 50 lakhs)	108	-
Tax on Proposed Dividend	451	375
Transfer to debenture redemption reserve	236	-
Transfer to General Reserve towards future capital expansion	951	482
Total appropriations	4,001	3,776
Closing Balance	45,278	39,094
Total reserves and surplus	124,395	116,798

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

5 Long-term borrowings

(₹ in Lakhs)

	Non-current portion		Current maturities*	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Debentures (unsecured)				
2,355,430 (March 31, 2014: 2,355,430) 16% A series fully convertible debentures (FCD) of ₹ 100 each	2,355	2,355	-	-
4,518,082 (March 31, 2014: 4,518,082) 16% B series FCD of ₹ 100 each	4,518	4,518	-	-
490 (March 31, 2014: Nil) Listed 16% A series non convertible debentures (NCD) of ₹ 1,000,000 each	4,900	-	-	-
Term loan from banks (secured)	62,410	37,471	70,973	47,242
Loans and advances from related parties (unsecured)	15,072	8,922	-	-
	89,255	53,266	70,973	47,242
Amount disclosed under the head "Other current liabilities" (note 7)				
- Term loan from banks (secured)			(70,973)	(47,242)
Net amount	89,255	53,266	-	-

* Represent amounts repayable within the operating cycle. Amount repayable within twelve months is ₹ 30,056 lakhs (March 31, 2014: ₹ 19,824 Lakhs).

Notes:

Debentures (unsecured)

- A series fully convertible debentures have been issued at par carrying an interest rate of 16% per annum. These are mandatorily convertible to into Class B equity shares of a subsidiary company at the expiry of 20 years from the date of its issue i.e. June 29, 2012, however the subsidiary company may at any time prior to the expiry of 20 years convert the A series fully convertible debentures into Class B equity shares. 1 (one) A Series fully convertible debenture would be converted to 10 (Ten) Class B equity shares. The conversion of the A series fully convertible debentures shall be solely in accordance with the provisions of the agreement of subsidiary company's shareholders and its Articles of Association.
- B series fully convertible debentures have been issued at par carrying an interest rate of 16% per annum. These are mandatorily convertible to into Class B equity shares of a subsidiary company at the expiry of 20 years from the date of its issue, however the subsidiary company may at any time prior to the expiry of 20 years convert the B series fully convertible debentures into Class B equity shares. 10 (Ten) B Series fully convertible debentures would be converted to 1 (one) Class B equity share. The conversion of the B series fully convertible debentures shall be solely in accordance with the provisions of the agreement of subsidiary company's shareholders and its Articles of Association.
- A series non convertible debentures have been issued at par carrying an interest rate of 16% per annum. These are mandatorily redeemable at the expiry of 7 years from the date of its issue. The redemption of the A series non convertible debentures shall be solely in accordance with the provisions of Revised Shareholders Agreement and Non-convertible Debentures Agreement.

Term loan from banks (secured)

- Includes term loan from banks secured by way of assignment of project receivables ₹ 57,465 lakhs (March 31, 2014: ₹ 39,882 lakhs) and further secured by collateral security of underlying land, building and movable fixed assets. The loans carry interest in the range of 11-12% and are repayable within 60-120 installments, each ranging between ₹ 33 lakhs to ₹ 227 lakhs. Certain loans are further guaranteed by Holding Company's Directors - ₹ 28,153 Lakhs (March 31, 2014: ₹ 31,721 Lakhs) and a subsidiary company - ₹ 8,373 Lakhs (March 31, 2014: ₹ 9,651 Lakhs).

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

- b) Includes term loan from banks by way of mortgage of project properties ₹ 75,918 lakhs (March 31, 2014: ₹ 44,831 lakhs). The loans carry interest rate in the range of 11-14% and are repayable within 12-54 installments, each ranging between ₹ 20 lakhs to ₹ 300 lakhs. Certain loans are further guaranteed by Holding Company's directors - ₹ 38,881 Lakhs (March 31, 2014: ₹ 33,255 Lakhs).

Loans and advances from related parties (unsecured)

- a) Loans and advances from related parties are interest-free and unsecured, with no stipulated repayment terms.

6.1 Deferred tax liabilities (net)

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Deferred tax liabilities		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	4,031	3,698
Gross deferred tax liabilities	4,031	3,698
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years	375	148
Gross deferred tax assets	375	148
Net deferred tax liabilities	3,656	3,550

6.2 Deferred tax assets (net)

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Deferred tax liabilities		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	87	1
Gross deferred tax liabilities	87	1
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years	22	8
Tax losses	409	126
Gross deferred tax assets	431	134
Net deferred tax assets	344	133

7 Other liabilities

(₹ in Lakhs)

	Long-term		Short-term	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Current maturities of long-term borrowings (note 5)	-	-	70,973	47,242
Investor education and protection fund will be credited by following amounts (as and when due) - Unclaimed dividend	-	-	13	12
Interest accrued but not due on debentures	2,388	1,432	4	-
Income received in advance	5,046	5,282	222	207
Others				
Lease deposits	4,325	4,530	4,799	3,239
Lease equalisation reserve	626	-	8	-
Advance from customers	-	-	62,528	53,662
Interest free deposits from customers	-	752	4,999	4,898
Payable towards purchase of fixed assets	-	-	41	55
Employee benefits payable	-	-	2,042	1,743
Statutory dues payable	-	-	1,691	1,451
	12,385	11,996	147,320	112,509

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

8 Provisions

(₹ in Lakhs)

	Long-term		Short-term	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Provision for employee benefits				
Provision for gratuity (note 28)	53	47	69	37
Provision for leave benefits	-	-	282	252
	53	47	351	289
Other provision				
Provision for losses on construction contracts	-	-	231	-
Provision for taxes	-	-	9	-
Provision for equity dividend	-	-	2,255	2,245
Provision for tax on proposed equity dividend	-	-	451	375
	-	-	2,946	2,620
	53	47	3,297	2,909

9 Short-term borrowings

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Cash credit facilities from banks (secured)	6,093	1,639
	6,093	1,639

Note 1: Cash credit facilities from banks of ₹ 996 lakhs (March 31, 2014: ₹ 1,639 lakhs) are secured by way of mortgage of project properties and are personally guaranteed by the directors of the Holding Company. The facilities carry interest rate in the range of 12%-14% and are repayable on demand.

Note 2: Cash credit facilities from banks of ₹ 5,097 lakhs (March 31, 2014: Nil) are secured by way of mortgage of project properties and charge on trade receivables of a subsidiary company. The facilities carry interest rate of 11.50% and are repayable in 8 installments ranging from ₹ 1,150 lakhs to ₹ 1,350 lakhs.

10 Trade payables

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Trade payable (refer note 32 for details of dues to micro and small enterprises)	29,840	20,325
	29,840	20,325

11 Tangible assets

(₹ in Lakhs)

	Freehold Land	Leasehold Land	Building	Furniture & Fixtures	Plant & Machinery	Office Equipment	Computer Hardware	Vehicles	Total
Cost									
At April 1, 2013	9,229	-	86,257	13,510	8,338	2,123	1,019	463	120,939
Additions	1,769	-	26,513	1,279	841	344	117	86	30,949
Disposals	1,790	-	3,370	-	61	-	1	70	5,292
At March 31, 2014	9,208	-	109,400	14,789	9,118	2,467	1,135	479	146,596
Additions	-	644	636	172	721	67	46	24	2,310
Acquisitions	1,430	-	876	222	689	152	8	26	3,403
Disposals	9	-	26	192	538	24	200	45	1,034
At March 31, 2015	10,629	644	110,886	14,991	9,990	2,662	989	484	151,275

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(₹ in Lakhs)

	Freehold Land	Leasehold Land	Building	Furniture & Fixtures	Plant & Machinery	Office Equipment	Computer Hardware	Vehicles	Total
Depreciation									
At April 1, 2013	-	-	7,112	5,891	1,994	838	811	303	16,949
Charge for the year	-	-	4,920	1,722	1,204	20	124	53	8,043
Disposals	-	-	381	-	18	-	-	66	465
At March 31, 2014	-	-	11,651	7,613	3,180	858	935	290	24,527
Acquisitions	-	-	70	207	337	148	8	21	791
Charge for the year	-	6	5,016	2,443	1,043	966	114	73	9,661
Transfer to reserve	-	-	-	15	8	47	60	-	130
Disposals	-	-	9	126	305	24	180	44	688
At March 31, 2015	-	6	16,728	10,152	4,263	1,995	937	340	34,421
Net Block									
At March 31, 2014	9,208	-	97,749	7,176	5,938	1,609	200	189	122,069
At March 31, 2015	10,629	638	94,158	4,839	5,727	667	52	144	116,854

Note: Tangible assets include following assets given on operating lease:

(₹ in Lakhs)

	Freehold Land	Building	Furniture & Fixtures	Plant & Machinery	Office Equipment	Total
Gross Block						
March 31, 2014	6,412	82,868	5,460	4,109	1,307	100,156
March 31, 2015	6,403	85,315	5,454	4,077	1,307	102,556
Depreciation charge for the year						
March 31, 2014	-	3,758	485	458	105	4,806
March 31, 2015	-	3,885	751	594	414	5,644
Accumulated depreciation						
March 31, 2014	-	8,242	2,725	990	514	12,471
March 31, 2015	-	12,118	3,470	1,572	928	18,088
Net book value						
March 31, 2014	6,412	74,626	2,735	3,119	793	87,685
March 31, 2015	6,403	73,197	1,984	2,505	379	84,468

12 Intangible assets

(₹ in Lakhs)

	Computer Software	Total
Cost or valuation		
At April 1, 2013	668	668
Additions	73	73
Disposals	-	-
At March 31, 2014	741	741
Additions	352	352
Acquisition	48	48
Disposals	1	1
At March 31, 2015	1,140	1,140
Depreciation		
At April 1, 2013	380	380
Charge for the year	133	133
Disposals	-	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	(₹ in Lakhs)	
	Computer Software	Total
At March 31, 2014	513	513
Acquisition	20	20
Charge for the year	257	257
Transfer to reserve	28	28
Disposals	1	1
At March 31, 2015	817	817
Net Block		
At March 31, 2014	228	228
At March 31, 2015	323	323

13.1 Capital work-in-progress ('CWIP')

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Opening Balance	24,464	38,857
- Acquisitions during the year	928	-
- Additions during the year	21,764	16,781
- Capitalised during the year	-	(31,174)
Closing Balance	47,156	24,464

Note: Additions to CWIP include the following expenses of revenue nature, which have been directly capitalized to CWIP. Consequently, expenses disclosed under the respective notes are net of such amounts capitalized by the Company.

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Land cost	-	1,622
Sub-contractor cost	11,991	9,479
Cost of material	7,408	2,330
Interest expense	903	1,509
Employee benefits expense	356	420
License fees and plan approval charges	223	356
Architect and consultancy fees	484	299
Others	399	766
	21,764	16,781

13.2 Intangible assets under development

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Licence fees		
Opening Balance	135	135
- Additions during the year	1,274	-
- Capitalised during the year	-	-
Closing Balance	1,409	135

14.1 Non-current investments

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Trade investments (valued at cost unless stated otherwise)		
<i>Investment in Associate Companies</i>		
3.7 lakhs (March 31, 2014: 3.7 lakhs) Equity shares of ₹10/- each fully paid up in Tandem Allied Services Pvt. Ltd.	7	7
Add: Share in profit of associate	572	425
	579	432

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Investment in Other Companies		
1.56 lakhs (March 31, 2014: Nil) Equity shares of ₹ 10/- each fully paid up in Mangalore Energies Pvt. Ltd.	16	-
	16	-
Total Trade investments (A)	595	432

Non-trade investments, unquoted (valued at cost unless stated otherwise)

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Investment in equity instrument		
0.05 lakhs (March 31, 2014: 0.05 lakhs) Equity shares of ₹ 10/- each fully paid up in Diagnostic Research Pvt. Ltd.	1	1
2.39 lakhs (March 31, 2014: 2.39 lakhs) Equity shares of ₹ 10/- each fully paid up in AEC Promag Pvt. Ltd.	24	24
	25	25
Less: Provision for diminution in value of investment	(25)	(25)
	-	-
Investment in Bonds		
250 bonds (March 31, 2014: 250 bonds) of ₹1,000,000 each fully paid up in Lakshmi Vilas Bank Ltd	2,500	2,500
35,000 bonds (March 31, 2014: 35,000 bonds) of ₹1,000 each fully paid up in Indian Renewable Energy Development Agency Ltd	350	350
	2,850	2,850
Government and trust securities		
Investment in Government securities	2	2
	2	2
Total Non-trade investments (B)	2,852	2,852
Total (A) + (B)	3,447	3,284
(i) Aggregate amount of unquoted investments	3,447	3,284
(ii) Aggregate provision for diminution in value of investments	25	25

14.2 Current investments

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Investment in quoted mutual fund units (valued at lower of cost and fair value)		
Nil (March 31, 2014: 1,141,247) units of ₹ 100.33 each fully paid-up of Birla Sunlife Cash Plus Fund	-	1,143
Nil (March 31, 2014: 83,903) units of ₹ 1,363.26 each fully paid-up of Reliance Liquid Fund	-	1,143
Nil (March 31, 2014: 112,822) units of ₹1,002.64 each fully paid-up of BOI AXA Liquid Fund	-	1,131
Nil (March 31, 2014: 60,771) units of ₹ 1,003.25 each fully paid-up of SBI Premiere Liquid Fund	-	610
Nil (March 31, 2014: 39,930) units of ₹ 1,001.88 each fully paid-up of SBI Ultra ST Debt Fund	-	400
Nil (March 31, 2014: 5,036,003) units of ₹10.04 each fully paid-up of Sundaram UST Fund	-	506
	-	4,933
Aggregate amount of quoted investments [Market value: Nil (March 31, 2014: ₹ 4,936 lakhs)]	-	4,933

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

15 Loans and advances

(Unsecured, considered good)

(₹ in Lakhs)

	Non-current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Land advances*	30,888	20,722	-	-
Loan and advances to related parties *****	2,953	9,433	103	34
Capital advances	301	347	-	-
Advance to suppliers	6	-	8,363	5,997
Advance income-tax (net of provision for taxation)	1,561	1,518	-	-
MAT credit entitlement ***	3,882	4,354	-	-
Balances with statutory / government authorities**	2,834	3,365	4,004	986
Other loans and advances	-	-	16	2
Prepaid expenses	360	375	719	712
Security deposit	203	253	517	411
Advances recoverable in cash or kind****	144	-	25	415
Loans to employees	-	-	358	40
Total	43,132	40,367	14,105	8,597

* Advances for land though unsecured, are considered good as the advances have been given based on arrangements/ memorandum of understanding executed by the Company and the Company/ seller/ intermediary is in the course of obtaining clear and marketable title, free from all encumbrances, including for certain properties under litigation. Includes property advance given to M. R. Jaishankar ₹ 752 lakhs (March 31, 2014: ₹ 752 lakhs)

** Includes amount paid under protest of ₹ 702 lakhs (March 31, 2014: ₹ 1,654 Lakhs).

*** Net of utilization of ₹ 1,032 lakhs (March 31, 2014: Nil).

**** Including gratuity fund balance (net) of ₹ 38 lakhs (March 31, 2014: ₹ 23 lakhs)

***** Includes loans and advances due by directors or other officers, etc.

(₹ in Lakhs)

	Non-current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Dues from M/s BCV Developers Private Limited in which Company's director is a director	-	6,151	-	-
Dues from M/s BCV Estates Private Limited in which Company's director is a director	1,238	1,238	-	-
Dues from Mr. M. R. Jaishankar, Managing Director	-	-	5	-
Dues from M/s Mysore Holdings Private Limited in which Company's director is a director	-	-	-	20

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

16 Trade receivables and other assets

16.1 Trade receivable

(₹ in Lakhs)

	Non-current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, considered good	-	-	82	198
Doubtful	1	4	-	2
	1	4	82	200
Provision for doubtful trade receivables	(1)	(4)	-	(2)
(A)	-	-	82	198
Other receivables				
Unsecured, considered good	-	-	1,414	3,521
Doubtful	-	-	24	-
	-	-	1,438	3,521
Provision for doubtful trade receivables	-	-	(24)	-
(B)	-	-	1,414	3,521
Total (A+B)	-	-	1,496	3,719

16.2 Other assets

(₹ in Lakhs)

	Non-current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Unsecured, considered good				
Non-current bank balances (note18)	2,884	1,274	-	-
(A)	2,884	1,274	-	-
Others				
Interest accrued and not due on deposits	-	-	69	52
Unbilled revenue	-	-	12,329	2,244
Receivable on sale of fixed assets	3,978	5,979	-	-
Other assets	659	221	221	61
(B)	4,637	6,200	12,619	2,357
Total (A+B)	7,521	7,474	12,619	2,357

17 Inventories (valued at lower of cost and net realizable value)

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Raw materials, components and stores	8,839	4,835
Work-in-progress	127,499	80,820
Land stock	13,612	21,941
Stock of flats	4,488	4,713
	154,438	112,309

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

18 Cash and bank balances

(₹ in Lakhs)				
	Non-current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Cash and cash equivalents				
Balances with banks:				
– On current accounts	-	-	4,966	2,843
– Deposits with maturity for less than 3 months	-	-	293	349
– On unpaid dividend account	-	-	13	12
Cheques/ drafts on hand	-	-	32	19
Cash on hand	-	-	97	606
	-	-	5,401	3,829
Other bank balances				
– Deposits with original maturity for more than 12 months	-	11	133	-
– Deposits with maturity for 3 to 12 months	-	-	2,759	-
– Margin money deposits	2,884	1,263	-	-
	2,884	1,274	2,892	-
Amount disclosed under non-current assets (note 16.2)	2,884	1,274	-	-
	-	-	8,293	3,829

19 Revenue from operations

(₹ in Lakhs)		
	March 31, 2015	March 31, 2014
Revenue from operations		
Income from property development *	95,819	63,094
Income from leasing **	15,345	13,009
Income from hospitality services	14,581	14,547
Total (A)	125,745	90,650
Other operating revenue		
Management fees	654	2,263
Revenue from parking services	764	686
Commission income	142	236
Others	3,778	841
Total other operating revenue (B)	5,338	4,026
Total revenue from operations (A) + (B)	131,083	94,676

* The Company has revised its project estimates in the current year, as a result of which the revenue is lower by ₹ 2,127 lakhs (March 31, 2014: Nil).

** Including ₹ 433 lakhs (March 31, 2014: Nil) towards impact of straight-lining of lease rental income for earlier years.

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

20 Other income

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Interest income on		
Bank deposits	329	129
Others	441	58
Dividend income on non-current investment	19	18
Dividend income on current investment	246	137
Profit on sale of fixed assets	24	791
Profit on sale of current investments	1	-
Provision no longer required, written back	278	12
Provision for diminution in value of investments written back	-	127
Other non-operating income	663	721
	2,001	1,993

21 Cost of raw materials, components and stores consumed

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Inventory at the beginning of the year	4,835	3,295
Add: Purchases	20,722	11,988
Add: Impact on cost of raw material upon conversion of joint venture company into a subsidiary company	286	-
	25,843	15,283
Less: Inventory at the end of the year	(8,839)	(4,835)
Cost of raw materials, components and stores consumed	17,004	10,448

Details of raw materials, components and stores consumed	March 31, 2015	March 31, 2014
Steel	7,716	6,530
Others	9,288	3,918
	17,004	10,448

Details of inventory	March 31, 2015	March 31, 2014
Steel	3,381	2,926
Others	5,458	1,909
	8,839	4,835

22 (Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Inventories at the end of the year		
Work-in-progress - Real estate	127,499	80,820
Stock of flats	4,488	4,713
Land stock	13,612	21,941
	145,599	107,474
Inventories at the beginning of the year		
Work-in-progress - Real estate	80,820	59,993
Stock of flats	4,713	12,973
Land stock	21,941	14,891
	107,474	87,857
Add: Impact on change in inventory upon conversion of joint venture company into a subsidiary company	15,610	-
	(22,515)	(19,617)

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

23 Employee benefit expense

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Salaries, wages and bonus *	9,728	8,544
Contribution to provident and other fund	397	277
Employee stock option scheme	29	13
Staff welfare expenses	321	310
	10,475	9,144

* net of reversal for earlier years of Nil (March 31, 2014: ₹ 291 lakhs) towards excess accrual of gratuity expense.

24 Finance costs

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Interest		
On bank borrowings	11,717	10,566
On debentures	1,126	1,045
On others	1,072	1,023
Bank charges	127	182
	14,042	12,816
Less: Interest capitalised to capital work-in-progress	(903)	(1,509)
Total*	13,139	11,307

* Gross of interest amounting to ₹ 6,955 lakhs (March 31, 2014: ₹ 5,122 lakhs) inventorised to qualifying work in progress.

25 Depreciation and amortization expense

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Depreciation of tangible assets	9,661	8,043
Amortization of intangible assets	257	133
	9,918	8,176

26 Other expenses

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Legal and professional fees	2,004	1,761
Payments to auditors (refer note below)	64	36
Architect & Consultancy Fees	1,880	1,726
Property Tax	756	733
Power and fuel	2,528	1,611
Rent*	1,063	418
Repairs & Maintenance		
Building	1,144	1,083
Plant & Machinery	409	411
Others	534	549
Insurance	160	123
Rates and taxes	367	708
License fees and plan approval charges	1,203	2,289
Commission and discounts	1,352	1,441

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Advertisement and sales promotion	6,022	4,591
Travelling and conveyance	827	800
Training and recruitment expenses	182	67
Communication costs	250	221
Loans and advances written off	693	36
Provision for doubtful debts	27	2
Printing and stationery	160	148
Security charges	672	938
Provision for doubtful advances and other receivables	-	-
Provision for loss on construction contracts	231	-
Donation (refer note 39 for amount of CSR expenditure) [including contribution to political party, Bharatiya Janata Party Nil (March 31, 2014: ₹ 5 lakhs)]	315	344
Directors' sitting fees and commission	57	47
Exchange difference (net)	68	27
Miscellaneous expenses (includes ₹ 127 lakhs towards adjustment for provision for value of investments in subsidiaries written back in previous year)	977	953
	23,945	21,063

* Including ₹ 613 lakhs (March 31, 2014: Nil) towards impact of straight-lining of lease rental expense for earlier years.

Payment to auditor**

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
As auditor:		
Audit fee	30	18
Tax audit fee	1	8
Limited review	10	7
Other audit fee	22	-
In other capacity:		
Other services	-	3
Reimbursement of expenses (excluding service tax)	1	-
	64	36
** Includes fees paid to a firm of Chartered Accountants other than S.R. Batliboi & Associates LLP	2	36

27 Earnings per share

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Profit after tax attributable to the shareholders of the Company	9,523	9,197
Weighted average number of equity shares in calculating basic EPS (No. in lakhs)	1,124	1,123
Effect of dilution:		
Stock options granted under ESOP (No. in lakhs)	11	4
Weighted average number of equity shares in calculating diluted EPS (No. in lakhs)	1,135	1,127

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

28 Gratuity

The Group operates defined gratuity plan for its employees. Under the plan, every employee who has completed atleast five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for gratuity.

Statement of profit and loss

	(₹ in Lakhs)	
Net employee benefit expense recognized in the employee cost	March 31, 2015	March 31, 2014
Current service cost	123	87
Interest cost on benefit obligation	30	25
Expected return on plan assets	(29)	(24)
Net actuarial (gain) / loss recognized in the year	(5)	-
Net benefit expense	119	88
Actual return on plan assets	33	25

Balance sheet

	(₹ in Lakhs)	
Benefit asset/ liability	March 31, 2015	March 31, 2014
Present value of defined benefit obligation	507	404
Fair value of plan assets	(423)	(343)
Plan liability/ (asset)	84	61

	(₹ in Lakhs)	
Changes in the present value of the defined benefit obligation are as follows:	March 31, 2015	March 31, 2014
Opening defined benefit obligation	404	342
Current service cost	123	87
Interest cost	30	25
Benefits paid	(4)	(8)
Benefits settled through fund	(46)	(43)
Actuarial (gains) / losses	-	1
Closing defined benefit obligation	507	404

	(₹ in Lakhs)	
Changes in the fair value of plan assets are as follows:	March 31, 2015	March 31, 2014
Opening fair value of plan assets	344	312
Expected return	29	24
Contributions by employer	91	49
Benefits settled through fund	(46)	(43)
Actuarial gains / (losses)	5	1
Closing fair value of plan assets	423	343

The Group expects to contribute ₹ 69 lakhs to gratuity in the next year (March 31, 2014: ₹ 37 lakhs).

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	March 31, 2015	March 31, 2014
Investments with insurer	100%	100%

Principal assumptions used in determining gratuity	March 31, 2015	March 31, 2014
Discount rate	8%	9%
Expected rate of return on assets	8%	8%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Amounts for the current and previous period to the extent available are as follows:

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Gratuity		
Defined benefit obligation	507	404
Plan assets	423	343
Surplus / (deficit)	(84)	(61)
Experience adjustments on plan liabilities	-	1
Experience adjustments on plan assets	5	1

29 Leases

Operating lease: Company as lessee

The Group has taken office and commercial space under cancellable and non-cancellable operating leases. These leases have life of upto twenty four years with renewal option and include a clause to enable upward revision of the lease rental on periodical basis. There are no restrictions placed upon the Group by entering into these leases.

	(₹ in Lakhs)	
Particulars	March 31, 2015	March 31, 2014
Lease payments recognised as an expense in the statement of profit and loss	1,063	418

Future minimum rentals payable under non-cancellable operating leases are as follows:

	(₹ in Lakhs)	
Particulars	March 31, 2015	March 31, 2014
Within one year	162	150
After one year but not more than five years	545	637
More than five years	2,550	2,637
	3,257	3,424

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Operating lease commitments – Company as lessor

The Company has entered into commercial property leases on its fixed assets. These operating leases have terms of upto eleven years. All leases include a clause to enable upward revision of the lease rental on periodical basis and includes variable rent determined based on percentage of sales of lessee.

(₹ in Lakhs)		
Particulars	March 31, 2015	March 31, 2014
Lease rentals recognised as an income in the statement of profit and loss*	15,345	13,009

* Lease rental income includes:

- (a) income from certain commercial properties, which are held as inventory and leased out during the interim period until such properties are sold.
- (b) income based on percentage of sales is ₹ 1,983 lakhs (March 31, 2014: ₹ 1,299 lakhs).

Future minimum rentals receivable under non-cancellable operating leases are as follows:

(₹ in Lakhs)		
Particulars	March 31, 2015	March 31, 2014
Within one year	7,745	10,118
After one year but not more than five years	9,705	12,263
More than five years	2,354	3,375
	19,804	25,756

30 Capital and other commitments

- (a) At March 31, 2015, the estimated amount of contract remaining to be executed on capital account not provided for was ₹ 29,068 lakhs (March 31, 2014: ₹ 46,220 lakhs)
- (b) For commitments relating to lease arrangements, please refer note 29.
- (c) At March 31, 2015, the Company has given ₹ 30,888 lakhs (March 31, 2014: ₹ 20,722 lakhs) as advances for purchase of land/ joint development. Under the agreements executed with the land owners, the Company is required to make further payments and/or give share in area/ revenue from such development in exchange of undivided share in land based on the agreed terms/ milestones.
- (d) In connection with Group's investments in certain subsidiaries and joint ventures, the Group has entered into shareholders agreement with other shareholders wherein it has certain commitments including further investment in accordance with the terms of the agreement. Also refer note 5.
- (e) The Holding Company has entered into a power purchase agreement with a party wherein the Company has committed minimum purchase of power.

31 Contingent liabilities

(₹ in Lakhs)		
	March 31, 2015	March 31, 2014
Claims against the company not acknowledged as debts		
- Income tax	163	20
- Sales tax / Value added tax	983	1,852
- Service tax	2,881	2,499
Letter of credit and bank guarantees	4,677	3,547
	8,704	7,918

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Other Litigations:

The Group is also subject to certain legal proceedings and claims, which have arisen in the ordinary course of business, including certain litigation for land parcels held for construction purposes, either through joint development arrangements or through outright purchases, the impact of which is not quantifiable. These cases are pending with various courts and are scheduled for hearings. After considering the circumstances and legal evaluation thereon, the management believes that these cases will not have an adverse effect on the financial statements.

Note: The Group does not expect any reimbursement in respect of the above contingent liabilities and it is not practicable to estimate the timing of the cash outflows, if any, in respect of aforesaid matters and it is not probable that an outflow of resources will be required to settle the above obligations/claims.

32 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
The principal amount remaining unpaid to any supplier	1,680	6
The amount of interest due and remaining unpaid to any supplier	-	-
The amount of interest paid by the Company along with the amount of the payments 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).	-	-
The amount of interest accrued and remaining unpaid at the end of the year.	-	-
The amount of further interest remaining due and payable for the earlier years.	-	-
	1,680	6

33 Related party disclosures

I. Names of related parties and related party relationship

(i) Related parties under AS18 with whom transactions have taken place during the year:		
Associates	Tandem Allied Services Private Limited	"TASPL"
Jointly controlled entities	BCV Developers Private Limited	"BDPL"
	[upto January 20, 2015, also refer note e (2) below]	
	BCV Estates Private Limited	"BEPL"
	CV Properties (Bangalore) Private Limited	"CPPL"
Enterprises having significant influence over certain subsidiaries	Reco Begonia Pte. Ltd.	"RBPL"
	Reco Iris Pte. Ltd.	"RIPL"
Key management personnel ("KMP")	Mr. M.R. Jaishankar, Chairman and Managing Director	
	Ms. Githa Shankar, Executive Director	
	Mr. Balram Menon, Executive Director	
	Mr. Vineet Varma, Executive Director	
	Mr. Kailash Advani, Executive Director	
Relatives of KMP	Ms. Nirupa Shankar	
	Mr. M.K. Shivraj Harsha	
Enterprises owned or significantly influenced by KMP	Mysore Holdings Private Limited	"MHPL"
	Brigade Foundation Trust	"BFT"
	M.R. Jaishankar (HUF)	"MRJ"
	Indian Music Experience Trust	"IMET"
	Alta Collis LLC	"ACLLC"

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(ii) Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year

KMP - Chief Financial Officer	Mr. K. Suresh
	Mr. Anand Natarajan
	Mr. Nagaraj K V
- Company Secretary	Mr. P. Om Prakash
- Manager	Mr. Pradyumna
Other Directors	Mr. M.R. Shivram
	Mr. M.R. Gurumurthy
	Mr. P.V. Maiya
	Mr. P.M. Thampi
	Dr. Srinivas Murthy
	Mr. Aroon Raman
	Mr. Bijou Kurien (w.e.f. 31 Jan 2015)
Relatives of Other Directors	Mr. M.G. Suraj
	Mr. Amar Mysore

Note: Disclosures in respect of joint venture companies below, the proportionate share of the other joint venturers in the assets, liabilities, income and expenses are furnished.

Also refer note II.e below for list of other joint venturers.

II. Related party transactions and balances

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

a. Sale/ purchase of goods, services and capital assets and advances given

(₹ in Lakhs)

	Year ended	Transactions during the year						Balances as at the year-end					
		Revenue from operation	Purchase of capital assets	Purchase of goods	Purchase of services	Sale of capital assets	Advances given/ (re-paid)	Trade Receivable	Other Receivable	Trade Payable	Other current liabilities	Long term loans and advances	Short term loans and advances
Associate company													
TASPL	31-Mar-15	466	-	107	366	-	-	-	217	13	-	-	-
	31-Mar-14	653	-	-	129	-	-	-	24	-	5	-	-
Joint venture company													
BDPL	31-Mar-15	250	-	-	-		-	-	-	-	-	-	-
	31-Mar-14	225	-	-	-		46	-	-	-	18	6,151	-
BEPL	31-Mar-15	-	-	-	-		-	-	-	-	-	1,238	10
	31-Mar-14	-	-	-	-		-	-	-	-	-	1,238	8
CPPL	31-Mar-15	-	-	-	-		-	-	-	-	-	1,535	6
	31-Mar-14	-	-	-	-		-	-	-	-	-	1,535	4
Enterprises owned or significantly influenced by KMP													
MHPL	31-Mar-15	2,439	-	-	-	-	-	-	-	-	846	-	-
	31-Mar-14	3,300	-	-	-	8	-	-	-	-	-	-	20
BFT	31-Mar-15	1	-	-	-	-	-	1	3,978	-	-	180	-
	31-Mar-14	18	-	-	-	5,610	-	1	5,979	-	-	180	-
MRJ	31-Mar-15	-	-	-	-	-	(51)	-	-	-	-	-	-
	31-Mar-14	-	-	-	-	-	-	-	-	-	-	51	-
ACLLC	31-Mar-15	-	-	-	333	-	-	-	-	-	-	-	-
	31-Mar-14	-	-	-	6	-	-	-	-	-	-	-	-
IMET	31-Mar-15	-	-	-	-	-	(278)	-	-	-	-	-	80
	31-Mar-14	-	-	-	-	-	(19)	-	-	-	-	278	-
KMP													
Mr. M.R. Jaishankar	31-Mar-15	3	-	-	-	-	-	1	-	522	-	752	5
	31-Mar-14	3	-	-	-	-	-	-	-	-	-	752	

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(₹ in Lakhs)													
	Year ended	Transactions during the year						Balances as at the year-end					
		Rev- enue from opera- tion	Pur- chase of capital assets	Pur- chase of goods	Pur- chase of ser- vices	Sale of capital assets	Ad- vances given/ (re- paid)	Trade Re- ceiv- able	Other Re- ceiv- able	Trade Pay- able	Other cur- rent liabili- ties	Long term loans and ad- vances	Short term loans and ad- vances
Mrs. Githa Shankar	31-Mar-15	2	-	-	-	-	-	1	-	181	-	-	-
	31-Mar-14	349	-	-	-	-	-	-	-	-	-	-	-
Mr. Vineet Varma	31-Mar-15	1	-	-	-	-	-	-	-	-	3	-	-
	31-Mar-14	1	-	-	-	-	-	-	-	-	2	-	-
Nirupa Shankar	31-Mar-15	1	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-14	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Balram Menon	31-Mar-15	-	-	-	-	-	-	-	-	3	-	-	-
	31-Mar-14	-	-	-	-	-	-	-	-	-	-	-	-
Relatives of KMP													
Mr. M.K. Shivraj Harsha	31-Mar-15	-	-	-	-	-	-	-	-	-	-	-	2
	31-Mar-14	-	-	-	-	-	-	-	-	-	-	-	2
Mr. MG Suraj	31-Mar-15	-	-	-	-	-	-	-	-	-	109	-	-
	31-Mar-14	-	-	-	-	-	-	-	-	-	-	-	-

b. Reimbursement of expenses paid/ received

(₹ in Lakhs)			
	Year ended	Reimbur- sement paid	Reimbur- sement received
Associate company			
TASPL	31-Mar-15	-	18
	31-Mar-14	-	-
Joint venture company			
BDPL	31-Mar-15	-	9
	31-Mar-14	-	36
KMP			
Mr. M.R. Jaishankar	31-Mar-15	-	18
	31-Mar-14	-	-
Mrs. Githa Shankar	31-Mar-15	-	1
	31-Mar-14	-	-
Mr. Balaram Menon	31-Mar-15	6	-
	31-Mar-14	2	-
Enterprises owned or significantly influenced by KMP			
MHPL	31-Mar-15	-	85
	31-Mar-14	-	-
BFT	31-Mar-15	-	1
	31-Mar-14	-	3

c. Remuneration -

(i) Salaries, Bonus and Contribution to PF*

(₹ in Lakhs)		
	March 31, 2015	March 31, 2014
KMP/ Relatives of KMP / Other directors		
Mr. M.R. Jaishankar	599	603
Mrs. Githa Shankar	239	241
Mr. Suresh K	117	81
Mr. P. Om Prakash	36	25
Ms. Nirupa Shankar	27	23

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Mr. Vineet Varma**	101	80
Mr. Balram Menon	33	30
Mr. Anand Natrajan	7	-
Mr. Nagaraj K V	3	-
Mr. Kailash Advani	15	49
Mr. Amar Mysore	25	8

* Excludes expense towards gratuity, leave benefits and stock options as they are determined and recorded for the Company as a whole.

** Including share of profit in partnership firm - ₹ 3 lakhs (March 31, 2014: ₹ 2 lakhs)

(ii) Directors' Sitting fees and commission

(₹ in Lakhs)

	March 31, 2015	March 31, 2014
Other directors		
Mr. M. R. Shivram	1	1
Mr. M. R. Gurumurthy	1	1
Mr. P. V. Maiya	12	12
Mr. P. M. Thampi	11	11
Dr. Srinivas Murthy	11	11
Mr. Aroon Raman	11	11
Mr. Bijou Kurien	10	0

d. Borrowings made

(₹ in Lakhs)

Year ended	Transactions during the year		Balances as at the year-end	
	Debtentures issued	Interest on debtentures	Debtentures outstanding	Interest payable
Enterprises having significant influence over certain subsidiaries				
RIPL 31-Mar-15	4,900	26	4,900	22
31-Mar-14	-	-	-	-
RBPL 31-Mar-15	-	1,100	6,874	2,366
31-Mar-14	1,148	1,045	6,874	1,432

e. Loans made by other joint venturers (refer notes below)

(₹ in Lakhs)

Year ended	Loans given during the year			Loans outstanding as at the year-end		
	BDPL	BEPL	CPPL	BDPL	BEPL	CPPL
Anitha Purnesh 31-Mar-15	-	-	-	2,800	309	368
31-Mar-14	-	-	368	1,400	309	368
D M Purnesh 31-Mar-15	-	-	-	431	-	15
31-Mar-14	-	-	15	216	-	15
D M Shankar 31-Mar-15	-	-	-	761	51	64
31-Mar-14	-	-	64	381	51	64
D S Abhinand 31-Mar-15	-	-	-	350	51	64
31-Mar-14	-	-	64	175	51	64
D S Shravan Thejas 31-Mar-15	-	-	-	350	51	64
31-Mar-14	-	-	64	175	51	64
Manjula Reddy T V 31-Mar-15	-	-	-	488	51	64
31-Mar-14	-	-	64	244	51	64

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

		(₹ in Lakhs)					
	Year ended	Loans given during the year			Loans outstanding as at the year-end		
		BDPL	BEPL	CPPL	BDPL	BEPL	CPPL
Naveen T V	31-Mar-15	-	-	-	-	-	64
	31-Mar-14	-	-	64	-	-	64
Saraswathamma	31-Mar-15	-	-	-	971	102	64
	31-Mar-14	-	-	64	486	102	64
Valmark Estates Pvt. Ltd.	31-Mar-15	-	-	-	-	-	767
	31-Mar-14	-	-	767	-	-	767
Ratan B Lath	31-Mar-15	-	-	-	3,077	309	-
	31-Mar-14	-	-	-	1,539	309	-
Tejraj Gulecha	31-Mar-15	-	-	-	3,077	309	-
	31-Mar-14	-	-	-	1,539	309	-

Notes:

- (1) In respect of above disclosures for joint venture companies (BEPL and CPPL), the proportionate share of transactions during the year and balances as at the year end with the joint venturers are furnished.
- (2) During the year ended March 31, 2015, the Holding Company has made additional investment in BDPL whereby the total shareholding of the Holding Company has increased from 50.00% to 50.01% and consequently, BDPL has ceased to be a Joint Venture Company and has become a Subsidiary Company. Accordingly, in respect of BDPL, the proportionate share of balance as at 31-Mar-14 and the full balance as at 31-Mar-15 with joint venturers are furnished upon such change in status of ownership held by the Holding Company.

f. Other transactions

1. During the year ended March 31, 2015, the Holding Company has made donation to IMET - ₹ 250 lakhs (March 31, 2014: ₹ 312 lakhs) and BFT - ₹ 50 lakhs (March 31, 2014: Nil)
2. The Holding Company has received dividend from TASPL of ₹ 18 lakhs during the year ended March 31, 2015 (March 31, 2014: ₹ 13 lakhs).
3. The Holding Company has provided corporate guarantee of ₹ 2,000 lakhs for the loan taken by BFT for the working capital requirements of BFT (March 31, 2014: ₹ 2,000 lakhs).
4. Refer notes 5 & 9 for guarantees received from directors of the Holding Company in respect of loans availed by the Holding Company.

34 Segment reporting

The primary segment reporting is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services offered, with each segment representing a strategic business unit that offers different products and serves different markets. Secondary information is reported geographically.

The Group has identified Real Estate, Hospitality and Leasing as primary business segments of the Group.

The accounting policies consistently used in the preparation of the financial statements are also applied to record revenue and expenditure in individual segments. Assets, liabilities, revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segments on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Group therefore believes that it is not practical to provide segment disclosures relating to such items, and accordingly such items are separately disclosed as 'unallocated'.

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Transfer prices between business segments are set at appropriate margins.

The Group operates in India and there is no other geographical segment. Hence, disclosure of secondary segment information is not required to be furnished.

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Segment revenue		
Real estate	96,487	63,775
Hospitality	16,533	15,161
Leasing	18,657	16,149
	131,677	95,085
Less: Inter segment revenue	(594)	(409)
	131,083	94,676
Segment profit		
Real estate	26,019	18,586
Hospitality	1,184	2,409
Leasing	8,417	7,738
	35,620	28,733
Finance costs	(13,139)	(11,307)
Other unallocable expenditure	(7,234)	(7,060)
Other income (including interest income)	2,001	1,993
Profit before tax	17,248	12,359
Tax expense	(5,753)	(3,464)
Profit after tax	11,495	8,895
Segment assets		
Real estate	238,034	169,481
Hospitality	46,015	39,590
Leasing	123,310	89,776
Unallocated	22,793	35,417
	430,152	334,264
Segment liabilities		
Real estate	135,136	94,293
Hospitality	8,676	7,981
Leasing	14,427	12,521
Unallocated	133,660	91,446
	291,899	206,241
Capital expenditure		
Real estate	5,595	2,089
Hospitality	5,591	4,404
Leasing	18,072	9,829
Unallocated	821	307
	30,079	16,629
Depreciation and amortization (excluding transitional adjustment)		
Real estate	276	231
Hospitality	3,816	3,240
Leasing	5,488	4,490
Unallocated	338	215
	9,918	8,176

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

35 Employee stock option plan

The Holding Company provides share-based payment schemes to its employees. During the year ended March 31, 2015, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below.

The Holding Company instituted an Employees Stock Option Scheme ('ESOP 2011') pursuant to the Board of Directors and Shareholders' resolution dated May 4, 2011 and August 11, 2011, respectively. As per ESOP 2011, the Company granted 2,424,300 (March 31, 2014: 2,324,300) options comprising equal number of equity shares in one or more tranches to the eligible employees of the Company and its subsidiaries. The options under this grant would vest to the employees equally as 25% of the total grant every year at the end of first, second, third and fourth year from the date of the grant respectively, with an exercise period of five years from the date of respective vesting. The contractual life (comprising the vesting period and the exercise period) of options granted is 9 years from date of such grant. The other relevant terms of the grant are as below:

Vesting period	4 years
Grant date	October 29, 2013 and March 9, 2015
Exercise period	5 years from the date of vesting
Expected life	9 years from the date of grant
Exercise price	₹ 50
Market price as at October 29, 2013 and March 9, 2015	₹ 55.50 and ₹ 155.38

The details of activity under the Scheme are summarized below:

	March 31, 2015		March 31, 2014	
	No. of options (lakhs)	WAEP* ₹	No. of options (lakhs)	WAEP* ₹
Outstanding at the beginning of the year	23	50	-	-
Granted during the year	1	50	23	50
Forfeited during the year	2	50	-	-
Exercised during the year	5	50	-	-
Outstanding at the end of the year	17	50	23	50
Exercisable at the end of the year	1	50	-	-

*Weighted Average Exercise Price

For options exercised during the period, the weighted average share price at the exercise date was Rs.152.30 per share (March 31, 2014: Not applicable since no option exercised). The weighted average remaining contractual life for the stock options outstanding as at March 31, 2015 is 7.66 years (March 31, 2014: 8.58 years).

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	March 31, 2015	March 31, 2014
Dividend yield (%)	1.52%	2.65%
Expected volatility	48.42%	51.62%
Risk-free interest rate	7.81%	9.86%
Weighted average share price (₹)	131.68	59.60
Exercise price (₹)	50	50
Expected life of the options granted (in years) (vesting and exercise period)	7.66	8.58

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

The Company measures the cost of ESOP using the intrinsic value method. Had the company used the fair value model to determine compensation, its profit after tax and earnings per share as reported would have changed to the amounts indicated below:

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Profit after tax as reported	9,523	9,197
Add: ESOP cost using the intrinsic value method	29	13
Less: ESOP cost using the fair value method	113	54
Proforma profit after tax	9,439	9,156
Earnings Per Share		
Basic		
- As reported	8.47	8.19
- Proforma	8.40	8.16
Diluted		
- As reported	8.40	8.16
- Proforma	8.33	8.13

36 Construction contracts

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
(i) Amount of contract revenue recognised as revenue for the year	95,819	63,094
(ii) Amounts in respect of contracts in progress at the reporting date:		
a. Aggregate amount of costs incurred and recognised profits/(losses)	250,604	121,541
b. Amount of advances received (gross)	188,421	120,507
c. Amount of retentions	-	-

37 Unhedged foreign currency exposure

	(₹ in Lakhs)	
	March 31, 2015	March 31, 2014
Trade payable	548	1,494
Other Payable	58	-

38 BCV Developers Private Limited, a subsidiary company, had filed a scheme of amalgamation along with two joint venture companies, with the appointed date for such scheme being October 1, 2013. The scheme has been sanctioned by the High Court of Karnataka and the process of amalgamation is currently pending for filing of the order with the Registrar of Companies. Pending such filing, the amalgamation has not been accounted for in the accompanying consolidated financial statements for the year ended March 31, 2015.

39 The gross amount to be spent by the Holding Company on Corporate Social Responsibility (CSR) during the year is ₹ 138 lakhs (March 31, 2014: Nil). The details of amount spent during the year by the Company on CSR are as below:

	(₹ in Lakhs)		
Particulars	Amount paid	Amount yet to be paid	Total amount
Donation*	300	-	300

* Includes contribution of ₹ 250 lakhs to IMET and ₹ 50 lakhs to BFT. Also refer note 33.

40 As per the transfer pricing rules prescribed under the Income-tax Act, 1961, the Group is examining the domestic and international transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustment with regard to the transactions involved.

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

41 Additional information to consolidated financial Statements based on the audited standalone financial statements of the components of the group

Name of the entity	March 31, 2015				March 31, 2014			
	Net Assets/ (Liabilities) [total assets (-) total liabilities]		Profit/ (Loss)		Net Assets/ (Liabilities) [total assets (-) total liabilities]		Profit/ (Loss)	
	As % of consolidated net assets	Amount in Lakhs	As % of consolidated profit or loss	Amount in Lakhs	As % of consolidated net assets	Amount in Lakhs	As % of consolidated profit or loss	Amount in Lakhs
Parent								
Brigade Enterprises Limited	93.5%	131,655	62.0%	7,000	96.5%	127,184	100.4%	8,978
Subsidiaries - Indian								
Brigade Tetrarch Private Limited	(0.1%)	(71)	0.0%	(5)	(0.1%)	(66)	(0.1%)	(5)
Brigade Estates and Projects Private Limited	0.0%	3	0.0%	-	0.0%	3	0.0%	-
Brigade Infrastructure and Power Private Limited	0.0%	(32)	0.0%	-	0.0%	(32)	0.0%	-
Orion Mall Management Company Limited	0.0%	50	1.3%	145	(0.1%)	(95)	2.5%	220
Brigade Hospitality Services Limited	0.7%	925	1.7%	195	0.6%	740	1.4%	127
Prosperita Hotel Ventures Limited	0.0%	(12)	(0.2%)	(17)	0.0%	5	0.0%	-
WTC Trades and Projects Private Limited	0.5%	640	0.7%	82	0.1%	183	0.8%	72
Celebration Catering and Events LLP	0.1%	100	0.6%	64	0.1%	66	0.4%	36
Brigade Properties Private Limited	3.5%	4,887	36.8%	4,153	0.6%	735	(4.6%)	(415)
Brooke Bond Real Estate Private Limited	0.0%	61	0.0%	-	0.0%	-	0.0%	-
BCV Developers Private Limited ('BDPL') *	0.9%	1,288	(1.4%)	(156)	0.0%	-	0.0%	-
Brigade Gujarat Projects Private Limited	0.0%	-	0.0%	-	0.0%	-	0.0%	-
Associates (Investment as per the equity method) - Indian								
Tandem Allied Services Private Limited	0.4%	579	1.3%	147	0.3%	432	1.1%	99
Joint Ventures (as per proportionate consolidation) - Indian								
BCV Developers Private Limited ('BDPL') *	0.0%	-	(2.7%)	(306)	1.3%	1,750	(1.8%)	(161)
CV Properties (Bangalore) Private Limited	0.3%	485	(0.1%)	(12)	0.4%	497	0.0%	(3)
BCV Estates Private Limited	0.2%	338	(0.1%)	(7)	0.3%	345	0.0%	(2)
Sub total	100.0%	140,896	99.9%	11,283	100.0%	131,747	100.1%	8,946
Share of Minority interest in subsidiaries:								
- Net Assets/ (Liabilities)		2,584				-		
- (Profit)/Loss				(2,119)				203
Elimination and consolidation adjustments		(5,227)		359		(3,724)		48
Consolidated Total		138,253		9,523		128,023		9,197

* On Jan 21, 2015, the Company has acquired 0.01 lakh shares of BDPL at ₹ 10/- each, whereby the total shareholding of the Company has increased from 50% to 50.01% and consequently, BDPL has ceased to be a joint venture company and has become a subsidiary company. Accordingly, the consolidation of BDPL has been done as a joint venture company upto Jan 20, 2015 and as a subsidiary company from Jan 21, 2015.

42 The figures of previous year have been regrouped/reclassified, wherever necessary, to conform to the current year's classification. The figures of previous year were audited by a firm of Chartered Accountants other than S. R. Batliboi & Associates LLP.

As per our report of even date

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W

For and on behalf of the board of directors of
Brigade Enterprises Limited

M. R. Jaishankar
Chairman & Managing Director

M. R. Shivram
Director

per **Adarsh Ranka**
Partner
Membership No.: 209567

K. Suresh
Chief Financial Officer

P. Om Prakash
Company Secretary

Place: Bengaluru
Date: May 20, 2015

This page is intentionally left blank

BRIGADE ENTERPRISES LIMITED

Regd Off: 29th & 30th Floors, World Trade Center, 26/1, Brigade Gateway Campus,
Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bangalore – 560 055

For a better quality of life, upgrade to Brigade!

**Your opportunity to own a Brigade home at an attractive price
Avail 5% off on any of our Residential Projects.**

Please fill in the details required below and send it to our Corp. HQ:

BRIGADE ENTERPRISES LIMITED

Regd Off: 29th & 30th Floors, World Trade Center, Brigade Gateway Campus
26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bangalore – 560 055

Get in touch with us at: Toll free no.: 1800 102 9977
salesenquiry@brigadegroup.com www.BrigadeGroup.com



PRIVILEGE COUPON

Serial No:

PROJECT NAME AND SET AREA :

NAME OF THE SHAREHOLDER :

CLIENT ID :

DEPOSITORY PARTICIPANT ID :

GIFTED TO (OPTIONAL) :

RESIDENTIAL ADDRESS :

.....

.....

TELEPHONE / MOBILE NO. :

EMAIL ID :

CONDITIONS:

1. Discount will be based on the list price on the date of booking.
2. The offer is valid up to 31st December, 2015.
3. Shareholders can avail the discount only for a single booking.
4. The privilege coupon can be gifted. In case it is gifted, apart from providing his details, the Shareholder needs to fill in the details of the person to whom it is being gifted.
5. The scheme cannot be availed in conjunction with any other promotional scheme that the Company may come up with in the future.
6. The discount will be on the listed price of the project (excluding car park and statutory expenses).

NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the members of **Brigade Enterprises Limited** will be held on Friday, 25th September, 2015 at 11.00 a.m. at The Atria Hotel, P. B. No. 5089, No. 1, Palace Road, Bangalore – 560 001, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the financial statements of the Company for the financial year ended 31st March, 2015, including the Audited Balance Sheet and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Mr. M. R. Jaishankar (DIN: 00191267), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Ms. Githa Shankar (DIN: 01612882), who retires by rotation and being eligible, offers herself for re-appointment.
5. To ratify the appointment of Statutory Auditors and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 read with Rule 3 of the Companies (Audit and Auditors) Rules, and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendations of the Board, approval of the Shareholders be and is hereby accorded to ratify the appointment of M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (ICAI Firm Registration 101049W) as Statutory Auditors of the Company from the conclusion of this Twentieth Annual General Meeting until the conclusion of Twenty First Annual General Meeting on such remuneration as may be recommended by the Audit Committee and finalized by the Board of Directors in consultation with the Statutory Auditors.”

SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT, pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV and all other

applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement entered with the Stock Exchanges, Mr. Bijou Kurien (DIN: 01802995), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 31st January, 2015 and who holds office until the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for a office of director, be and is hereby appointed as an Independent Director of the Company to hold office up to five consecutive years commencing from 31st January, 2015.”

7. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), payment of remuneration not exceeding ₹ 1,25,000/- (Rupees One Lakh Twenty Five Thousand) apart from applicable taxes and out of pocket expenses to Messrs GNV & Associates, Cost Accountants (Firm Regn No. 000150), appointed as Cost Auditors by the Board of Directors of the Company for conducting cost audit for the financial year 2014-15(1st April 2014 to 31st March, 2015) be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of sections 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Share Capital and Debenture) Rules, 2014 (including any amendment(s), statutory modification(s) or re-enactment thereof), enabling provisions of the

Memorandum and Articles of Association of the Company, listing agreements entered into by the Company with the stock exchanges where equity shares of the Company of face value ₹ 10/- each are listed and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended ("SEBI (ICDR) Regulations"), Foreign Exchange Management Act, 1999 as amended read with Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, Issue of Foreign Currency Convertible Bonds (through Depository Receipt Mechanism) Scheme, 1993, as amended from time to time and clarifications issued thereon from time to time and subject to other required rules, regulations, guidelines, notifications and circulars issued by the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), the Government of India ("GOI"), the stock exchanges, Department of Industrial Policy & Promotion and / or any other competent authorities from time to time to the extent applicable, subject to such approvals, permissions, consents and sanctions as may be necessary from SEBI, stock exchanges, RBI, Foreign Investment Promotion Board, GOI and/or any other concerned statutory or other relevant authorities as may be required in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and/or sanctions which may be agreed to by the Board of Directors of the Company ("Board" which term shall include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution), consent of the Company be and is hereby accorded to the Board in its absolute discretion to create, offer, issue and allot equity shares ("Equity Shares") and /or Global Depository Receipts ("GDRs") and /or American Depository Receipts ("ADRs") ("Securities") in the course of domestic and/or international offerings representing either equity shares or a combination of the foregoing for an amount not exceeding ₹ 500,00,00,000/- (Rupees five hundred crores only), inclusive of permissible green shoe option, for cash and at such premium / discount, as applicable, as the Board deems fit to all eligible investors including but not limited to existing equity shareholders as on record date, residents and / or non-residents, whether institutions, incorporated bodies, foreign institutional investors, qualified institutional buyers, banks, mutual funds, insurance companies, pension funds, trusts, stabilizing agents and / or otherwise and / or a combination thereof, whether or not such investors

are members, promoters, directors or their relatives / associates of the Company, in the course of domestic and / or international offerings through public issue and / or private placement and /or rights issue and / or preferential allotment and / or qualified institutional placement ("QIP") and / or any other permitted modes through prospectus and/or an offer document and / or private placement offer letter and/or such other documents/writings/ circulars / memoranda in such manner, by way of cash at such time or times in such tranche or tranches and on such terms and conditions as may be determined and deemed appropriate by the Board in its absolute discretion at the time of such issue and allotment considering the prevailing market conditions and other relevant factors in consultation with the merchant banker(s) to be appointed by the Company, so as to enable the Company to list on any Stock Exchange in India and or any of the Overseas Stock Exchanges as may be permissible.

RESOLVED FURTHER THAT the Securities issued in foreign markets shall be deemed to have been made abroad and / or in the market and / or at the place of issue of the Securities in the international market and may be governed by the applicable laws.

RESOLVED FURTHER THAT in the event of issue of GDRs / ADRs, the pricing shall be in accordance with Issue of Foreign Currency Convertible Bonds (through Depository Receipt Mechanism) Scheme, 1993, as amended from time to time and other applicable provisions, as amended from time to time.

RESOLVED FURTHER THAT in the event the Equity Shares are issued in the course of QIP under Chapter VIII of SEBI (ICDR) Regulations, as amended from time to time, the pricing shall be in accordance with regulation 85 of Chapter VIII of the SEBI (ICDR) Regulations, as amended from time to time. The Company may offer a discount of not more than 5% (Five percent) on the price calculated for the QIP or such other discount as may be permitted under SEBI (ICDR) Regulations, as amended from time to time.

RESOLVED FURTHER THAT in the event the Equity Shares are issued in the course of QIP under Chapter VIII of SEBI (ICDR) Regulations, as amended from time to time, the relevant date for the purpose of the pricing of the Equity Shares shall be the meeting in which the Board decides to open the issue.

RESOLVED FURTHER THAT the Company may enter into any arrangement with any agencies or bodies as are authorized by the Board for the issue of GDRs and / or ADRs represented by underlying equity shares in the share capital of the Company with such features and

attributes as are prevalent in international / domestic capital markets for instruments of this nature and to provide for the tradability and free transferability thereof in accordance with market practices as per the domestic and /or international practice and regulations, and under the norms and practices prevalent in the domestic/ international capital markets and subject to applicable laws and regulations and the Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the consent of the Company be and hereby accorded to the Board to do all such acts, deeds, matters and things including but not limited to finalization and approval of the offer documents(s), private placement offer letter, determining the form and manner of the issue, including the class of investors to whom the Securities are to be issued and allotted, number of Securities to be allotted, issue price, face value, fixing the record date, execution of various transaction documents, as the Board may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the proceeds as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT the Securities to be created, issued allotted and offered in terms of this Resolution shall be subject to the provisions of the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the Equity Shares shall be listed with the stock exchanges, where the existing Equity Shares of the Company are listed and the same shall rank *pari passu* with the existing equity shares of the Company.

RESOLVED FURTHER THAT in the event the Equity Shares are issued in the course of rights issue, if the Equity Shares are not subscribed, the same may be disposed of by the Board in such manner which is not dis-advantageous to the shareholders and the Company.

RESOLVED FURTHER THAT the approval of the Company is hereby accorded to the Board to appoint merchant bankers, underwriters, depositories, custodians, registrars, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in the issue and to remunerate them by way of commission, brokerage, fees or the like (including reimbursement of their actual expenses) and also to enter into and execute all such arrangements, contracts/ agreements, memorandum, documents,

etc., with such agencies, to seek the listing of Securities on one or more recognized stock exchange(s), to affix common seal of the Company on any arrangements, contracts/ agreements, memorandum, documents, etc. as may be required.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board in consultation with the merchant banker(s), advisors and/or other intermediaries as may be appointed by the Company in relation to the issue of Securities, be and is hereby authorised on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the issue and allotment of Securities and listing thereof with the stock exchanges or otherwise as may be required in relation to the issue and to resolve and settle all questions and difficulties that may arise in the issue, offer and allotment of Securities, including finalization of the number of Securities to be issued in each tranche thereof, form, terms and timing of the issue of Securities including for each tranche of such issue of Securities, identification of the investors to whom Securities are to be offered, utilization of the proceeds and other related, incidental or ancillary matters as the Board may deem fit at its absolute discretion, to make such other applications to concerned statutory or regulatory authorities as may be required in relation to the issue of Securities and to agree to such conditions or modifications that may be imposed by any relevant authority or that may otherwise be deemed fit or proper by the Board and to do all acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit and to settle any questions, difficulties or doubts that may arise in relation to the any of the aforesaid or otherwise in relation to the issue of Securities.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate (to the extent permitted by law) all or any of the powers herein conferred to the Committee of Directors of the Company."

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

"RESOLVED THAT pursuant to Section 188 and all other applicable provisions of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Shareholders be and is hereby accorded for increase

in the total remuneration payable to Ms. Nirupa Shankar, Vice President - Business Development & Strategy (relative of a Key Managerial Personnel) from ₹ 27 Lakhs per annum to not exceeding ₹ 50 Lakhs per annum on a graded scale over the next three years by the Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee.

RESOLVED FURTHER THAT consent of the Company be and is hereby accorded to Ms. Nirupa Shankar to hold the office of place of profit in the Company being the daughter of Mr. M. R. Jaishankar, Chairman & Managing Director and Ms. Githa Shankar, Wholetime Director of the Company.

RESOLVED FURTHER THAT the Board of Directors approve the annual increment within the limits approved above to Ms. Nirupa Shankar based on her educational qualification, work experience, skill sets, competencies and the role & responsibilities, industry standards etc as offered to other employees based upon their normal appraisal process followed in the Company.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be necessary and expedient for the purpose of giving effect to this resolution including all such modifications, wherever necessary in the aforesaid resolution."

Place : Bangalore

Date : 5th August, 2015

By Order of the Board

For Brigade Enterprises Limited

Sd/-

P. Om Prakash

Company Secretary

Registered Office

29th & 30th Floors, World Trade Center

26/1, Brigade Gateway Campus

Dr. Rajkumar Road

Malleswaram-Rajajinagar

Bangalore - 560055

NOTES:

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the company may appoint a single person as proxy, who shall not act as proxy for any other Member.
3. The instrument of proxy, in order to be effective, should be deposited at the Registered Office of the Company duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy form is annexed to this Report. Proxies submitted on behalf of corporates, limited liability partnerships, societies etc. must be supported by an appropriate resolution/authority, as applicable.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
7. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
8. The Register of Members and Share Transfer Books will remain closed on Friday, 18th September, 2015 for determining the names of the members eligible for Dividend on Equity Shares, if declared at the Annual General Meeting.

9. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if approved by the members, will be paid on or after 5th October, 2015 but before 24th October, 2015 to those members whose names appear in the Register of Members of the Company on the book closure date.
10. Members whose Shareholding is in the electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective Depository Participant(s). Members holding Shares in physical form are requested to advise any change of address or bank details immediately to our Registrars and Transfer Agent, Karvy Computershare Private Limited. Members are also encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.
11. Members are requested to send all communications relating to Shares including dividend matters to our Registrar and Share Transfer Agents at the following address:

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot No. 31 & 32, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500032.
Ph No.: +91 40 6716 1500, Fax No.: 040 23420814
Email: raju.sv@karvy.com
12. Members are requested to note that the dividends not encashed or claimed within 7(seven) years from the date of transfer to the Unpaid Dividend Account, will as per Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund. The details of the unclaimed dividend of the earlier years are available on our website www.brigadegroup.com. Members who haven't encashed or claimed the dividend for the earlier years are requested to approach the Company / Registrar & Transfer Agents at the earliest.
13. The Company is concerned about the environment and utilizes natural resources in a sustainable way. Members who have not registered their email addresses with their Depository Participants are requested to register their email address so that they can receive the Annual Report and other communication from the Company electronically. Members who wish to receive a physical copy of the Annual Report may write to the Company Secretary at the registered office or send an email to investors@brigadegroup.com. The Annual Report can also be downloaded from the investors section of the Company's website www.brigadegroup.com.
14. Copies of the Annual Report 2014 are being sent by electronic mode only to all the members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2014-15 are being sent by the permitted mode.
15. Additional information pursuant to Clause 49 of the Listing Agreement with the stock exchanges in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting are furnished and forms a part of the Notice. The Directors have furnished the requisite consents / declarations for their appointment/ re-appointment.
16. The certificate of the Statutory Auditors of the Company certifying that the 'Brigade Employee Stock Option Plan 2011' is being implemented in accordance with the Securities and Exchange Board of India regulations will be available for inspection at the Annual General Meeting.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding Shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding Shares in physical form shall submit their PAN details to the Registrar & Transfer Agents / Company.
18. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the Annual General Meeting.
19. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and in compliance with the Clause 35B of the Listing Agreement, it is mandatory to extend to the Members of the Company, the facility to vote at the Annual General Meeting (AGM) by electronic means. Members of the Company can transact all the items of the business through electronic voting system as contained in the Notice of the Meeting.
20. The Company has appointed Mr. Rajshekar, Practising Company Secretary (CP No.:2468), who in the opinion of the Board is a duly qualified person, as a Scrutinizer who will collate the electronic voting process in a fair and transparent manner. The Scrutinizer shall within a period of three(3) working days from the date of conclusion of e-voting period, submit his report of the

votes cast in favour or against, if any, to the Chairman of the Company. The result of the same will be disclosed at the Annual General Meeting proceedings. The E-voting results will also be uploaded in the website of the Company (www.brigadegroup.com).

21. The Route Map of the venue of the Annual General Meeting forms part of this Notice and is published in the Annual Report of the Company.
22. The Company has entered into an agreement with Karvy Computershare Private Limited (Karvy) for facilitating e-voting for the Annual General Meeting. The instructions for e-voting are as follows:

INSTRUCTIONS FOR E-VOTING:

- A.** In case a Member receiving an email from Karvy [for Members whose email IDs are registered with the Company / Depository Participant(s)]
 - i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - ii. Enter the login credentials (i.e. **User ID and Password** as provided separately). Your DP ID-Client ID / Folio No. will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - iii. After entering these details appropriately, Click on "LOGIN".
 - iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the "EVENT" i.e., Brigade Enterprises Limited.
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned hereinabove. You may

also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

- viii. Shareholders holding multiple demat accounts / folios shall choose the voting process separately for each demat accounts / folios.
- ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e mail ID: rajaarathi.cs@gmail.com with a copy marked to evoting@karvy.com and investors@brigadegroup.com. The scanned image of the above mentioned documents should be in the naming format "Brigade Enterprises Limited, 20th Annual General Meeting".
- xiii. The e-voting period commences on Tuesday, 22nd September, 2015 at 9.00 a.m. to Thursday, 24th September, 2015 at 5.00 p.m. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date (record date), being 18th September, 2015, may cast their vote by electronic means in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not vote by way of poll, if held at the Meeting.
- B.** In case of Members receiving physical copy of the Annual General Meeting Notice by Post [for Members whose email IDs are not registered with the Depository Participant(s) / Company]:
 - i. User ID and initial password as provided separately along with the Notice.
 - ii. Please follow all steps from Si. No. (i) to (xiii) as mentioned in (A) above, to cast your vote.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

Item No.6:

Pursuant to the provisions of Section 161(1) of the Companies Act, 2003 and the Articles of Association of the Company, the Board of Directors have appointed Mr. Bijou Kurien (DIN: 01802995) as an Additional Director of the Company with effect from 31st January, 2015. In terms of the provisions of Section 161(1) of the Act, Mr. Bijou Kurien would hold office up to the date of the ensuing Annual General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Bijou Kurien for the office of Director of the Company.

Mr. Bijou Kurien is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of Directors for retirement by rotation.

The Company has received a declaration from Mr. Bijou Kurien that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

Mr. Bijou Kurien, 56 years old, has done business management from XLRI, Jamshedpur. Bijou has been associated with marquee brands in the fast moving consumer products, consumer durables and retail industry in India for over 33 years. His previous assignment was with Reliance Retail Limited. He has worked with Titan industries Limited for almost two decades after a 4 year stint with Hindustan Unilever Limited.

Currently, he is an independent consultant and member of the Strategic Advisory Board of L Capital, Asia (sponsored by the LVMH Group), and also advises several consumer product companies and mentors a few start-ups.

In the opinion of the Board, Mr. Bijou Kurien fulfills the conditions for his appointment as an Independent Director as specified in the Act and as stipulated in the Listing Agreement. Mr. Bijou Kurien is independent of the management.

Save and except Mr. Bijou Kurien and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of

the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Shareholders.

Item No.7:

The provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 mandates the Company to get its cost records audited. The Board of Directors, based on the recommendation of the Audit Committee, have appointed M/s. GNV & Associates, Cost Accountants (Firm Registration No: 000150) as the Cost Auditors of the Company for the financial year 2014-15 at a remuneration of ₹ 1,25,000/- (Rupees One Lakh and Twenty Five Thousand only) apart from applicable taxes and out of pocket expenses, if any, for the financial year 2014-15.

Ratification of remuneration payable to cost auditors needs to be done by the shareholders of the Company in terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014. Due to which consent of the members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2014-15.

None of the Promoters, Directors, Key Managerial Personnel or their relatives are interested, financial or otherwise, if any in the Resolution No. 7 of the accompanying Notice except to the extent of their Shareholding, if any in the Company.

Item No.8:

The Company proposes to raise the capital for the purpose of raising long term resources for financing, inter alia, the ongoing & proposed capital expenditure and for general corporate purposes for which the Company may offer or invite subscription for securities, in one or more series / tranches on private placement / on preferential basis, issuable / redeemable at premium.

The Company has been exploring various avenues for raising funds by way of issue of equity shares ("Equity Shares") and /or Global Depository Receipts ("GDRs") and /or American Depository Receipts ("ADRs") ("Securities") to all eligible investors including but not limited to existing of equity shareholders as on record date, residents and / or non-residents, whether institutions, incorporated bodies, foreign institutional investors, qualified institutional buyers, banks, mutual funds, insurance companies, pension funds, trusts, stabilizing agents and / or otherwise and / or a combination thereof, whether or not such investors are members, promoters, directors or their relatives / associates of the Company in the course of domestic and / or international offerings through public issue and / or private placement and /or rights issue and / or preferential allotment and /

or qualified institutional placement ("QIP") and / or any other permitted modes through prospectus and/or an offer document and / or private placement offer letter and/or such other documents/writings/ circulars / memoranda in such manner, at such time or times in such tranche or tranches for an amount not exceeding ₹500,00,00,000/- (Rupees five hundred crores only), inclusive of permissible green shoe option, for cash and at such premium / discount, as applicable, as the Board deems fit and on such terms and conditions as may be determined and deemed appropriate by the Board in its absolute discretion at the time of such issue and allotment considering the prevailing market conditions and other relevant factors. The Equity Shares shall rank *pari passu* with the existing equity shares of the Company.

In the event of the issue of the Equity Shares as aforesaid by way of QIP, it will be ensured that:

- a) The relevant date for the purpose of pricing of the Equity Shares would, pursuant to Chapter VIII of the SEBI (ICDR) Regulations, be the date of the meeting in which the Board or duly authorised committee thereof decides to open the proposed issue of Equity Shares;
- b) The pricing for this purpose shall be in accordance with regulation 85 of Chapter VIII of the SEBI (ICDR) Regulations. The Company may offer a discount of not more than 5% (Five percent) on the price calculated for the QIP or such other discount as may be permitted under SEBI (ICDR) Regulations, as amended from time to time;
- c) The issue and allotment of Equity Shares shall be made only to Qualified Institutional Buyers (QIBs) within the meaning of SEBI (ICDR) Regulations and such Equity Shares shall be fully paid up on its allotment;
- d) The total amount raised in such manner and all previous QIPs made by the Company in the financial year 2015-16, if any, would not exceed 5 times of the Company's net worth as per the audited balance sheet of the previous financial year;
- e) The Equity Shares shall not be eligible to be sold for a period of 1 year from the date of allotment, except on a recognized stock exchange or except as may be permitted from time to time by the SEBI (ICDR) Regulations.

For making any further issue of shares to any person(s) other than existing equity shareholders of the Company approval of members is required to be obtained by way of

passing a special resolution, in pursuance to section 62 (1) (c) of the Companies Act, 2013.

Therefore the Board recommends the resolution contained in Item No. 8 to be passed by the members so as to enable it to issue further Securities.

The proposed issue is in the interest of the Company and your Directors commend the resolution for your approval.

Directors, Key Managerial Personnel and their relatives may be deemed to be concerned or interested in the Resolution at Item No. 8 to the extent of their shareholding, if any.

The Board recommends the Special Resolution as set out in Item No.8 of the Notice for approval by the Shareholders.

Item No.9:

Ms. Nirupa Shankar has been associated with the Group for more than 5 years.

Ms. Nirupa Shankar is a relative of Mr. M. R. Jaishankar, Chairman & Managing Director (Key Managerial Personnel) & Ms. Githa Shankar, Wholetime Director of the Company.

Ms. Nirupa Shankar, 33 years, graduated in Economics from University of Virginia in 2005. She has done her Masters of Management in Hospitality in 2009 from Cornell- Nanyang Institute of Hospitality Management from New York/ Singapore.

Ms. Nirupa Shankar has been actively involved in the Hospitality Segment apart from Business Development, Human Resources and Business Excellence functions. She is a Director of Brigade Hospitality Services Limited, a wholly owned subsidiary of Brigade Enterprises Limited which runs the Hospitality Business.

The work experience, skill sets, competencies and the role & responsibilities of Ms. Nirupa Shankar has immensely benefitted the Company due to which increase in her remuneration is proposed.

The prior approval of shareholders is necessary for appointment of Directors relative to an office of profit where the proposed remuneration is ₹ 2,50,000/- per month and above pursuant to the provisions of Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014.

The proposal for obtaining the approval of the shareholders for increase in remuneration from ₹ 27 Lakhs per annum upto ₹ 50 Lakhs per annum on a graded scale over the next 3 years is proposed.

The disclosure pursuant to Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 are as follows:

SI No.	Particulars	Description
1	Name of Related Party	Ms. Nirupa Shankar
2	Name of Director or Key Managerial Personnel who is interested, if any	Mr. M.R. Jaishankar Ms. Githa Shankar
3	Nature of relationship	Daughter of Mr. M.R. Jaishankar & Ms. Githa Shankar
4	Nature, material terms, monetary value and particulars of the contract or arrangements	Increase of remuneration on the terms given in the resolution as given in the Annual General Meeting Notice for a period of 3 years.

The Directors recommend the Resolution No. 9 of the Notice for consent and approval by the Shareholders as a Special Resolution.

Mr. Jaishankar and Ms. Githa Shankar, Directors of the Company are interested, financial or otherwise, if any in the Resolution No. 9 of the accompanying Notice.

None of the other Directors, Key Managerial Personnel or their relatives except as stated above are interested, financial or otherwise, if any in the Resolution No. 9 of the accompanying Notice except to the extent of their Shareholding, if any in the Company.

**By Order of the Board
For Brigade Enterprises Limited**

**P. Om Prakash
Company Secretary**

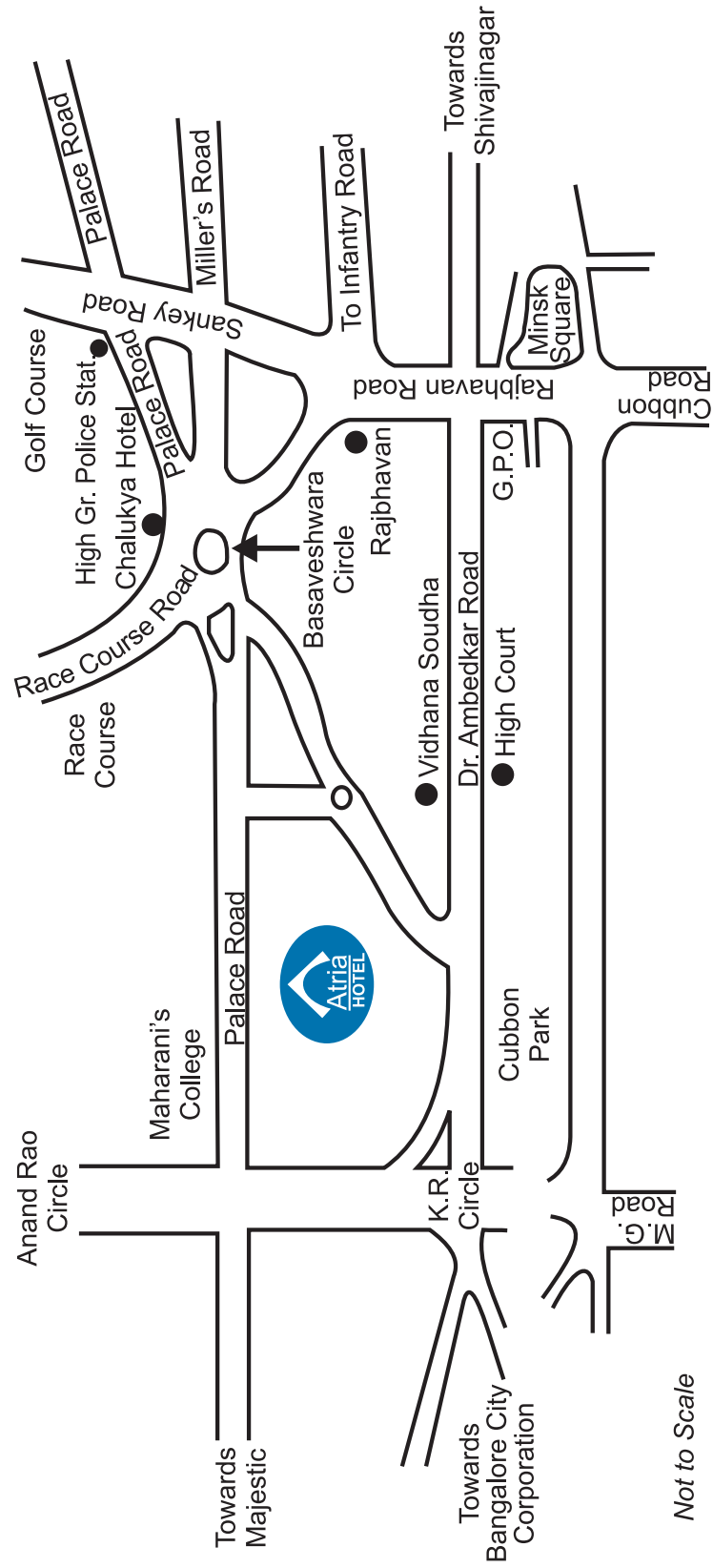
Place : Bangalore
Date : 5th August, 2015

Registered Office
29th & 30th Floors, World Trade Center
26/1, Brigade Gateway Campus
Dr. Rajkumar Road
Malleswaram-Rajajinagar
Bangalore - 560055

Details of the Directors seeking re-appointment at the 20th Annual General Meeting (Pursuant to Clause 49 (VIII) (E) of the Listing Agreement)

Name of the Director	Mr. M. R. Jaishankar	Ms. Githa Shankar	Mr. Bijou Kurien
Date of Birth	22/04/1954	23/01/1954	17/01/1959
Age (in years)	60	60	56
Date of Appointment	08/11/1995	08/11/1995	31/01/2015
Qualification	Bachelors in Science and Masters in Business Administration	Bachelors in Arts, Bachelors in Library Science and a Masters in Business Administration	Business Management from XLRI, Jamshedpur
No. of equity shares held in the Company	23045064	18700500	NIL
Expertise in functional areas	He has over 4 decades of rich experience in real estate industry	She has over 3 decades of experience in the fields of advertising, stock broking, insurance, education and real estate	He has more than 3 decades of experience especially in Retail Industry
Directorships held in other Companies	<ul style="list-style-type: none"> a. Brigade Hospitality Services Limited b. Mysore Holdings Private Limited c. Brigade Estates & Projects Private Limited d. Brigade Tetrarch Private Limited e. Brigade Infrastructure & Power Private Limited f. BCV Developers Private Limited g. WTC Trades & Projects Private Limited h. Orion Mall Management Company Limited i. Brigade (Gujarat) Projects Private Limited j. Prosperita Hotel Ventures Limited k. Smart Cities India Foundation 	<ul style="list-style-type: none"> a. Brigade Hospitality Services Limited b. Mysore Holdings Private Limited c. Brigade Estates & Projects Private Limited d. Brigade Tetrarch Private Limited e. Brigade Infrastructure & Power Private Limited f. WTC Trades & Projects Private Limited g. Orion Mall Management Company Limited h. Brigade Tetrarch Private Limited 	<ul style="list-style-type: none"> a. Stella Treads Private Limited b. Oceanic Rubber Works Private Limited c. Timex Group India Limited d. Genesis Luxury Fashion Private Limited e. GLF Lifestyle Brands Private Limited f. Orange County Resorts & Hotels Limited g. Nextgen Project Management Systems Private Limited
Committee positions held in other Companies	NIL	NIL	He is the Member of Audit Committee & Stakeholders' Relationship Committee of Timex Group India Limited. He is also a member of Audit Committee of Nextgen Project Management Systems Private Limited

Route Map to AGM Venue :





BRIGADE
FORM NO. MGT-11
PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

BRIGADE ENTERPRISES LIMITED

CIN: L85110KA1995PLC019126

Regd Off: 29 & 30th Floors, World Trade Center, 26/1, Brigade Gateway
Dr. Rajkumar Road, Malleswaram-Rajajinagar
Bangalore – 560 055

Name of the member(s):		e-mail Id:	
Registered address:		Folio No/Client Id:	
		DP Id:	

I/We, being the member(s) of Shares of Brigade Enterprises Limited, hereby appoint:

- 1)of.....having e-mail id.....or failing him
- 2)of.....having e-mail id.....or failing him
- 3)of.....having e-mail id.....or failing him

and whose signature(s) are appended as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company, to be held on Friday, 25th September, 2015 at 11.00 a.m. at The Atria Hotel, P. B. No. 5089, No. 1, Palace Road, Bangalore – 560 001 and at any adjournment thereof in respect of such resolutions as follows:

RESOLUTION NUMBER	RESOLUTIONS	VOTE (PLEASE MARK (✓) AND NO. OF SHARES)		
		For	Against	Abstain
Ordinary Business				
1	Adoption of Annual Accounts and Reports thereon for the financial year ended 31 st March, 2015.			
2	Declaration of Dividend.			
3	Re-appointment of Mr. M.R. Jaishankar, as a Director liable to retire by rotation.			
4	Re-appointment of Ms. Githa Shankar, as a Director liable to retire by rotation.			
5	Annual ratification of the appointment of M/s S. R. Batliboi & Associates LLP, Chartered Accountants (Registration No. 101049W) as Statutory Auditors for the financial year 2015-16.			
Special Business				
6	Appointment of Mr. Bijou Kurien as an Independent Director of the Company for a term upto five years.			
7	Ratification of remuneration payable to M/s GNV & Associates, Cost Auditors for the Financial Year 2014-15.			
8	Issue of Securities.			
9	Increase in remuneration payable to Ms. Nirupa Shankar, relative of Director/Key Managerial Personnel.			

Signed this..... day of..... 2015

Signature of member

Affix
Revenue
Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



BRIGADE ENTERPRISES LIMITED

CIN: L85110KA1995PLC019126

Regd Off. : 29th & 30th Floors, World Trade Center, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road,
Malleswaram-Rajajinagar, Bangalore-560055

I hereby record my presence at the 20th Annual General Meeting of the Company held on Friday, 25th September, 2015 at 11:00 a.m. at The Atria Hotel, PB No. 5089, No. 1, Palace Road, Bangalore– 560 001.

ATTENDANCE SLIP

Name and Registered Address of the Shareholder : Serial No :

Name(s) of the Joint Shareholder(s) if any :

Registered Folio No. /DP ID No. & Client ID :

Number of Shares held :

Name of the Proxy / Representative, if any :

Signature of Member(s) / Proxy :

Signature of the Representative :

PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING HALL AND HAND IT OVER AT THE ENTRANCE

FOR ATTENTION OF THE SHAREHOLDER

Shareholders may please note the **User id and Password** given below for the purpose of e-voting in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration), Rules, 2014. Detailed instructions for e-voting are given in the notes to the AGM Notice.

ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD/PIN

Note: Please fill up attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring the copies of the Annual Report to the AGM.



This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

[illegible]

This image shows a single page of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page, leaving small margins at the top and bottom. There are no vertical margin lines, text, or other markings on the page.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

[illegible]



The Indian Music Experience Museum, Brigade Group's CSR Initiative being unveiled by Chief Minister of Karnataka



Brigade Group's CSR Initiative of Rejuvenating the Sitharampalya Lake at Whitefield, Bangalore.



BRIGADE

If undelivered please return to the address below:

Brigade Enterprises Limited

Corporate Identification No. (CIN): L85110KA1995PLC01926

29th & 30th Floors, World Trade Center, Brigade Gateway Campus,
26/1, Dr Rajkumar Road, Malleswaram-Rajajinagar, Bangalore 560 055

Tel : 91-80-2221 0784

<http://www.brigadegroup.com>