

ANNUAL REPORT 2012-13

BRIGADE ENTERPRISES LIMITED
QUALITY & CUSTOMER-FIRST



Innovation. Consolidation. Growth.

THE BOARD OF DIRECTORS

M. R. Shivram
Director

M. R. Gurumurthy
Director

P. V. Maiya
Independent Director

Dr Anumolu Ramakrishna
Independent Director



M. R. Jaishankar
Chairman & Managing Director

Githa Shankar
Wholtime Director

P. M. Thampi
Independent Director

Dr K. R. S. Murthy
Independent Director

COMPANY SECRETARY
P. Om Prakash

BANKERS

Allahabad Bank
Bank of Baroda
Bank of India
Corporation Bank
Indian Overseas Bank
Karur Vysya Bank
Lakshmi Vilas Bank
Punjab National Bank
State Bank of India
State Bank of Mysore
State Bank of Patiala
United Bank of India

STATUTORY AUDITORS
Narayanan, Patil & Ramesh

INTERNAL AUDITORS
Grant Thornton India LLP

EQUITY SHARES LISTED AT
National Stock Exchange of India Ltd (NSE)
Bombay Stock Exchange Ltd (BSE)

REGISTRAR & SHARE TRANSFER AGENTS
Karvy Computershare Private Limited
Plot Nos 17 to 24, Vittalrao Nagar
Madhapur, Hyderabad 500 081
Telephone No.: +91-40-2342 0815 to 24
Fax No.: +91-40-2342 0814
E-mail: rajusv@karvy.com

REGISTERED AND CORPORATE OFFICE

29th & 30th Floors, World Trade Center
Brigade Gateway Campus
26/1, Dr Rajkumar Road
Malleswaram-Rajajinagar
Bangalore 560 055
Telephone No.: +91-80 4137 9200
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Email Id.: investors@brigadegroup.com
www.brigadegroup.com

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CMD's Message

LIKE many financial years, 2012-13 is a mixed bag of fortunes. After much effort in the last few years, we could make entry into new markets—Chikmagalur, Hyderabad, Kochi and Mangalore—with small- and medium-sized projects. We have also started a commercial project and entered into a Joint Development Agreement for a 36-acre residential project in Chennai.

The year also saw us accepting private equity for the first time, from the reputed Government Investment Corporation (GIC), Singapore, to purchase a 9.3 acre prime property in Whitefield, Bangalore, from Hindustan Unilever Ltd.

Although the organisation has shown a topline growth of 30% over its previous year, we could have performed much better had we received the required approvals for some of the large projects. The good news is that in the current financial year, we would be launching 10 million sft. While the world economy, in particular that of the US and Europe, is beginning to stabilise, unfortunately, the growth rate of the Indian economy is contracting. In my opinion, the primary reason seems to be a case of 'self-inflicting wounds', with the government at the centre having hardly functioned in the last financial year, resulting in the country's GDP having come down to below 5% growth. The growth-related policies, or the lack of them, coupled with the continued high rate of interest, have resulted in negative sentiments in the industry. Most of the infrastructure projects—be it in construction, power or telecommunication sectors—are all embroiled in mega-sized scams. Continued high interest rates, though beginning to be on the downward mode, have not helped in improving the confidence of business and industry.

In spite of this, I feel there is inherent strength in the economy, with business and industry raring to go, but waiting for the right cues from the government. The insatiable demand for gold is a good indicator of money waiting to be invested, but finding its way to gold due to lack of other investment opportunities. This seems to be one of the major reasons for the rupee to depreciate against the dollar, as the government allowed indiscriminate import of gold causing huge foreign exchange outflows. Although most economists predict India will be the third largest economy in the world in the next 15 years, the cause for concern is the state of the economy in the immediate term. With parliamentary elections in the offing within the next 12 months, it remains to be seen what steps the government will take to give a fillip to the economy.

In an otherwise bleak scenario, Brigade Group continues to be optimistic as the real estate sector is one which is doing reasonably well and demand should exist at the right price point in the right location. The much debated Real Estate Management Bill should probably come into force in the next few months. This is one more 'super' regulation to the already



highly regulated sector at the state and civic authority levels. While the bill certainly has a few positives, like sale of space based on carpet area and escrow account mechanism, it may lead to delays in project launches and escalation in costs due to additional time required for complying with the formalities of the bill.

The company has taken few neighbourhood improvement initiatives as part of its CSR:

- Developing the 3-acre park and 5-acre playground in Malleswaram, Bangalore near Brigade Gateway, our flagship project;
- Similarly, to improve the lake in Whitefield, Bangalore, adjacent to Brigade LakeFront, our large residential project to be launched shortly.

Some of the important accolades received by the Company during the year are:

1. **India's Best Companies to Work For 2012** by Great Place to Work Institute and Economic Times, for the second time in a row. (3rd in the Real Estate Industry).
2. World Trade Center @ Brigade Gateway won the award for **Best Office Space in India** at the CREDAI Real Estate Awards 2012.
3. Brigade Gateway Residences won the award for **Best Project in the Mid-Segment Housing Category** at the national level, at the CREDAI Real Estate Awards 2012.
4. Sheraton Bangalore @ Brigade Gateway won the award for **Best New Hotel of the Year 2012** in the 'Upscale Segment -Business' by HVS South Asia at the HICSA 2012 event.
5. Orion Mall at Brigade Gateway won the award for **Best Marketing Campaign for the Year** in the ET Now-Asia Retail Congress 2012 Awards.
6. Brigade Group received the **Platinum Award of Excellence** at the Construction World Awards 2012, for being recognised as one of India's Top 10 Builders for 5 consecutive years (2007-2011).

Property Development is a never ending game of launching and completing projects. Bangalore Metropolitan City, along with other Metros and mini-metros, is growing by leaps and bounds due to increased urbanisation, offering business opportunities to well-managed developers. The infrastructure bottlenecks will continue and may even increase. Sadly, Indians will have to learn to live in urban chaos and that does not give much hope, in general, for a better tomorrow. So we in Brigade will continue to concentrate on creating many Oases, which will offer a 'Better Quality of Life' to our customers within the communities we create. We are gearing up to accomplish our high-growth projections of developing 40 million sft of space across cities in south India in the next 4-5 years. We will definitely achieve our business goals with our focussed approach and dedicated efforts.

— M. R. Jaishankar, CMD

Brigade homes in six cities across South India



Brigade LakeFront, Bangalore



Brigade Begonia, Bangalore



Brigade Caladium, Bangalore

OVER the last 26 years, we have created value homes, luxury apartments, premium residences and villas; some as stand-alone projects, others set in enclaves. Our residential projects presently span across six cities in South India: Bangalore, Mysore, Chikmagalur, Mangalore, Chennai and Hyderabad.

Our focus—across market segments that range from value homes to high-end residences—is not just on space, but on the *quality* of space. This applies to design, specifications, features, facilities and eco-friendly initiatives like waste

management, rainwater harvesting and use of solar energy. The homes we've created have added value to both the lives and lifestyles of their occupants.

The coming years will see the completion of several more unique projects in the residential domain. A section of our projects is featured on these two pages; two ambitious enclave projects are described overleaf.

One in every three Indians now lives in an urban habitat and the move towards towns and cities has happened mostly in south India.

—Census, 2011



Brigade Pinnacle, Mangalore



Brigade at No 7, Hyderabad



Brigade Palmgrove, Mysore



Brigade Serenity, Chikmagalur



Brigade Altamont, Bangalore



Innovation. Consolidation. Growth.

Our enclaves: Brigade Komarla Residency > Brigade Gardenia >
Brigade Millennium > Brigade Metropolis > Brigade Gateway > and now ...

Brigade Meadows & Brigade Orchards Two new mega enclaves under development



WE introduced the concept of integrated enclaves to Bangalore. Our award-winning enclaves have met increasingly high expectations and set new benchmarks.

Now we've raised the bar even higher with Brigade Orchards and Brigade Meadows, two enclaves being developed at opposite ends of Bangalore. What they have in common is size (130 acres and 60+ acres respectively), scale and the breadth of vision that has gone into their planning and development. Both enclaves are mixed-use, multi-segment projects. A unique feature in these enclaves is that they also offer affordable value homes, with

no compromise on quality, for the less affluent sections of our society.

BRIGADE MEADOWS, KANAKAPURA ROAD

Covering 60+ acres, Brigade Meadows, the only integrated enclave on Kanakapura Road, features residential options designed to suit different budgets. Amenities include a clubhouse with gymnasium and swimming pool, play areas and parks. It also has areas earmarked for a school, neighborhood shopping arcade and hospital. Phase I of the development offers about 1850 units.



Brigade Orchards



Actual shots of pavilion villas at Brigade Orchards



Brigade Orchards—Value home model apartment



Pre-fabrication plant at Brigade Orchards



Retirement Homes at Brigade Orchards

BRIGADE ORCHARDS, DEVANAHALLI

This 130 acre enclave has been designed to global best practices by master planner nbbj, USA.

Proposed features include • Residential options in categories ranging from pavilion villas to value homes • Signature Club, a world-class leisure destination with sports, leisure, business and dining facilities • Office spaces • Retail options for daily-need and boutique formats • Fast food restaurants and take-aways • Traffic-free cycling and jogging tracks • Hospital/nursing home • Fire station • Police station • School • Arts Village.

THREE FACILITIES UNIQUE TO BRIGADE ORCHARDS

- ♦ **Sporting Edge:** A venture of sporting legend Steve Waugh, this world-class sports academy will provide state-of-the-art facilities and expert coaching to its members.
- ♦ **Retirement Home Facility:** Retirement homes, with assisted living facilities, will be managed by Age Ventures India (AVI), an associate of Help Age India.
- ♦ **An on-site pre-fabrication plant** will bring down costs and enable quick completion of work.

Brigade Offices: From small offices to SEZs



Brigade Technopolis, Kochi



Brigade Magnum, Bangalore



Brigade Vantage, Chennai



Brigade IRV Centre, Bangalore

WE have developed landmark commercial spaces over the last 26 years. Our client portfolio includes some of the biggest and most respected organisations, across sectors.

We have contributed many prestigious buildings to the urban skyline. Amongst these are Brigade Towers, Brigade Seshamahal, Brigade Techpark, Brigade Rubix, Summit and World Trade Center (WTC) Bangalore, to name just a few. WTC Bangalore, one of the city's most iconic buildings and

our corporate headquarters, is a signature real estate project and a premier business address.

Many more commercial projects are in progress and on the drawing boards. The next five years will see us developing commercial spaces in Bangalore, Mysore, Mangalore, Chennai and Kochi. Projects in the offing include small- and medium-sized offices; large working environments, with built-to-suit options; state-of-the-art techparks and SEZs.



WTC Bangalore: Growing activities, services and reputation



THE World Trade Centers Association, USA, awarded the license for World Trade Center for the city of Bangalore to WTC Trades & Projects Private Limited, a subsidiary of Brigade Enterprises Ltd.

Through its services, programmes and trade shows, the WTC Bangalore facilitates communication between businesses and government agencies and amongst related businesses.

In April this year, World Trade Centers Association

(WTCA) New York awarded WTC Bangalore its *Certification of Excellence* in the following areas: Trade Information Services, Business Services, Trade Education Services, Conference Facilities, Group Trade Missions (Inbound) and Tenant Services. Securing quality certification by the WTCA in the second year of operations is a record achievement. WTC Bangalore also received an award for *Best Practice in Tenant Services*.

Our flagship retail venture makes history



The tallest Christmas tree ever seen in Bangalore on display at the mall.



Food court at Orion Mall.



Fashion Week at Orion Mall.



Lobby of the 11-screen multiplex.

ORION Mall, our flagship project in the retail sector, celebrated its first anniversary this April. In that one year, it has made mall history, drawing 12.5 million visitors in 12 months—a feat that other malls have taken years to achieve. We have been recognised and rewarded with customer and retailer delight and a slew of prestigious awards.

Designed by New York's renowned architectural firm H.O.K, Orion Mall is located in the upmarket Brigade Gateway enclave. Arguably one of the best planned retail spaces in the city, the mall covers 8.2 lakh square feet

spread over 4 floors and incorporates the latest technological advancements in structure, space utilisation and security systems. It has a portfolio of over 100 brands, a wide range of food and entertainment options (including India's best PVR and Bangalore's largest bowling alley) and ample parking.

Our vision of establishing vibrant retail, leisure and entertainment experiences is now being confidently extended to other facilities—both stand-alone retail and within star hotels—in Bangalore, Mysore and Chennai.

Notice

Notice is hereby given that the Eighteenth Annual General Meeting of **Brigade Enterprises Limited** will be held at MLR Convention Centre, Brigade Millennium Campus, J. P. Nagar, Bangalore 560078, on Wednesday, 31st July, 2013, at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet and Audited Profit & Loss Account for the Financial Year ended 31st March, 2013, and the reports of Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Mr M. R. Shivram who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr P. V. Maiya who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Statutory Auditors of the Company for the period commencing from the conclusion of this Meeting until the conclusion of the next Annual General

Meeting, at a remuneration to be fixed by the Board of Directors in consultation with the Auditors.

SPECIAL BUSINESS

- 6) 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 Section 309(4) and other applicable provisions, if any, of the Companies Act, 1956, a sum not exceeding 1% (one per cent) of the net profits Computed under the provisions of Section 349 and 350 of the said Act be paid (inclusive of the sitting fee payable) and distributed amongst Independent Directors of the Company (other than Managing Director and Wholetime Directors) in such amounts or such proportions and in such manner as may be directed by the Board of Directors and such payment shall be made in respect of profits of the Company for a period of five Financial Years commencing from 1st April 2013.”

Notes

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, must be received at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
3. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to Special Business to be transacted at the meeting is annexed hereto and forms part of the Notice.
4. The Register of Members and Share Transfer Books will be closed from Wednesday, 24th July, 2013 to Wednesday, 31st July, 2013 (both days inclusive).
5. Members are requested to send all communications relating to Shares to our Share Transfer Agents at the following address:

Karvy Computershare Private Limited
Plot Nos 17 to 24 Vittalrao Nagar, Madhapur,
Hyderabad 500081
Telephone No.: +91-40-23420815 to 24
Fax No : +91-40-23420814
Email: raju.sv@karvy.com
6. Members are requested to send their queries in regard to the Accounts at least 10 days in advance to the registered Office of the Company.
7. Members / Proxies are requested to bring the attendance slips duly filled in and their copies of the Annual Report to the Meeting.
8. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank details to their depository Participants

Notes

with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address or bank details immediately to our Registrars and Transfer Agent, M/s Karvy Computershare Private Limited.

10. 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.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are therefore requested to submit their PAN details with the respective Depository Participant. Members holding shares in physical form are requested to submit the same to Karvy Computershare P. Limited.
12. Members are requested to note that the dividends not encashed or claimed within seven years from the date of transfer to the Unpaid Dividend Account, will as per Section 205A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.

Registered Office:

29th & 30th floors
World Trade Center
Brigade Gateway Campus
26/1, Dr Rajkumar Road
Malleswaram-Rajajinagar
Bangalore 560 055

Place: Bangalore Date: May 07, 2013

By Order of the Board
for **Brigade Enterprises Limited**

P. Om Prakash
Company Secretary

Annexure to the Notice

Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956

Item No. 6

Independent Directors constitute 50% of the Composition of the Board of your Company. These Directors have expertise in their respective fields and have been contributing to the growth of the Company through their valuable inputs and ideas. The Shareholders have earlier approved payment of remuneration to Independent Directors of up to 1% of net profits (excluding sitting fees) for a period

of 5 financial years till 31st March, 2013. It is proposed to remunerate the Independent Directors by payment of remuneration up to 1% of net profits (excluding sitting fees) for a further period of 5 years from the Financial Year commencing from 1st April 2013.

Independent Directors are concerned or interested in the said Resolution to the extent of the remuneration payable to them.

The Board of Directors recommends the passing of a Special Resolution by members.

Registered Office:

29th & 30th floors
World Trade Center
Brigade Gateway Campus
26/1, Dr Rajkumar Road
Malleswaram-Rajajinagar
Bangalore 560 055

Place: Bangalore Date: May 07, 2013

By Order of the Board
for **Brigade Enterprises Limited**

P. Om Prakash
Company Secretary

Details of the Directors seeking re-appointment at the 18th Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Mr M. R. Shivram	Mr P. V. Maiya
Date of Birth	01/12/1947	03/09/1938
Age (in years)	66	75
Date of Appointment	08/11/1995	06/03/2000
Qualification	BE, MSc. In Electronics	M.A. in Economics, C.A.I.I.B
No. of equity shares held in the Company	1741243	Nil
Expertise in functional areas	He has more than 3 decades of rich business experience	He has more than 3 decades of experience in Industry and Banking
Directorships held in other Companies	a. Capronics Private Limited	a. Canara Bank b. Neuland Laboratories Ltd c. Ocean Sparkle Ltd d. BCV Developers Pvt. Ltd
Committee positions held in other Companies	NIL	a. Chairman: Audit Committee—Neuland Laboratories Ltd. b. Chairman: Remuneration Committee—Neuland Laboratories Ltd. c. Chairman: Audit Committee—Ocean Sparkle Ltd. d. Member: Remuneration Committee—Canara Bank e. Member: Frauds Committee—Canara Bank f. Member: Management Committee—Canara Bank

Directors' Report

Dear Member,

We have pleasure in presenting the Eighteenth Annual Report on business and operations of the Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2013.

Financial Highlights:

(Rupees in Lakhs)

Particulars	Standalone		Consolidated	
	2012-13	2011-12	2012-13	2011-12
Total Revenue	78,812	60,932	83,461	65,103
Operating Expenditure	57,297	43,153	61,380	47,013
Earnings before Interest, Depreciation and Amortisation	21,515	17,779	22,081	18,090
Depreciation and Amortisation	7,224	4,925	7,733	5,323
Finance Cost	8,288	6,039	8,982	6,039
Profit Before Tax	6,003	6,815	5,358	6,728
Tax Expenses				
Current Tax	1,201	1,365	1,208	1,368
Deferred tax charge / (credit)	627	(300)	398	(274)
MAT credit entitlement	(2,250)	(59)	(2,250)	(59)
Profit after Tax	6,425	5,809	6,002	5,693
Minority Interest	—	—	(11)	—
Share of profit from Associate	—	—	131	—
Profit for the year	6,425	5,809	6,122	5,693

Financial Overview

Performance

During the financial year 2012-13, the Company has on a standalone basis, registered total revenue of Rs 78,812 Lakhs as compared to Rs 60,932 Lakhs in the previous year, showing a Y-O-Y increase of 30%, EBITDA has increased from Rs 17,779 lakhs to Rs 21,515 lakhs, an increase of 21%.

The consolidated revenue of the company for the financial year 2012-13 was Rs 83,461 lakhs, a growth of 28% from the previous year. EBITDA has increased from Rs 18,090 lakhs to Rs 22,081 lakhs, an increase of 22%.

Transfer to reserves

An amount of Rs 321 lakhs has been transferred out of the current year's profits to General Reserve.

Dividend

The Board of Directors of the Company have recommended a dividend of Rs 1.50 (Rupee One & Paise fifty only) (15%) per equity Share of Rs 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 Rs 1970 lakhs.

Share Capital

The issued, subscribed and paid up capital of the Company is Rs 112,25,19,400 (Rupees One Hundred and Twelve Crores, Twenty Five Lakhs and Nineteen Thousand and Four Hundred only) divided into 11,22,51,940 (Eleven Crores Twenty Two lakhs, Fifty One Thousand Nine Hundred and Forty Only) equity shares of Rs 10 each.

There has been no change in the share capital of the Company during the year.

Debentures

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

Operational Overview

Completed Projects

During the year under review, the Company has completed and capitalised retail and commercial projects measuring 0.81 million and 1.13 million square feet respectively.

Ongoing Projects

The company currently has 16 ongoing residential projects aggregating to 6.55 million square feet of developable area (out of which the Company's share is about 5.09 million square feet), 6 commercial/retail projects aggregating to 1.84 million square feet of developable area (out of which the Company's share is about 1.35 million square feet) and 2 Hospitality projects aggregating to 0.40 million square feet of developable area (out of which the Company's share is about 0.25 million square feet).

Proposed projects

During the financial year 2013-14, the Company proposes to launch residential projects measuring 7.80 million square feet of developable area (out of which the Company's share is about 5.64 million square feet) and Commercial / Hospitality projects measuring 1.30 million square feet of developable area (out of which the Company's share is about 0.88 million square feet) in various cities across south India including Bangalore, Mysore and Chennai.

Business Overview

Brigade Enterprises Ltd is a public limited company with its equity shares listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

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

- Income from Construction and development of Real Estate Projects
- Revenue from Hospitality Assets
- Lease Rental Income from Commercial and Retail Assets

Company	BRIGADE ENTERPRISES LTD					
Segments	Real Estate		Hospitality		Lease rentals	
100% Subsidiaries	Brigade Hospitality Services Limited	Orion Mall Management Company Limited	WTC Trades & Projects Pvt. Limited	Prosperita Hotel Ventures Limited	Brigade Tetrarch Pvt. Ltd	Brigade Infrastructure & Power Pvt. Ltd Brigade Estates & Projects Pvt. Ltd
Joint Venture / SPV	BCV Developers Pvt. Limited		BCV Estates Pvt. Limited		Brigade Properties Pvt. Ltd	

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

Hospitality division specialises in identifying Hotel operator and monitoring the operation of the hotel assets.

Commercial and Retail Asset Division concentrates on identifying suitable tenants on long term lease for the Assets owned by the Company.

A detailed analysis of completed and ongoing projects as on March 31, 2013 has been given in the Management Discussion and Analysis Report which is part of the Annual Report.

Subsidiaries:

Brigade Hospitality Services Limited (BHSL) is a wholly owned subsidiary of the Company that runs and manages clubs, serviced residences and convention centres. During the financial year 2012-13 BHSL has registered income from operations amounting to Rs 3249 lakhs and earned a profit of Rs 4 Lakhs.

Orion Mall Management Company Limited (OMMCL), a wholly owned subsidiary of the Company undertakes the mall management business. OMMCL manages the 0.8 million sq.ft. of Orion Mall at Brigade Gateway Campus, Bangalore. The Company has posted a turnover of Rs 1,575 Lakhs and incurred a loss of Rs 307 Lakhs.

WTC Trades & Projects Private Limited (WTC) a wholly owned subsidiary of the Company which holds the World Trade Centre license for the city of Bangalore from World Trade Centers Association, USA. WTC had a turnover of Rs 158 Lakhs and a net profit of Rs 33 lakhs.

Prosperita Hotel Ventures Limited is a newly incorporated wholly owned subsidiary of the Company, incorporated during the year which is undertaking the construction of hotel project at the beginning of Old Mahabalipuram Road(OMR). The construction has started for this project. The Hotel would be operated by Holiday Inn.

Brigade Tetrarch Private Limited (BTPL) is also a wholly owned subsidiary of the Company with its main business in the field of sports related activities. BTPL has not registered income from operations and incurred a loss of Rs 34 Lakhs.

Brigade Infrastructure & Power Private Limited is a wholly owned subsidiary of the Company with its main objects in the field of Infrastructure and Power. Brigade Estates and Projects Private Limited is a wholly owned Subsidiary of the Company with main business in the field of real estate development. These Companies are in the process of being fully operational.

Joint Ventures and Special Purpose Vehicle:

BCV Developers Private Limited and BCV Estates Pvt. Ltd are a 50:50 joint venture between the Company, Classic Group and Valmark Group which owns land of 130 acres in Devanahalli, Bangalore for the Brigade Orchards Project. This Joint Venture has generated revenues of Rs 710 Lakhs and incurred a loss of Rs 136 Lakhs.

Brigade Properties Private Limited is a 51:49 joint venture between the company and Reco Begonia Pte. Limited a Special Purpose Vehicle of Government Investment Corporation (GIC), Singapore to develop 9.3 acres land located in the heart of Whitefield. The Company is in the process of obtaining the final set of approvals for launching the project.

Statement relating to Subsidiaries

Pursuant to the general exemption granted by the Ministry of Corporate Affairs vide General Circular No.2/2011 dated February 08, 2011, the balance sheet, profit and loss account and other schedules thereto of subsidiary companies as prescribed under Section 212 of the Companies Act, 1956, have not been attached. As stipulated in the Circular, the Company has disclosed the requisite financial information of the subsidiaries in the Annual Report. Further, the annual accounts and the relevant information of the said subsidiaries shall be provided to the Members upon request and the same shall also be available for inspection on any working day during business hours at the registered office of the Company and the respective subsidiary companies.

Directors' Report

Consolidated Financial Statements:

The Consolidated Financial statements have been prepared by the Company pursuant to Clause 32 of the Listing Agreement entered with the Stock Exchanges. The Consolidated Financial Statements and Auditors' Report thereon forms part of the Annual Report.

Fixed Deposits:

The company has not accepted any deposit in terms of the provisions of Section 58A of the Companies Act, 1956, during the year under review.

Management Discussion & Analysis Report:

In accordance with the requirements of the Listing Agreement, the Management Discussion and Analysis Report is presented in a separate section forming part of the Annual Report.

Directors

As on date, the Board of Directors of the Company comprise of eight Directors of which four are Independent Directors.

In terms of Article 108, 109 and 110 of Articles of Association, and Sections 255 and 256 of the Companies Act, 1956, Mr M. R. Shivram and Mr P. V. Maiya, Non Executive Directors are liable to retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

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 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 Annual General Meeting.

None of the Directors of the Company are disqualified under Section 274(1)(g) of the Companies Act, 1956.

Board Committees

A detailed note on the Committees of the Board of Directors is given in the Corporate Governance Report forming part of the Annual Report.

Auditors

M/s. Narayanan, Patil & Ramesh, Chartered Accountants, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. The Board of Directors upon the recommendation of the Audit Committee proposes the re-appointment of M/s. Narayanan, Patil & Ramesh, Chartered Accountants, as the Statutory Auditors of the

Company, subject to the approval of the members at the Annual General Meeting.

M/s. Narayanan, Patil & Ramesh, Chartered Accountants have confirmed that the appointment, if made, will be in accordance with the limits prescribed under Section 224(1B) of the Companies Act, 1956.

Secretarial Audit

The Secretarial Audit Report for the year ended March 31, 2013 issued by M/s. Jayasurya & Associates, Practicing Company Secretary confirming compliance with all the applicable provisions of Corporate Laws and the Listing Agreements is attached separately in the Annual Report.

Human Resources

Brigade Group is one of the leading Real Estate and Project Development companies in India with a total workforce of 424 as on March 31, 2013. 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 getting the same aligned 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 and dedication.

Directors' Responsibility Statement:

The Director's Responsibility Statement, setting out compliance with the accounting and financial reporting requirements specified under Section 217(2AA) of the Companies Act, 1956, in respect of the financial statements, is furnished below and on behalf of the Board of Directors, it is hereby confirmed that:

- i. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any.
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for that period.
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The Directors have prepared the accounts on a going concern basis.

Report on Corporate Governance:

A detailed report on Corporate Governance and a certificate from M/s Jayasurya & Associates, Practicing Company Secretary affirming compliance with the various conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement has been included as an attachment 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 2012-13 is annexed and forms part of the Directors' and Corporate Governance Report.

Particulars of Employees:

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of employees are set out in the annexure to the Directors' Report. However, having regard to the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Annual Report excluding the aforesaid information is being sent to all members of the Company and others entitled thereto. Any person interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

Conservation of energy, technology absorption, Foreign Exchange earnings and outgo:

The particulars relating to conservation of energy, technology absorption and foreign exchange earnings & outgo pursuant to the provisions of Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are set out as an Annexure to this report.

Awards and Recognitions

- Brigade Group won the following awards at the CREDAI Real Estate Awards, 2012:
 - 'Best theme based township of the year'—Brigade Gateway, Bangalore
 - 'Best Office space of the Year'—World Trade Center, Bangalore

- Brigade Group received the Platinum Award of Excellence at the Construction World Awards, 2012 for being recognised as one of India's Top 10 Builders for 5 consecutive years (2007-2011)
- The Company has won the following awards at CNBC AWAAZ Real Estate Awards 2012:
 - Brigade Gateway Residences has won the National Award for the Best Project in the Mid-segment Housing category.
 - World Trade Center was awarded the Best Commercial project in Bangalore.
 - Brigade Gateway residences again bagged the award for the Best Residential project in Bangalore.
 - Orion Mall at Brigade Gateway was awarded the Best Retail project in Bangalore.
- Brigade Group has been selected as one of "India's best companies to work for 2012" by Great Place to Work Institute & The Economic Times for the second time in a row. The group was ranked 23rd on an illustrious list of TOP 50 Companies having upto 1000 employees and also ranked 3rd in the Real Estate Industry.
- Brigade Group was awarded with following awards at the "ET Now—Asia Retail Congress 2012 Awards":
 - a. Best Retailer of the year (Real Estate)—Brigade Group
 - b. Best emerging Retailer (Real Estate)—Brigade Group
 - c. Best Marketing Campaign of the year—Orion Mall
- The World Trade Center at Brigade Gateway has won the Best Office Space award at the CREDAI REAL ESTATE AWARDS KARNATAKA 2013.
- Brigade Group won the Special Jury Award for Apartments at the CREDAI Mysore Real Estate Awards 2013 for constructing Mysore's First Tallest Building—Brigade Horizon, residential project.

Acknowledgements:

The Directors would like to place on record our sincere appreciation to all our stakeholders for their co-operation and continued support to the Company during the year under review. The Board expresses its deepest sense of appreciation to the employees at all levels for their professional commitment and initiatives for the organisation's growth and success.

Place: Bangalore
Date: May 07, 2013

For and on behalf of the Board
Brigade Enterprises Limited

M. R. Jaishankar
Chairman and Managing Director

Annexure “I”

Conservation of Energy

(a) Energy conservation measures taken:

The conservation of Energy and Water, and the protection of the environment—air, water, & ground 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.,

- Installation of high-efficiency CFL and LED lamps / lights in Common areas of the Buildings.
- Painting the ceilings and walls in favor of reflecting effect with lighter colors.
- Use of electrical equipments with minimum of three star rating by Bureaus of Energy Efficiency, Government of India.
- 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.
- Utilization of solar energy wherever possible for water heating and lighting in all the projects of the company
- Energy efficient Lifts and Water Supply Pumps.
- Use of high 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
- Green Roofs are planned on the terraces to reduce solar heat gain and the energy consumption for cooling (Air Conditioning)

(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 mechanised 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 standardised 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 Foreign Exchange inflow and outflow during the year are as follows:

(Rupees in Lakhs)

Particulars	2012-13	2011-12
Inflow:		
Advance for Sale of Units, Lease deposits & Rentals	6,996	457
Outflow:		
i. Representative Office Expenses	323	—
ii. Professional charges	214	178
iii. Consultation Fees	113	6
iv. Marketing	181	—
v. Others	355	37

For and on behalf of the Board
for **Brigade Enterprises Limited**

M. R. Jaishankar
Chairman and Managing Director

Place: Bangalore
Date: May 07, 2013

Management Discussion and Analysis Report

Forward-looking Statements

Statement in the Management Discussion and Analysis Report detailing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable laws and regulations. These statements being based on certain assumptions and expectation of future events, actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting domestic demand-supply conditions, finished goods prices, changes in government regulations, tax regime etc. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of subsequent developments, information or events.

The Macro Economic Scenario

India's economic confidence grew by 8 points to 68 per cent in the month of January 2013 as compared to December 2012, making it the second most economically confident country in the world, according to a survey titled 'Ipsos Economic Pulse of the World'. India's services sector has emerged as a prominent sector in terms of its contribution to national and state incomes, a comparison of the services performance done across the top 15 countries over the 11 year period from 2001 to 2011. India stood first in terms of increase in share of services in the gross domestic product (GDP) with 8.1 per cent, among the top 15 countries during 2001-2011.

Moreover, India was among the top 20 real estate investment markets globally with investment volume of Rs 190 billion (US\$ 3.46 billion) recorded in 2012, according to Cushman & Wakefield's report 'International Investment Atlas'.

India is also expected to be the second largest manufacturing country globally in the next five years, followed by Brazil as the third ranked country, according to Deloitte.

India is expected to record 6.1 per cent gross domestic product (GDP) growth in the current fiscal. While, the Prime Minister's Economic Advisory Panel expects the economic growth rate to increase to 6.4 per cent in 2013-14 from 5 per cent during 2012-13, on back of improvement in performance of agriculture and manufacturing sectors.

Some of the other important economic developments in the country are as follows:

- Non-resident Indians (NRIs) placed deposits aggregating to US\$ 14.18 billion in the financial year ended March 2013, registering an increase of 19 per cent over the previous year. Non-resident (external) rupee account or NRE deposits with the banking system jumped 85 per cent (rising by US\$ 15.81 billion in FY13 compared to

US\$ 8.53 billion in FY12), according to Reserve Bank of India data

- The cumulative amount of foreign direct investment (FDI) equity inflows into India were worth US\$ 191,757 million between April 2000 to February 2013, while FDI equity inflow during April 2012 to February 2013 was recorded as US\$ 20,899 million, according to the latest data published by Department of Industrial Policy and Promotion (DIPP)
- Foreign institutional investors (FIIs) made a net investment (including equity and debt) worth Rs 168,367 crores (US\$ 30.72 billion) in 2012-13, according to data published by Securities and Exchange Board of India (SEBI). Moreover, US\$ 310.47 million in the equity and US\$ 41.32 million in the debt market were invested by FIIs, as on May 16, 2013, as per the SEBI data
- Foreign exchange earnings (FEE) from tourism in India registered a growth of 19 per cent to touch Rs 10,186 crore (US\$ 1.86 billion) in February 2013 as compared to Rs 8,502 crore (US\$ 1.55 billion) during the same period last year

Real Estate Sector in India

During late 2008 and early 2009, the residential real estate market in India witnessed an astounding fall in demand and capital values due to global meltdown. Residential projects of mid income group have been launched in various cities by Developers to attract potential home buyers. Despite strong fundamentals backing the residential real estate, the segment is highly influenced by economic cycles and various driving forces such as :

- Growing income levels
- Continuous growth in population
- Urban Migration
- Rise in nuclear families
- Abundant job opportunities in service sectors
- Easy availability of finance
- Young working groups
- Increasing desire in owning a home

Overall, 2012 remained inactive, affecting all the major sectors in real estate. Office space absorption remained lower compared with 2011. Meanwhile, retail faced challenges of quality supply, affecting the overall absorption. The residential demand improved; however, developers continued to struggle with unsold inventories.

1. **Investment Sentiments**—Debt capital is likely to increase in 2013. Banks are expected to be more flexible in lending. Most of the realty funds are close to their exit periods as they were invested around 2006-2007. Therefore, the exit of real estate funds is expected to increase in 2013. Meanwhile, interest on income-producing assets by institutional investors is likely to

Management Discussion and Analysis Report

increase over the year. However, the availability of such assets will continue to remain a challenge. Assets will witness a softening of yield rates amidst increased liquidity.

2. **Policies**—The recent policy initiatives are expected to improve the investment climate and business environment, and they are likely to benefit the real estate sector in 2013. Few policies to look at in 2013 are: the real estate investment trusts (REITs) or real estate mutual funds (REMFs); the Land Acquisition and Rehabilitation and Resettlement Bill, and the Real Estate Regulation Bill.
3. **Economy**—Interest rates are expected to witness a downward correction of 100 to 150 bps in 2013. The softening of interest rates is expected to reduce the home loan rates, in turn increasing the buying of real estate assets. Increasing urbanisation and consumption despite the slowdown in GDP growth will be the key drivers of the economy in 2013. As per RBI, the policies will focus towards growth in 2013, although risks of inflation will continue to remain.
4. **Residential Real Estate**—REITs in India allowing investments in rental housing is a new trend worth watching. The framework and details of REITs, once formulated, are likely to drive the investor demand across the prime cities in India in 2013. Another interesting trend observed in the last two years was that the stock in the range of Rs 2,000-3,000 per sq ft was fast sold out. In 2013, this range is likely to shift to Rs 3,000-5,000 per sq ft with the increase in inflation and construction costs.
5. **Retail Real Estate**—The relaxation in FDI policies in multi-brand retail interestingly has surged aggressive growth amongst Indian retailers to take the first-mover advantage. This is expected to drive the demand in 2013. However, as supply of retail malls remains a challenge, retailers are likely to opt for built-to-suit (BTS) options or high-street properties. As most developers are focusing on residential developments, the supply of malls will reduce in the major cities over the year. In 2013, retailers will be cautious and take more time to execute agreements as they will do a detailed analysis before closing transactions. Retailers will commit to space only if they see approvals in place and the construction of the space in progress.

6. **Office Real Estate**—Office space absorption in 2013 is likely to remain equal to that in 2012. Supply correction will lead to fewer options for occupiers, and steady absorption will decrease vacancy levels. Competition for space in prime buildings in prime locations is expected to increase in 2013, and these spaces will start earning a premium. Rents are expected to increase from second half of financial year 2013-14 onwards as fewer new projects are being launched, and vacant spaces are steadily filling up. Decisions on occupying special economic zone (SEZ) spaces will be taken by occupiers who are sure of taking a position in India as they have to go live by March 2014 to avail the benefits.

7. **Industrial Real Estate**—Sale-cum-leaseback of existing industrial assets by companies is likely to increase in 2013. Multinational Companies testing the waters in India are likely to focus on BTS industrial properties. Warehousing companies are now preparing for the goods and services tax (GST) and are slowly moving from godowns to distribution centres. The growing trend in e-retailing and FDI in multi-brand retail is expected to surge the demand for warehousing spaces in 2013.

8. **Infrastructure**—The infrastructure sector achieved a substantial FDI of USD 2.8 billion, accounting for a notable 7.7% of the total FDI inflow in FY 2012. In the year 2013, the relaxation of FDI policies in multi-brand retail is expected to surge the investment in back-end infrastructure development such as logistics. Moreover, an FDI of up to 100% is also permitted under the automatic route in built-up infrastructure and is likely to surge the development of the city and the regional level infrastructure in 2013.

Our Market and Operation

Brigade Enterprises Limited is one of the leading real estate property development Company based in Bangalore, primarily focused on the development of residential, commercial, retail and Hospitality properties in south India with a unique business model.

Business Model

The company has changed its business model of revenue from pure real estate to mix of Real Estate, Hospitality Income and Lease rental Income. It is perceived that this business model will take care of any fluctuation in real estate business to a certain extent. At the same time, investment

into commercial and retail assets will bring in annuity income in the long term together with capital appreciation on those assets. The company believes in keeping a land bank for a visibility of atleast 5 years consumption of land either through JD/JV or through outright purchase.

Opportunities and Strengths

- Pioneers in development of integrated lifestyle enclaves (residential, commercial, retail and hospitality)
- Strong brand Equity in South India more particularly in Bangalore & Mysore residential segments.
- Increase in Fixed Income through rentals of premium commercial and retail properties.
- Good financial discipline in place
- Dedicated and Experienced senior management team across segments.
- Upgradation of Investment Grade Rating (BBB+) for the Company.
- Strong Project Management Team
- Wide spread projects across Bangalore
- Increasing demand due to increase in IT and ITES segment employment

Threats and Weakness

- Delay in getting statutory clearances
- Concentration only in South India
- Non availability of Land with good title
- Higher Statutory fees
- Competition from National Players in Bangalore
- Competition from Regional Players in Chennai, Mangalore, Hyderabad
- Higher inflation
- Higher interest rates for home loans
- Non availability of skilled labour for contractors
- Bigger project size with longer gestation period increase the project cost

Project Details

The Company is operating in three major segments viz Real Estate, Commercial & Retail and Hospitality.

Real Estate: This represents residential and commercial projects on sale basis. The Company develops a range of residential projects which includes premium apartments, luxury apartments, villas and affordable housing units. Commercial projects on sale includes corporate office space, built-to-suit spaces and technology parks. The ongoing projects details of this segment as on March 31, 2013 are as follows:

Projects	Co's share Area in Mn Sft	Location
Brigade Crescent	0.04	Bangalore
Brigade Rubix	0.13	Bangalore
Brigade Sonata	0.02	Bangalore
Brigade Meadows-Phase-1	1.80	Bangalore
Brigade Exotica-ResTower-1	0.72	Bangalore
Brigade Omega-Res Tower-B	0.19	Bangalore
Brigade Omega-Res Tower-C	0.15	Bangalore
Brigade Rhapsody	0.02	Bangalore
Brigade Altamont	0.21	Bangalore
Brigade Caladium	0.13	Bangalore
Brigade IRV Centre	0.15	Bangalore
Brigade Orchards Villas	0.24	Bangalore
Brigade Orchards Value Homes	0.33	Bangalore
Brigade Serenity	0.07	Chikmagalur
Brigade At No.7	0.06	Hyderabad
Brigade Pinnacle	0.36	Mangalore
Brigade Horizon	0.11	Mysore
Brigade Sparkle	0.19	Mysore
Brigade Palmgrove	0.13	Mysore
Company's share of area	5.09	
Land Owner share	1.46	
Total Project Area	6.55	

Commercial & Retail: The Company develops range of commercial projects which are meant for rentals. Presently the company owns 0.70 million square feet of commercial space. Out of this 0.35 million square feet have been already leased out as on March 2013. The company is confident of leasing the balance area during the financial year 2013-14. The Company develops retail malls under this segment. The Company has one mall operational with an area of 0.82 million square feet as on March 2013. Out of which 0.75 million square feet has been leased out as on March 2013. Apart from the above, the Company is having 1.83 million square feet of ongoing projects in different locations as on March 31, 2013 as follows:

Management Discussion and Analysis Report

Projects	Project Area	LO / JV share	Co. Share
Area in Mn Sft			
Brigade Rubix—Retail	0.07		0.07
Orion Mall, Banaswadi—Retail	0.27	0.12	0.15
Brigade Magnum	0.51	0.23	0.28
Brigade, Vantage, Mysore	0.13	0.06	0.07
Brigade Vantage Chennai	0.15	0.07	0.08
Brigade Technopolis, Kochi	0.70		0.70
Total Commercial	1.84	0.49	1.35

Hospitality: The Company develops Hotels, Clubs, Convention Centres and Serviced Apartments in association with leading brands like Starwood, Accor etc. As on March 31, 2013, the Company is having two operational hotels in Bangalore. The Company is also developing following Hospitality projects in Chennai and Mysore with leading brands as follows.

Projects	Project Area	LO / JV share	Co. Share
Area in Mn SFT			
Brigade Holiday Inn—Chennai	0.30	0.15	0.15
Mercure, Mysore	0.10		0.10
Total Hospitality	0.40	0.15	0.25

The Company has proposed to launch the following projects during the year 2013-14 in different locations as follows:

Projects	City	Land Area	Project Area	Co. Share	During
Residential Projects		in Acres	Sft in Mn	Sft in Mn	
Brigade Golden Triangle Phase-1	Bangalore	10	0.97	0.68	Q-1
Brigade Lakefront	Bangalore	17	1.90	1.34	Q-1
Brigade Palmgrove-town homes	Mysore	2	0.09	0.07	Q-1
Brigade Symphony	Mysore	7	0.52	0.52	Q-1
Brigade Begonia Phase-1	Bangalore	5	0.77	0.39	Q-2
Brigade Meadows Block B Phase 2	Bangalore	15	0.70	0.70	Q-3
Brigade Meadows Block C Phase 2	Bangalore	16	0.72	0.72	Q-3
Brigade Lakefront 2nd phase	Bangalore	4	0.70	0.49	Q-4
Brigade Lake shore	Bangalore	4	0.36	0.20	Q-4
Brigade Millennium-Chennai Phase-1	Chennai	2	1.07	0.53	Q-4
Total Residential		82	7.80	5.64	

Projects	City	Land Area	Project Area	Co. Share	During
Commercial & Retail Projects		in Acres	SFT in Mn	SFT in Mn	
Brigade Bhuwalka Retail	Bangalore	1	0.08	0.04	Q-2
Brigade Metropolis—Annexe	Bangalore	4	0.46	0.23	Q-2
Brigade Bhuwalka Commercial	Bangalore	3	0.28	0.14	Q-3
SEZ, Phase-1, Mangalore	Mangalore	4	0.37	0.37	Q-3
Total Commercial		11	1.19	0.78	
Hotel Project	Mysore	1	0.10	0.10	Q-3
Total Hospitality		1	0.10	0.10	
Grand Total		94	9.09	6.52	

Other Real Estate Services:

The company is planning to start executing interior design services in a small way during the year 2013-14.

The Company is exploring to set up construction division to execute value home projects for cost reduction and quality improvement.

Private Equity deal with Government Investment Corporation (GIC) Singapore.

The Company has signed a Private Equity (PE) deal with Government Investment Corporation (GIC), Singapore through its affiliate Reco Begonia Pte Limited. This is a 51:49 deal for developing a residential property in Whitefield main road, acquired from Hindustan Unilever Ltd (HUL) through a bidding process in Brigade Properties P. Limited, a Special Purpose Vehicle. The land spans about 9.30

acres for a developable area of over one million Sq. ft. of prime residential apartments. GIC Singapore, which is amongst the world's largest investment houses with strong values and vision that are in sync with ours. This project would be launched in the second quarter of Financial Year 2013-14.

Credit Rating

Credit rating agency ICRA has upgraded the long term debt rating from BBB to BBB+ for credit facilities availed by the Company. The outlook on the long term debt rating is stable. The rating upgradation reflects the financial discipline and investment grade of the Company.

Financial Performance

Turnover: The turnover of the Company has increased from Rs 60,932 lakhs in the financial year 2011-12 to Rs 78,812 lakhs in the financial year 2012-13, an increase by 30%.

Equity Share Capital: The equity share capital of the Company as on 31st March, 2013 stood at Rs 11,225.19 lakhs. There is no change in the Share capital of the Company as compared with the previous financial year.

Debt Equity: The debt equity ratio of the Company as on 31st March, 2013 is at 0.82:1 as against 0.71:1 in the previous financial year. The major portion of debts is towards Office, Retail and Hospitality assets which are income yielding assets to service their debts.

Finance Costs: Interest & Financial Charges for the financial year 2012-13 is Rs 8,288 lakhs as compared to Rs 6,039 lakhs in the previous year, an increase by 37% which is predominantly due to the new loans availed by the Company during the year.

EBITDA: EBITDA margin the financial year 2012-13 stood at 27% as compared to 29% for the previous financial year.

Net Profit: Net profit available for appropriation for the year 2012-13 stood at Rs 6,425 lakhs as compared to Rs 5,809 lakhs in the previous year, decrease by 11%

Dividend: The Company has proposed a dividend of Rs 1.50 (15%) per equity share. The total payout on account dividend including corporate dividend tax aggregates to Rs 1,970 lakhs.

Earnings Per Share (EPS): The Company's Earnings Per Share (EPS) during the current year is Rs 5.72 as compared to Rs 5.18 in the previous year.

Management Discussion and Analysis Report

Material developments in Human Resources

We believe that our Company's growth is also dependent on the high level of skills and professionalism of our people. In keeping with this outlook and to help business sustain its competitive advantage, Human Resources (HR) department plays a critical role in the company. The financial year 2012-13 was dedicated to further evolving the HR function to a professional value-adding business partner.

The Company was awarded the Great Place to Work Award 2012 for being the 3rd best Company in the Real Estate Sector and amongst the 25 best companies to work for with upto 1000 employees. This was achieved through constant endeavour around people and communications to enhance the culture of excellence in the Company.

To groom young leaders across all functions, an Under 35 Think Tank (U35TT) comprising of bright young high potential employees worked on multi-dimensional initiatives by contributing their ideas and solutions.

To open up employee participation and engagement, an "Employee Participation in Business Transformation policy" was introduced. The Suggestions Scheme Policy was revamped with attractive reward and recognitions to improve the response time and employee participation. The documented acceptance rate increased from 2 out of 550 suggestions (over 3 years) to 10 out of 44 suggestions (in 1 year) thereby having an acceptance rate of 23%.

One of the most important building blocks for a highly successful organization and an extraordinary workplace is "organizational culture." We believe that a company will ultimately get only as far as their culture take them. To help 'evolve' a high performance culture at Brigade, a culture code for Brigade was launched and the attributes were defined by the acronym EVOLVE which stands for E-Enterprising, V-Valuing People, O-Owning your work, L-Leading with Positivity, V-Valesco and E-Esprit de' Corps.

To promote a transparent culture and strengthen the communication across the organization, HR launched Conversations@Brigade, an annual internal communication Calendar comprising of a series of internal communication events starting with "Meet the Legend", an experience & knowledge sharing session with the senior leadership team.

For the first time, 360 Degree Multi Source Feedback was also introduced for all Senior Staff.

The Company with 24% women representation also celebrated International Women's Day by conducting sensitization and empowering programs on this day for all women employees.

The Human Resource Department has also been very active in Campus hiring of Engineering Graduates from best Engineering Institutes down South. As every year, this year also we have recruited 19 Graduate Trainee Engineers from Campus. The HR team also hired management trainees from IIM.

The Learning & Development wing of the HR is popularly known as 'PATHSHALA' which conducts regular training programs to upgrade the Knowledge, Skill and Attributes of all Brigadiers. Pathshala achieved an average of 39 Man hours of training per staff during the year. The Graduate Engineer Trainees were given an intensive class room and On-the-Job training extending to 8 weeks of training. This program—Campus to Corporate—A Structured Technical Training is considered one of the best in the industry. e- Learning has been introduced, through world's renowned e-learning vendor—M/S Skill Soft. This has over 60 courses for the front and Mid-level staff and 48 courses on Management skills for the senior staff. Pathshala conducts a monthly Engineering Meet for the Engineers where in the latest technologies in the construction industry is showcased for the benefit of all Engineers. Pathshala also felicitated eminent Engineers, Mr A. Ramakrishna & Mr C. S. Viswanatha on the occasion of the Engineers' Day, the birth day of the legendary Dr Sir M. Visveswariah.

Internal control systems

The Company has adequate internal control systems in place. It has well-defined systems and procedures covering all financial and operating functions. These controls have been designed to provide an assurance with regard to maintaining proper accounting records, controls, monitoring of operations, protecting assets from unauthorised use or losses, compliances with regulations and for ensuring reliability in financial reporting.

Company has an Internal Audit Department as well as an independent audit firm which conducts periodical internal audits to ensure adequacy of internal control systems, adherence to management policies and compliance with applicable laws and regulations.

The internal control system is subject to internal audit. The internal audit programme is reviewed by the Audit

Committee at the beginning of each financial year and quarterly progress reports are placed before the Committee. The Company continued its efforts to define its control mechanisms to align its processes with best practices in these areas. During the year 2012-13, the suggestions put forth by the Audit Committee were duly considered and accepted by the Board.

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 and 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 2013 is as follows:

Board of Directors

The Board of Directors of the Company comprises 8 Directors as on 31st March, 2013 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	25
	Ms Githa Shankar	Whole-time Director		

Category	Name of Director	Designation	No. of Directors	% to total number of Directors
Non-Executive Directors	Mr M. R. Gurumurthy	Director	2	25
	Mr M. R. Shivram	Director		
Independent Non-Executive Directors	Mr P. V. Maiya	Director	4	50
	Mr P. M. Thampi	Director		
	Dr A. Ramakrishna	Director		
	Dr K. R. S. Murthy	Director		
Total			8	100

Board Meetings

The details of the Board Meetings held in the financial year 2012-13 are as follows:

Sl. No.	Date
1	Friday, 13th April, 2012
2	Monday, 7th May, 2012
3	Tuesday, 22nd May, 2012
4	Monday, 18th June, 2012
5	Tuesday, 7th August, 2012
6	Friday, 2nd November, 2012
7	Tuesday, 29th January, 2013

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 Director	Board Meetings attended in the financial year 2012-13	Attendance in the 17th Annual General Meeting held on 7th August 2012	No. of Directorships in other Public Limited Companies	No. of Committee positions held in other Public Limited Companies as:	
				Chairman	Member
Mr M. R. Jaishankar	7	Yes	3	Nil	Nil
Ms Githa Shankar	6	Yes	2	Nil	Nil
Mr M. R. Gurumurthy	7	Yes	Nil	Nil	Nil
Mr M. R. Shivram	6	Yes	Nil	Nil	Nil
Mr P. V. Maiya	7	Yes	2	1	1
Mr P. M. Thampi	7	Yes	2	Nil	2
Dr A. Ramakrishna	5	Yes	11	1	7
Dr K. R. S. Murthy	7	Yes	2	1	1

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. Board Members and Senior Management of the Company have affirmed compliance to the Code for the financial year ended 31st March 2013. A declaration to this effect by the Chairman and Managing

Director of the Company is annexed to this report. The Code of Conduct has also been posted on the website 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.

Audit Committee

The Audit Committee of the Company was constituted on 20th July 2007. The constitution of the Committee is in accordance with Section 292A of the Companies Act, 1956 and Clause 49 (II) (A) of the Listing Agreement entered with the Stock Exchanges. All the members of the Committee possess accounting / financial expertise / exposure.

The terms of reference of the Audit Committee shall include:

1. Overseeing the Company's financial reporting process and disclosure of its financial information.
2. Recommending to the Board the appointment, re-appointment and replacement of the Statutory Auditor and the fixation of audit fee.
3. Approval of payments to the Statutory Auditors for any other services rendered by them.
4. Reviewing, with the Management, the annual Financial Statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by Management.
 - d. Significant adjustments made in the Financial Statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to Financial Statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the Management, the quarterly, half-yearly and annual Financial Statements before submission to the Board for approval.
6. Reviewing, with the Management, the performance of statutory and internal auditors, and adequacy of the internal control systems.
7. 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.
8. Discussion with Internal Auditors on any significant findings and follow up there on.
9. 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.
10. 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.

11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
12. Reviewing the functioning of the whistle blower mechanism, in case the same is existing.
13. Review of Management discussion and analysis of financial condition and results of operations, statements of significant related party transactions submitted by management, management letters / letters of internal control weaknesses 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.
14. Ensuring compliance with applicable accounting standards.
15. Reviewing the Company's financial and risk management policies.
16. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
17. 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 utilised 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.

During the year the Audit Committee meetings were held on 7th May, 2012, 7th August, 2012, 2nd November, 2012 and 29th January, 2013.

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

Sl. No.	Name	Position	Attendance
1	Mr P. V. Maiya	Chairman	4
2	Mr P. M. Thampi	Member	4
3	Mr M. R. Gurumurthy	Member	4
4	Dr A. Ramakrishna	Member	4

Corporate Governance Report

Company Secretary is the Secretary of the Committee.

Compensation Committee

Board of Directors of the Company constituted a Compensation Committee on 20th July 2007.

The terms of reference of the Compensation Committee are as follows:

1. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - a. The Securities and Exchange Board of India (Insider Trading) Regulations, 1992; or
 - b. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995.
2. Determine on behalf of the Board and the shareholders the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment.
3. Perform such functions as are required to be performed by the Compensation Committee under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("ESOP Guidelines"), in particular, those stated in Clause 5 of the ESOP Guidelines.
4. 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.

The Composition of the Compensation Committee & attendance in the meetings for the financial year 2012-13 were as follows:

Sl. No.	Name	Position	Attendance
1	Mr P. M. Thampi	Chairman	3
2	Mr P. V. Maiya	Member	3
3	Dr A. Ramakrishna	Member	3

Company Secretary is the Secretary of the Committee.

During the year Compensation Committee meetings were held on 7th May, 2012, 7th August, 2012, 2nd November, 2012.

The details of remuneration paid / payable to the Directors for the year ended on 31st March, 2013 are as follows:

Name of the Director	Salary & Perquisites (Rs)	Sitting Fees (Rs)	Commission (Rs)	Total (Rs)
Mr M. R. Jaishankar	48,00,000	Nil	2,49,64,268	2,97,64,268
Ms Githa Shankar	48,00,000	Nil	62,41,067	1,10,41,067
Mr M. R. Gurumurthy	Nil	1,10,000	Nil	1,10,000
Mr P. V. Maiya	Nil	2,00,000	6,25,000	8,25,000
Mr M. R. Shivram	Nil	90,000	Nil	90,000
Mr P. M. Thampi	Nil	1,50,000	6,25,000	7,75,000
Dr A. Ramakrishna	Nil	1,20,000	6,25,000	7,45,000
Dr K. R. S. Murthy	Nil	1,10,000	6,25,000	7,35,000

Investor Grievance Committee

The Investor Grievance Committee was constituted by the Board on 20th July 2007.

The terms of reference of the Investor Grievance 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, 2012, 7th August, 2012, 2nd November, 2012 and 29th January, 2013.

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

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

Company Secretary is the Secretary to the Committee

There were no complaints pending for redressal as on 1st April, 2012. A total of 67 complaints were received during the year ended 31st March 2013. All the complaints except one were redressed as on 31st March, 2013.

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	2
2	Mr P. M. Thampi	Member	1
3	Mr P. V. Maiya	Member	2

Company Secretary is the Secretary of the Committee.

During the year Committee of Directors meetings were held on Thursday, 9th August, 2012 and Tuesday 19th March, 2013.

Share Transfer Committee

The Board of the Directors of the Company constituted a Share Transfer Committee on 18th December 2007. The Committee shall approve transfer, transmission, split, consolidation & re-materialisation of shares & issue of duplicate share certificates.

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.

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.

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
2011-12	17	Tuesday, 7th August, 2012 at 10.00 a.m.	Chowdaiah Memorial Hall, Gayathri Devi Park extension, 16th Cross, Malleswaram, Vyalikaval, Bangalore 560 003
2010-11	16	Thursday, 11th August, 2011 at 10.00 a.m.	MLR Convention Centre, No.9, 4th Cross Road, Whitefield Road, Mahadevapura, Bangalore 560 048
2009-10	15	Friday, 23rd July, 2010 at 11.00 a.m.	MLR Convention Centre, Brigade Millennium Campus, J. P. Nagar, Bangalore 560 078

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

No. of AGM	Day & Date of AGM	Special Resolutions passed through show of hands
17	7th August, 2012	i) Reappointment of Mr M. R. Jaishankar as Managing Director for a period of 5 years w.e.f. 1st April, 2012 ii) Reappointment of Ms Githa Shankar as Wholetime Director for a period of 5 years w.e.f. 1st April, 2012.
16	11th August, 2011	i) Introduction of Employee Stock Option Plan 2011 and ii) Extension of the benefit of Employee Stock Option Plan 2011 to its subsidiaries
15	23rd July, 2010	Raising of additional capital pursuant to section 81(1A) of the Companies Act, 1956

Extraordinary General Meeting

There were no Extraordinary General Meetings held during the year.

Corporate Governance Report

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

Disclosures

- 1) 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.
- 2) 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) The Company is in the regime of unqualified financial statements. There is no audit qualification.
- 4) The mandatory requirements laid down in Clause 49 of the Listing Agreement has been duly complied by the Company and the adoption of non-mandatory requirements are as follows:
 - (i) The Company has not fixed a period of 9 years as tenure for Independent Directors on the Board of the Company.
 - (ii) The Board of Directors of the Company have constituted a Compensation Committee on 20th July 2007. The terms of reference to the Committee is contained elsewhere in this report.
 - (iii) 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.
 - (iv) The Board of Directors of the Company comprises a perfect combination of Executive and Non-Executive Directors who are professionals in their respective fields.
 - (v) At present, the Company does not have a mechanism for evaluating the performance of Non-Executive Directors by a peer group.
 - (vi) The Company has not adopted Whistle Blower Policy. However the Company has not denied access to any employee to approach the management on any issue.

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 "Mint" / "Business Standard" / "The Financial Express"—English Newspapers and "Vijaya Karnataka" / "Kannada Prabha" / "Vijayavani"—Kannada Newspaper 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.

Information to Shareholders

- 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 29th & 30th Floors, World Trade Centre, Brigade Gateway Campus, 26/1, Dr Rajkumar Road, Malleswaram-Rajajinagar, Bangalore 560 055
- 3 Compliance Officer P. Om Prakash
- 4 Date, Time and Venue of the 18th AGM Wednesday, 31st July, 2013 at 11. 00 a.m. MLR Convention Center, Brigade Millennium Campus, 7th Phase, J. P. Nagar, Bangalore 560 078
- 5 Financial Year 2012-13
- 6 Date of Book Closure 24th July, 2013 to 31st July, 2013 (both days inclusive)
- 7 Dividend: The Board of Directors of the Company have recommended a dividend of Rs 1.50 (15%) 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 23rd July, 2013.
- 9 Listing in Stock Exchanges: The Equity Shares of the Company are listed in the following Stock Exchanges:

National Stock Exchange of India Limited
Bombay Stock Exchange Limited

10 Stock Code Bombay Stock Exchange
 Limited 532929
 National Stock Exchange of
 India Limited—
 BRIGADE, series-EQ BE

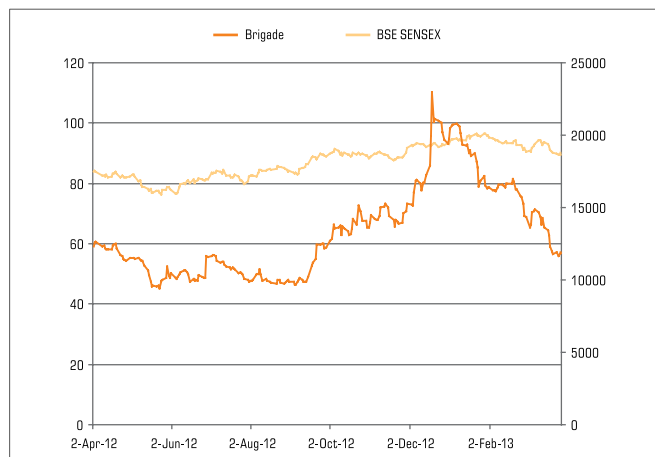
11 Listing Fees: Listing Fees as prescribed has been paid fully to all the Stock Exchanges where the shares of the Company are listed.

12 Stock Performance

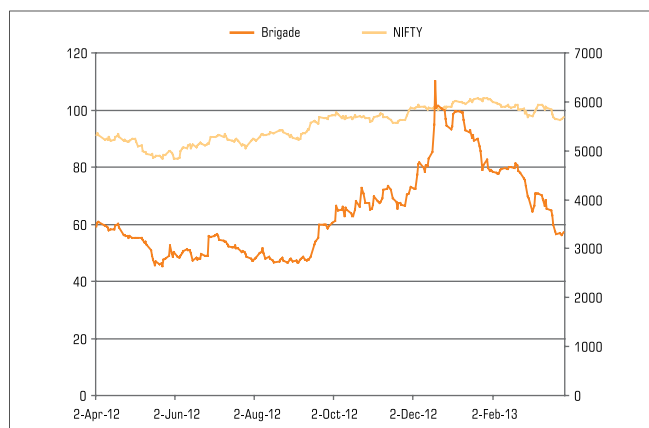
The performance of the stock in the Bombay Stock Exchange Limited & National Stock Exchange of India Limited for the period from 1st April, 2012 to 31st March, 2013 was as follows:

Month	National Stock Exchange of India Limited (NSE)			Bombay Stock Exchange Limited (BSE)		
	High	Low	Volume	High	Low	Volume
April	110.00	89.20	2262210	110.00	89.25	711701
May	96.30	79.50	693413	95.00	80.35	276014
June	84.80	71.00	728441	84.80	70.65	213727
July	79.25	70.00	1320052	80.00	69.65	394504
August	73.00	60.00	1171608	73.40	59.10	311518
September	74.20	64.10	333080	73.90	63.10	117274
October	68.10	61.20	413305	67.45	60.30	106603
November	68.00	50.05	270701	67.40	50.00	73495
December	57.50	37.65	259985	57.45	38.10	131567
January	69.00	40.30	1285473	69.10	40.00	580625
February	81.50	60.95	1194555	81.60	61.00	476116
March	54.05	54.05	396545	67.60	54.15	128465

Exchange: BSE Date: 1-4-2012 End Date: 31-3-2013



Exchange: NSE Date: 1-4-2012 End Date: 31-3-2013



13 Dematerialisation of shares

The ISIN for the Equity Shares of the Company is INE791I01019. A total of 10,69,13,072 Equity Shares aggregating to 95.24% of the total shares of the Company are in dematerialised form as on 31st March 2013.

14 Share Transfer Agents:

Karvy Computershare Private Limited
 Plot Nos. 17 to 24 Vittalrao Nagar,
 Madhapur, Hyderabad – 500 081
 Telephone No.: 040 23420815 to 24
 Fax No.: 040 23420814
 Email: raju.sv@karvy.com

15 Distribution of Shareholding as on 31st March, 2013

Category (Amount)	No. of shareholders	%	Amount (Rs)	%
1-5000	77,554	97.89	4,33,63,100	3.86
5001-10000	876	1.11	67,77,030	0.60
10001-20000	390	0.49	58,20,090	0.52
20001-30000	103	0.13	26,57,430	0.24
30001-40000	50	0.06	17,86,780	0.16
40001-50000	34	0.04	15,77,500	0.14
50001-100000	79	0.10	59,40,380	0.53
100001 & Above	141	0.18	105,45,97,090	93.95
Total	79,227	100.00	112,25,19,400	100.00

Corporate Governance Report

16 Categories of Shareholders as on 31st March 2013

Category	No. of shares	% to Total Shares
Promoters & their Relatives	6,46,32,539	57.58
Mutual Funds	4,33,422	0.39
Banks, Financial Institutions	10,52,761	0.94
Foreign Institutional Investors	52,45,228	4.67
Non Resident Indians	3,06,956	0.27
Indian Companies	24,38,902	2.17
HUF	5,02,409	0.45
Indian Public	3,76,08,733	33.50
Trusts	720	0.00
Clearing Members	30,270	0.03
Total	11,22,51,940	100.00

Promoters / Promoter group haven't pledged any equity shares of the Company held by them in the Company in the financial year 2012-13.

17 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	54	2,023
Number of shareholders who approached issuer for transfer of shares from suspense account during the year	Nil	Nil
Number of shareholders to whom shares were transferred from suspense account during the year	Nil	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	54	2,023

The voting rights on the shares outstanding in the suspense account as on 31st March, 2013 shall remain frozen till the rightful owner of such shares claims the shares.

18 Financials Release Dates for 2013-14

Quarter	Release Date (tentative & subject to change)
1st Quarter ending 30th June 2013	Fourth week of July 2013
2nd Quarter ending 30th September 2013	Fourth week of October 2013
3rd Quarter ending 31st December 2013	Fourth week of January 2014
4th Quarter ending 31st March 2014	First week of May 2014

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 on 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.

Auditor's Report on Corporate Governance

To,
The Shareholders of
Brigade Enterprises Limited,

We have examined the compliance of conditions of Corporate Governance by Brigade Enterprises Limited for the year ended on 31st March, 2013 as stipulated by Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the provisions relating to Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied in all material aspects with the

conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month except where disputed or sub-judice, as per the records maintained by the Company, Registrar and Transfer Agents and reviewed by the Board/Committee of the Company.

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

for **Narayanan, Patil and Ramesh**
Chartered Accountants
Firm Regn No. 002395S

L. R. Narayanan
Partner
Membership No: 200/25589

Place: Bangalore
Date: May 07, 2013

CEO/CFO Certification pursuant to Clause 49 of the Listing Agreement(s)

The Board of Directors,
Brigade Enterprises Limited
29th & 30th Floors
World Trade Centre
Brigade Gateway Campus
26/1, Dr Rajkumar Road
Malleswaram-Rajajinagar
Bangalore 560 055

This is to certify that:

- a. We have reviewed financial statements and the cash flow statement for the financial year 2012-2013 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 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 and that we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

- d. We have indicated to the Auditors and the Audit committee
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.
- e. We further declare that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year 2012-2013.

for **Brigade Enterprises Limited**

M. R. Jaishankar
Chairman & Managing Director

Suresh K.
Chief Financial Officer

Place: Bangalore
Date: May 07, 2013

Secretarial Audit Report

for the year ended 31st March 2013

The Board of Directors,
BRIGADE ENTERPRISES LIMITED
29th & 30th Floors
World Trade Center
No. 26/1, Dr Rajkumar Road
Malleswaram-Rajajinagar
Bangalore 560 055.

We have examined the registers, records and documents of M/s Brigade Enterprises Limited ('The Company') for the financial year ended on 31st March 2013, according to the provisions of:

- A. The Companies Act, 1956 and the rules made under the Act;
 - B. The Depositories Act, 1996 and Regulations and Bye-laws framed under the Act;
 - C. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 as well as SEBI (Acquisition of Shares & Takeovers) Regulations, 2011.
 - D. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
 - E. The Equity Listing Agreements with BSE Limited and National Stock Exchange of India Limited.
- I. In our opinion, based on test checks carried out by us, verification of records produced to us and according to the information furnished to us by the Company, its Company Secretary and Officers, the Company has complied with the provisions of the Companies Act, 1956 ('the Act') and Rules made under the Act and the Memorandum and Articles of Association of the Company with regard to:
- 1) maintenance of various Statutory Registers and documents and making necessary entries therein;
 - 2) filing of the requisite forms and returns with the Registrar of Companies, Ministry of Corporate Affairs within the time prescribed under the Act and Rules made there under;
 - 3) service of documents by the Company on its Members, Auditors, Debenture Holders and Debenture Trustees;
 - 4) closure of Register of Members and Share Transfer Books of the Company from 1st August 2012 to 7th August, 2012 (both days inclusive);
 - 5) convening and holding of the meetings of Directors and Committees of the Directors including passing of the Resolutions by Circulation;
 - 6) convening and holding of 17th Annual General Meeting on 7th August, 2012;
 - 7) minutes of the proceedings of the General Meeting and Meetings of the Board and its Committees were properly recorded in loose leaf form, which are being bound on book form at regular intervals;
 - 8) appointment and remuneration of Statutory Auditors, Internal Auditors and Cost Auditors;
 - 9) transfers and transmission of shares and issue and delivery of original and duplicates of shares: dematerialization/re-materialization of shares;
 - 10) composition and terms of reference of Audit Committee, Investors Grievances Committee and Compensation Committee;
 - 11) declaration and payment of dividend;
 - 12) transfer of amounts due under the Act to the Investor Education and Protection Fund;
 - 13) investment of Company's funds including inter corporate loans and investments and loans to others;
 - 14) giving guarantees in connection with loans taken by subsidiaries and associate companies;
 - 15) borrowings and registration, modification and satisfaction of charges;
 - 16) deposit of both the employees and employers contribution relating to Provident Fund with the Trusts created for the purpose;
 - 17) form of Balance Sheet, Statement of Profit and Loss Account and disclosures to be made therein as per the revised Schedule VI to the Act issued by the Ministry of Corporate Affairs;
 - 18) contracts, Common Seal, Registered Office and publication of name of the company; and
 - 19) generally, all other applicable provisions of the Act and the Rules made there under that Act.
- II. We further state that :
- 1) The Directors have disclosed their interest and concerns in contracts and arrangements, share-holdings and directorships in other companies and interests in other entities as and when required and their disclosures have been noted and recorded by the Board;
 - 2) The Directors have complied with the disclosure requirements in respect of their eligibility of appointments, their being independent and compliance with the Code of Conduct for Directors and Senior Management Personnel;
 - 3) The Company has obtained all necessary approvals under the various provisions of the Act; and
 - 4) There was no prosecution initiated and no fines or penalties were imposed during the year under the Companies Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulation and Guidelines framed under these Acts against/on the Company, its Directors and Officers.
- III. We further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Bye-laws framed there under by the Depositories with regard to dematerialization/rematerialisation of securities

and reconciliation of records of dematerialization securities with all securities issued by the Company.

IV. We further report that:

- 1) The Company has complied with all the requirements under the Listing Agreement executed with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited;
- 2) The Company has complied with the provisions of the Securities Exchange Board of India (Substantial

- Acquisition of Shares and Takeovers) Regulations, 1997 as well as SEBI (Acquisition of Shares & Takeovers) Regulations, 2011 including the provisions with regard to disclosure and maintenance of records required under the regulations;
- 3) The Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including provisions with regard to disclosures and maintenance of records required under the regulations.

Place: Bangalore
Date: May 07, 2013

for **H Jayasurya & Associates**
(Company Secretaries)

(CS H. Jayasurya)
Proprietor
C. P. No. 47

Standalone Financial Statements

Auditors' Report

To the members of **BRIGADE ENTERPRISES LIMITED**,

Report on the Financial Statements

We have audited the accompanying financial statements of **BRIGADE ENTERPRISES LIMITED** ('the Company'), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and the Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The company's management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal control 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the 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, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by section 227(3) of the Act, we report that:
 - a) we have 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 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 Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Annexure to Auditors' Report

Annexure referred to in paragraph 1 under **Report on Other Legal and Regulatory Requirements** of the Independent Auditors' Report to the members of **Brigade Enterprises Limited** on the accounts for the year ended 31st March, 2013.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- (b) All the fixed assets have been physically verified by the management during the period and no material discrepancies were noticed on such verification.
- (c) During the period, the company has not disposed off any substantial part of its Fixed Assets that would affect the Going Concern assumption of the Company.
- (ii) (a) The Inventory has been physically verified at reasonable intervals during the period by the management. In our opinion, the frequency of verification is reasonable.
- (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 inventories. The discrepancies noticed on verification between physical stock and book stock was not material.
- (iii) (a) The company has granted loans to 8 bodies corporate covered in the register maintained under Section 301 of the Companies Act, 1956 ('the Act'). The maximum amount outstanding during the year was Rs 33,632 lakhs and the year end balance of such loans amounted to Rs 33,632 lakhs. Other than the above, the company has not granted any loans, secured or unsecured, to companies, firms or parties covered in the register maintained under Section 301 of the Act.
- (b) In our opinion, the rate of interest and other terms and conditions on which the loans have been granted to the bodies corporate listed in the register maintained under Section 301 of the Act are not, prima facie, prejudicial to the interest of the Company.
- (c) In the case of the loans granted to the bodies corporate listed in the register maintained under Section 301 of the Act, the borrowers have been regular in the payment of the interest, if any, as stipulated. The terms of arrangement do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 4(iii)(c) of the order is not applicable to the Company in respect of repayment of the principal amount.
- (d) There are no overdue amounts of more than Rs 1 lakh in respect of the loans granted to the bodies corporate listed in the register maintained under Section 301 of the Act.
- (e) The company has taken loans from a company covered in the register maintained under section 301 of the Act. The maximum amount outstanding during the year was Rs 279 lakhs and the year end balance of such loans amounted to Rs Nil. Other than the above, the company has not taken any loans, secured or unsecured, from companies, firms or parties covered in the register maintained under Section 301 of the Act.
- (f) In our opinion, the rate of interest and other terms and conditions on which the loans have been taken from bodies corporate listed in the register maintained under Section 301 of the Act are not, prima facie, prejudicial to the interest of the Company.
- (g) In the case of the loans taken from the bodies corporate listed in the register maintained under Section 301 of the Act, the company has been regular in the payment of the interest, if any, as stipulated. The terms of arrangement do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 4(iii)(g) of the order is not applicable to the Company in respect of repayment of the principal amount.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, with regard to purchase of inventory, fixed assets and for the sale of goods. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system..
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into a register in pursuance of section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the period have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) According to the information and explanations given to us, the company has not accepted deposits from public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 58A and 58AA or any other relevant provisions of the Act and the rules framed there under, are not applicable to the company.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) According to the information and explanation given to

us, the company has maintained such accounts and records pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act 1956.

- (ix)(a) According to the information and explanations given to us and the records of the Company examined by us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Employee Provident Fund, Employees State Insurance, Income-Tax, Sales-Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess were in arrears, as at 31.03.2013 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, the particulars of Income tax, Value Added tax and Service Tax as at 31st March 2013, which have not been deposited on account of a dispute pending are as under:

Name of the Statute	Nature of Dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
Service Tax	Service Tax on Import of Services	Rs 18,00,67,470	For the period from April, 2003 to March, 2010	Customs, Excise and Service Tax Appellate Tribunal
Value Added Tax	Additional turnover proposed	Rs 12,06,24,122	For the Assessment Year April 2005 to March 2011	Joint Commissioner of Commercial Taxes (Appeals)
Income Tax Act	Disallowances u/s 14A	Rs 56,15,148	Assessment Year 2008-09	Income Tax Appellate Tribunal
Income Tax Act	Disallowance of Deduction u/s 80-IB and expenditure u/s 14A	Rs 10,66,73,737	Assessment Year 2009-10	Income Tax Appellate Tribunal

- (x) In our opinion, the company has no accumulated losses and the company has not incurred cash losses during the financial period covered by our audit and the immediately preceding financial period.
- (xi) In our opinion, and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (xii) In our opinion, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Hence, maintenance of records is not applicable.
- (xiii) In our opinion, the company is not a chit fund or nidhi mutual benefit fund / society and therefore, the provisions of clause 4(xiii) of the Order are not applicable to the company.
- (xiv) According to the information and explanations provided to us, the company is not dealing in or trading in shares, securities, debentures and other investments and accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the company.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institution and accordingly provisions of clause 4(xv) of the Order are not applicable to the company.

- (xvi) In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that funds raised on short-term basis have not been used for long-term investment.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares during the period to parties and companies covered in the Register maintained under Section 301 of the Act and therefore, the provisions of clause 4(xviii) of the Order are not applicable to the company.
- (xix) According to the information and explanations given to us, the Company has not issued any debenture and therefore, the provisions of clause 4(xix) of the Order are not applicable to the company.
- (xx) The Company has not raised any monies by way of public issues during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the period under review.

Balance Sheet

(Rupees in Lakhs)

PARTICULARS	NOTES	As at 31st March 2013	As at 31st March 2012
EQUITY AND LIABILITIES			
Shareholders Funds			
Share Capital	3	11,225	11,225
Reserves and Surplus	4	109,585	105,130
		120,810	116,355
Non-current liabilities			
Long-term borrowings	5	77,958	68,347
Deferred tax liabilities (net)	28.9	2,646	2,019
Other long-term liabilities	6	9,608	12,245
Long-term provisions	7	42	237
Current liabilities			
Short-term borrowings	8	2,974	998
Trade payables	9	7,820	11,120
Other current liabilities	10	49,612	48,897
Short-term provisions	11	3,765	2,599
Total		275,235	262,817
ASSETS			
Non-current assets			
Fixed Assets			
Tangible assets	12-A	98,475	44,042
Intangible assets	12-B	791	853
Capital work-in-progress	12-C	35,623	92,500
Non-current investments	13	9,229	2,066
Long-term loans and advances	14	35,051	15,711
Other non-current assets	15	336	337
Current Assets			
Inventories	17	60,298	65,863
Trade receivables	18	1,557	3,317
Cash and cash equivalents	19	3,507	3,931
Short-term loans and advances	20	30,150	34,066
Other current assets	21	218	131
Total		275,235	262,817

Summary of significant accounting policies. 2
The accompanying notes are an integral part of the financial statements.

As per our report of even date
for **Narayanan, Patil and Ramesh**
Chartered Accountants
Firm Regn No. 002395S

L. R. Narayanan
Partner
Membership No: 200/25588

Place: Bangalore Date: May 07, 2013

for Brigade Enterprises Limited

M. R. Jaishankar
Chairman & Managing Director

Suresh K.
Chief Financial Officer

M. R. Shivram
Director

P. Om Prakash
Company Secretary

Statement of Profit & Loss

(Rupees in Lakhs)

PARTICULARS	NOTES	For the year ended 31st March 2013	For the year ended 31st March 2012
INCOME			
Revenue from operations	22	77,611	57,175
Other income	23	1,201	3,757
Total		78,812	60,932
EXPENSES			
Project and direct expenses	24-A	27,682	36,499
Changes in inventories of finished goods		16,792	(1,569)
Employee benefit expenses	25	6,601	4,795
Other expenses	27	6,222	3,428
Total		57,297	43,153
Earnings before interest, tax, depreciation and amortisation		21,515	17,779
Depreciation and Amortisation Expenses		7,224	4,925
Finance costs	26	8,288	6,039
Profit / (loss) before tax		6,003	6,815
Tax expense			
Current tax		1,199	1,363
Deferred tax		627	(300)
Wealth tax		2	2
MAT entitlement:			
Current year		(625)	(59)
Prior years		(1,625)	—
Total tax expense		(422)	1,006
Profit / (Loss) for the year		6,425	5,809
Earnings per equity share - basic and diluted (Rs)		5.72	5.18

Summary of significant accounting policies. 2
 The accompanying notes are an integral part of the financial statements.

As per our report of even date
 for **Narayanan, Patil and Ramesh**
 Chartered Accountants
 Firm Regn No. 002395S

L. R. Narayanan
 Partner
 Membership No: 200/25588

Place: Bangalore Date: May 07, 2013

for Brigade Enterprises Limited

M. R. Jaishankar
 Chairman & Managing Director

Suresh K.
 Chief Financial Officer

M. R. Shivram
 Director

P. Om Prakash
 Company Secretary

Cash Flow Statement

(Rupees in Lakhs)

PARTICULARS	For the year ended 31st March 2013	For the year ended 31st March 2012
A. Cash Flow from Operating Activities		
Net Profit / (Loss) before extraordinary items and tax	6,003	6,815
Adjustments for:		
Depreciation and amortisation	7,224	4,925
(Profit) / loss on sale / write off of assets	(195)	(1,750)
Finance costs	11,971	11,694
Interest income	(172)	(812)
Dividend income	(13)	(9)
Adjustments to the carrying amount of investments	(94)	—
Provision for losses of subsidiary companies	—	3
Provision for doubtful trade and other receivables, loans and advances	14	1
	18,735	14,052
Operating profit / (loss) before working capital changes	24,738	20,867
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	5,565	(2,308)
Trade receivables	1,746	(2,158)
Short-term loans and advances	4,542	(2,305)
Long-term loans and advances	(17,715)	(2,318)
Other current assets	(87)	168
Other non-current assets	1	1,651
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(3,300)	1,145
Other current liabilities	(2,057)	493
Other long-term liabilities	(2,637)	6,865
Short-term provisions	544	4,457
Short-term borrowings	1,976	998
Long-term provisions	(194)	(1,846)
	(11,616)	4,842
Cash generated from operations	13,122	25,709
Net income tax (paid) / refunds	(592)	(1,360)
Net cash flow from / (used in) operating activities (A)	12,530	24,349

(Rupees in Lakhs)

PARTICULARS	For the year ended 31st March 2013	For the year ended 31st March 2012
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(4,876)	(26,953)
Proceeds from sale of fixed assets	352	5,087
Bank balances not considered as Cash and cash equivalents		
- Matured	—	6
Purchase of long-term investments		
- Subsidiaries	(7,070)	(104)
Interest received		
- Others	172	812
Dividend received		
- Associates	13	9
Net cash flow from / (used in) investing activities (B)	(11,409)	(21,143)
C. Cash flow from financing activities		
Proceeds from borrowings	50,490	10,786
Repayment of borrowings	(38,107)	—
Finance cost	(11,971)	(11,694)
Dividend paid	(1,684)	(1,684)
Tax on dividend	(273)	(273)
Net cash flow from / (used in) financing activities (C)	(1,545)	(2,865)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(424)	341
Cash and cash equivalents at the beginning of the year	3,931	3,590
Cash and cash equivalents at the end of the year	3,507	3,931

As per our report of even date
for **Narayanan, Patil and Ramesh**
Chartered Accountants
Firm Regn No. 002395S

L. R. Narayanan
Partner
Membership No: 200/25588

Place: Bangalore Date: May 07, 2013

for Brigade Enterprises Limited

M. R. Jaishankar
Chairman & Managing Director

Suresh K.
Chief Financial Officer

M. R. Shivram
Director

P. Om Prakash
Company Secretary

Notes to Financial Statements

for the year ended 31st March 2013

1. Company overview:

Brigade Enterprises Limited (BEL) was incorporated on 8th November, 1995 and is listed on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The Company is carrying on the business of real estate development primarily focussed on the development of residential, commercial and hospitality properties in South India. BEL has completed over 100 residential, commercial, retail and hospitality projects, covering over 20 million sft of developable area. The residential properties developed by BEL include integrated lifestyle enclaves and apartment buildings. The commercial properties developed by BEL include state of the art office spaces, software and IT Parks, SEZs, Malls with entertainment facilities, such as multiplexes. The properties in the hospitality sector developed by BEL include serviced residences, hotels, resorts, spas, recreational clubs, convention centres in Bangalore and other parts of South India.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis for Preparation of Financial Statements:

The Financial Statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with generally accepted accounting principles in India and comply with the Accounting Standards prescribed by the Companies (Accounting Standards) Rules 2006, to the extent applicable and in accordance with the Provisions of the Companies Act, 1956.

2.2. Use of Estimates:

Preparation of Financial Statements in conformity with Generally Accepted Accounting Principles requires Company Management to make estimates and assumptions that affect reported balance of assets and liabilities and disclosures relating to contingent assets and liabilities as of the date of Financials and reported amounts of income and expenses during the period. Examples of such estimate include Revenues and Profits expected to be earned on projects carried on by the Company, contract costs expected to be incurred for completion of project, provision for doubtful debts, income taxes, etc. Actual results could differ from these estimates. Differences, if any, between the actual results and estimates are recognised in the period in which the results are known or materialised.

2.3. Expenditure

Expenses are accounted on the accrual basis and provisions are made for all known losses and liabilities.

2.4. Valuation of Inventories and Construction Work-in-Progress:

- a) Valuation of Inventories, representing stock of materials at project site/with contractors, has been done after providing for obsolescence, if any, at lower of Cost or Net Realisable Value. The cost is generally calculated on FIFO basis.
- b) Valuation of inventories, representing food and beverages, held at Brigade Sheraton at Gateway has been done after providing for obsolescence, if any, at lower of Cost or Net Realisable Value. The cost is generally calculated on Weighted Average basis.
- c) The value of construction work-in-progress during the period is determined as an aggregate of opening work in progress, cost of construction, and construction overheads incurred during the year as reduced by cost of completed contract transferred to income and closing stock of materials, if any.
- d) The value of completed projects intended for immediate sale is considered as an inventory and value of completed projects / units intended to be retained / leased is considered as fixed asset.
- e) Land held for development, Work in Progress and Closing Stock of unsold units is valued at Cost or Net Realizable Value whichever is lower.

2.5. Cash Flow Statement:

Cash Flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.

2.6. Events occurring after the date of Balance Sheet:

Material events occurring after the date of Balance Sheet are taken into cognisance.

2.7. Depreciation:

Depreciation in respect of fixed assets, is provided adopting Written Down Value Method at the rates provided under

Schedule XIV to the Companies Act, 1956, except with respect to certain assets, depreciation is charged on Straight Line Method as shown below.

Project Name	Building	Furniture, Fixture and Interiors	Office Equipment and Plant and Machinery
Brigade Mane Court	25 Years	5 Years	5 Years
Augusta Club	25 Years	5 Years	5 Years
Brigade MLR Convention Centre	25 Years	5 Years	5 Years
Woodrose Club	25 Years	5 Years	5 Years
Homestead 2	25 Years	5 Years	5 Years
Grand Mercure	25 Years	5 Years	5 Years
Brigade Plaza	25 Years	5 Years	Not Applicable
Brigade South Parade	14 Years	5 Years	Not Applicable
Brigade Tech Park B-Block 4th & 5th Floor	Not Applicable	5 Years	5 Years

Depreciation is charged on a pro-rata basis for assets purchased / put to use / sold during the year. Individual assets costing less than or equal to Rs 5,000/- is fully depreciated in the year of purchase.

2.8. Revenue Recognition:

Income from contractual Real Estate projects is determined and recognised, based on the percentage of completion method, as the aggregate of the profits earned on the projects completed / under completion and the value of construction work done during the period.

Profit so recognised in respect of individual projects is adjusted to ensure that it does not exceed the estimated overall profit margin. Loss on projects, if any, is fully provided for.

Stage of completion of projects in progress is determined on the basis of the proportion of the contract costs incurred, in respect of individual projects for work performed up to the period of the financial statements, bear to the estimated total project cost. Income recognised as contract revenue during the

period is based on the lower of stage of completion as determined above and actual amount received on sale (pursuant to agreements entered into by the Company). Project revenues on new projects are recognised when the cost incurred for stage of completion of each project reaches a significant level (excluding land cost), which is estimated to be at least 25%.

The estimates for sale value and contract costs are reviewed by Management periodically and the cumulative effect of the changes in these estimates, if any, are recognised in the period in which these changes may be reliably measured.

In respect of sale of completed units, revenue is recognised when the significant risks and rewards of ownership of the units in real estate have been passed on to the buyer.

Interest income is recognised on time basis and is determined by the amount outstanding and rate applicable.

Dividend income is recognised as and when right to receive payment is established.

Rental income / lease rentals are recognised on accrual basis in accordance with the terms of agreement.

Differential income arising on account of any charges collected from Buyers including Deposits and the related expenses incurred are recognised in the year of completion of the project / handing over of the flats to the customers.

In respect of Hospitality operations, revenue from rooms, restaurants, banquets and other services comprising of renting of rooms, sale of food and beverages, allied services relating to hotel operations, including net income from telecommunication services and management and operating fees, revenue is recognised upon rendering of the services.

2.9. Fixed Assets:

Tangible:

Fixed assets are stated at cost of acquisition including directly attributable costs for bringing the asset into use, less

Notes to Financial Statements

for the year ended 31st March 2013

accumulated depreciation and impairment losses, if any. Capital Work in Progress comprises the cost of fixed assets under construction and not yet ready for their intended use. Capital Work in Progress is carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Intangible:

Intangible assets are carried at cost less accumulated amortisation and impairment loss, if any. The Cost of Intangible asset comprises its purchase cost and directly attributable expenditure.

2.10. Foreign currency transactions:

Foreign currency transactions are recorded in reporting currency at exchange rates prevailing on the date of transactions. Exchange gain or loss arising on settlement are adjusted to the statement of profit and loss. All monetary items denominated in foreign currency are converted at the rates prevailing on the date of the Financial Statement.

2.11. Investments:

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as Long Term Investments. Long Term Investments are carried at the cost, and a provision for diminution in value in investments is made to recognise a decline, other than temporary, in the value of the investments. Investments other than long term investments being current investments are carried at the lower of cost or fair value.

Investments, which are readily realisable and intended to be held for not more than one year from balance sheet date, are classified as current investments. All other investments are classified as non-current investments.

2.12. Employee Benefits:

Short-Term Employee Benefits:

The employee benefits payable only within 12 months of rendering the services are classified as Short Term Employee Benefits. Benefits such as salaries, leave travel allowance, short term compensated absences, etc., and the expected cost of bonus are recognised in the period in which the employee renders the related service.

Post Employment Benefits:

Defined Contribution Plans:

The Company has contributed to state governed Provident Fund Scheme, Employee State Insurance Scheme, and Employee Pension Scheme which

are Defined Contribution Plans. Contribution paid or payable under the Schemes is recognised during the period in which the employee renders the related service.

Defined Benefit Plans:

The Employees' Gratuity is a Defined Benefit Plan. The present value of the obligation under such plan is determined based on the actuarial valuation using the projected unit credit method which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the financial obligation. The Company has an Employee Gratuity Fund managed by Life Insurance Corporation of India (LIC). Actuarial gains or losses are charged to Profit and Loss Account.

Liability in respect of leave encashment is provided for on actuarial basis using the projected unit credit method (same as above).

2.13. Borrowing Costs:

Borrowing costs attributable to acquisition and construction of assets are capitalised as part of the cost of such assets up to the date the asset is put to use. Other borrowing costs are charged as expense in the year in which these are incurred.

2.14. Segment reporting:

The company identifies primary segments based on the dominant source, nature of risks and returns and internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the management. The Accounting policies adopted for the segment reporting are in line with the accounting policies of the company.

2.15. Earnings per Share:

Basic Earnings per Share is computed by dividing net income by the weighted average number of common stock outstanding during the period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been

actually issued at fair value (i.e., the average market value of the outstanding shares). Diluted potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

2.16. Provision for Taxation:

The provision for taxation is made on Taxes Payable Method and determined in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax is recognised, subject to the consideration of prudence, in respect of deferred tax assets or liabilities, on timing differences, being the difference between taxable incomes and accounting incomes that originate in one period, and are reversible in one or more subsequent periods.

2.17. Impairment of Assets:

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard-28 "Impairment of Assets" prescribed under the Companies (Accounting Standards) Rules 2006, where the recoverable amount of any fixed asset is lower than its carrying amount, a provision for impairment loss on fixed assets is made for the difference.

2.18. Provisions and Contingent Liabilities:

Provision is recognised when an enterprise has a present obligation as a result of past event and is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.19. Amortisation of Miscellaneous Expenditure:

Expenses incurred towards Initial Public Offer and other deferred expenses (being operational expenses in respect of certain projects incurred till commencement of commercial operation) classified under Miscellaneous Expenditure are written off equally over a period of 5 years.

In case of Sheraton Hotel Bangalore at Brigade Gateway, Pre-operative expenses incurred till commencement of commercial operations, classified under Miscellaneous Expenditure are written off equally over a period of 5 years.

Note 3—Share capital

(Rupees in Lakhs)

Asset Description	As at 31st March 2013	As at 31st March 2012
Authorised 150,000,000 (31st March 2012: 150,000,000) Equity shares of Rs 10 each	15,000	15,000
Issued, Subscribed & Paid Up 112,251,940 (31st March 2012: 112,251,940) Equity Shares of Rs 10/- each	11,225	11,225
Total	11,225	11,225

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Number of Equity shares

Particulars	As at 31st March 2013	As at 31st March 2012
Shares outstanding at the beginning of the year	112,251,940	112,251,940
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	112,251,940	112,251,940

Details of shareholders' holding equity shares more than 5%

Name of the shareholder	As at 31st March 2013		As at 31st March 2012	
	No. (in lakhs) of shares held	% of holding	No. (in lakhs) of shares held	% of holding
M R Jaishankar	230	21%	230	21%
Nirupa Shankar	93	8%	93	8%
Githa Shankar	187	17%	143	13%

Notes to Financial Statements

for the year ended 31st March 2013

Bonus Shares

The company has not issued any Bonus Shares during the period of 5 years immediately preceeding the reporting date.

Note 4—Reserves and surplus

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
a. Securities premium account		
Balance at the beginning of the reporting period	68,572	68,572
Balance at the end of the reporting period	68,572	68,572
b. General reserve		
Balance at the beginning of the reporting period	6,278	5,739
Add: amount transferred from surplus balance in the statement of profit and loss	321	440
Add: Transfer from Capital Asset reserve	276	99
Balance at the end of the reporting period	6,875	6,278
c. Surplus in the statement of profit and loss		
Balance at the beginning of the reporting period	30,280	26,967
Add: Profit / (Loss) for the current year	6,425	5,809
Less: Profit Transferred to General Reserve	321	440
Less: Appropriation towards Proposed Dividend	1,684	1,684
Less: Appropriation towards tax on Proposed Dividend	286	273
Less: Appropriation for Capital Assets Reserve	276	99
Net surplus in the statement of Profit and Loss	34,138	30,280
Total of reserves and surplus	109,585	105,130

Note 5—Long-term borrowings

(Rupees in Lakhs)

Particulars	Terms of repayment and security	As at 31st March, 2013 (Short term payable)	As at 31st March, 2013 (Long term payable)	As at 31st March 2012 (Short term payable)	As at 31st March 2012 (Long term payable)
Term loan from banks					
Corporation Bank	Secured by first charge on pari-passu basis with Punjab National Bank on land, building and Multi Level Car Parking of the Brigade Gateway World Trade Centre Complex, Subramanyanagar, Malleswaram West, Bangalore. The loan is repayable in 22 quarterly installments, commencing from 31st December 2010.	—	—	1,622	6,435
Corporation Bank	Secured by EMG / first charge on the residential buildings, viz., B Block (Altair at Brigade Gateway) and J, K, L Blocks at Brigade Metropolis, Bangalore. The loan is further secured by the personal guarantee of, Mr M. R. Jaishankar—Chairman and Managing Director, Mr M. R. Shivram—relative of director and Mr M. R. Krishna Kumar—relative of director and to the extent of Rs 15,500 Lakhs only. The loan is repayable in 5 quarterly installments commencing from 30th June 2011.	—	—	2,446	—
State Bank of India	Secured by first charge on pari-passu basis with State Bank of Mysore and State Bank of Patiala on land and building of the Sheraton Hotel at Brigade Gateway, Subramanyanagar, Malleswaram West, Bangalore. The loan has been further secured by personal guarantee of, Mr M. R. Jaishankar—Chairman and Managing Director, Mr M. R. Shivram—Non-executive director. The loan is repayable in 28 quarterly installments, commencing from 30th June 2011.	872	4,186	873	5067
State Bank of India	Equitable Mortgage of the land measuring 35 Acres and 38 Guntas and building in which Meadows project is being constructed located at # 122, Saalu Hunase Village, Kanakapura Road, Bangalore 560 082; and First charge on the current assets of Meadows project like fixtures of flats and other construction materials like cement, steel, receivables lying on the site. The loan has been further secured by personal guarantee of, Mr M. R. Jaishankar—Chairman and Managing Director. The Loan is repayable every quarter as follows: Oct 14 - Dec 14—Rs 3 Crs; Jan 15 - Mar 15—Rs 15 Crs; Apr 15 - Jun 15—Rs 17 Crs; Jul 15 - Sep 15—Rs 20 Crs; Oct 15 - Dec 15—22.50 Crs; Jan 16 - Mar 16—Rs 19 Crs; Apr 16 - Jun 16—Rs 21 Crs; Jul 16 - Sep 16—Rs 22 Crs; Oct 16 - Dec 16—23.50 Crs	—	7,750	—	—
State Bank of Patiala	Secured by first charge on pari-passu basis with State Bank of Mysore and State Bank of India on land and building of the Sheraton Hotel at Brigade Gateway, Subramanyanagar, Malleswaram West, Bangalore. The loan has been further secured by personal guarantee of, Mr M. R. Jaishankar—Chairman and Managing Director and Mr M. R. Shivram—Non-executive director. The loan is repayable in 28 quarterly installments, commencing from 30th June 2011.	364	1,739	364	2,107
Bank of Baroda	Secured by equitable mortgage of land and building of the Brigade School Building @ Whitefield, Dyavasandra Industrial Area Phase I, K. R. Puram Hobli, Bangalore. The loan is repayable in 27 quarterly installments, commencing from 31st March 2011.	444	1,555	444	2,002
Bank of Baroda	Secured by exclusive first charge of portions owned by the Company at Summit 1 & 2 and the adjoining 7-level MLCP building including car parking space at Brigade Metropolis, Mahadevapura, K. R. Puram Hobli, Bangalore. The loan is repayable in 108 monthly installments, commencing from 31st October 2011.	1,901	2,394	409	10,915

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for the year ended 31st March 2013

(Rupees in Lakhs)

Particulars	Terms of repayment and security	As at 31st March, 2013 (Short term payable)	As at 31st March, 2013 (Longterm payable)	As at 31st March 2012 (Short term payable)	As at 31st March 2012 (Long term payable)
State Bank of Mysore	Secured by first charge on pari-passu basis with State Bank of India and State Bank of Patiala on land and building of the Sheraton Hotel at Brigade Gateway, Subramanyanagar, Malleswaram West, Bangalore. The loan has been further secured by personal guarantee of, Mr M. R. Jaishankar—Chairman and Managing Director and Mr M. R. Shivram—Non-executive director. The loan is repayable in 28 quarterly installments, commencing from 30th June 2011.	364	1,741	364	2,109
Bank of Baroda	Secured by Equitable Mortgage of land and proposed building of Brigade Exotica @ Bandapura Village, Bidarahalli Hobli, Hoskote Taluk, Bangalore and the personal guarantee of directors Mr M. R. Jaishankar and Ms Githa Shankar. The loan is repayable in 11 quarterly installments, commencing from October 2014.	—	6,138	—	2,950
Bank of India	Secured by Equitable Mortgage of land and building of The Brigade School @ Brigade Gateway, Subramanyanagar, Malleswaram West, Bangalore. The loan is repayable in 23 quarterly installments, commencing from March 2012.	—	—	280	1,202
Bank of India	Secured by Equitable Mortgage of land along with building the Brigade Rubix in HMT Main Road, Peenya Plantation, Bangalore North Taluk, Bangalore. The loan is repayable in 6 quarterly installments, commencing from 30 September 2013.	2,250	1,748	—	1,798
Bank of India	Secured by Equitable Mortgage of land along with building the Orion Mall at Banaswadi Main Road, Banaswadi layout, Maruti Seva Nagar, Bangalore. The loan is repayable in 120 monthly installments.	—	2,295	750	948
Lakshmi Vilas Bank	Secured by equitable mortgage / hypothecation of land and building of MLR Convention Center and Woodrose Club situated at Brigade Millennium at Puttenahalli, JP Nagar, 7th Phase, Bangalore and Regent Club at Doddhanekundi Industrial Area, II Phase, Mahadevapura Village, K. R. Puram Hobli, Bangalore and the Corporate guarantee of M/s. Brigade Hospitality Services Ltd. The loan is repayable in 36 installments, commencing from 31st January 2012.	1,333	994	2,500	1,165
Lakshmi Vilas Bank	Secured by equitable mortgage / hypothecation of land and building of MLR Convention Center and Woodrose Club situated at Brigade Millennium at Puttenahalli, J. P. Nagar, 7th Phase, Bangalore and Regent Club at Doddhanekundi Industrial Area, II Phase, Mahadevapura Village K. R. Puram Hobli, Bangalore and the Corporate guarantee of M/s. Brigade Hospitality Services Ltd. The loan is repayable in 24 monthly installments commencing from 31st July 2011.	616	—	1,333	1,790
Allahabad Bank	Secured by Assignment of Lease rentals from: Cisco Systems India Pvt. Ltd, Encora Technologies Pvt. Ltd, Quintiles Data Processing Center (India) Pvt. Ltd and Quintiles Technologies (India) Pvt. Ltd with Collateral security of exclusive equitable mortgage of plot of Land situated at Sy No. 6/1, 7/1, 6/2, 6/3, 6/4, 7/2, 7/3, 7/4,5 in Kurubarakunte Village, Kasaba Hobli, Devanahalli Taluk, Bangalore Rural Dist., which is under Joint Development Agreement between Mr M. R. Jaishankar and M/s. Brigade Enterprises Limited and the personal guarantee of director Mr M. R. Jaishankar. The loan is repayable in 95 monthly installments, commencing from 31st October 2010.	391	1,995	386	2,325
Allahabad Bank	Secured by equitable mortgage of land and building of Orion Mall Project at Brigade Gateway, Subramanyanagar, Malleswaram West, Bangalore. The loans is further secured by personal guarantee of director Mr M. R. Jaishankar. The loan is repayable in 120 monthly installments, commencing from 30th April 2012.	1,383	20,235	1,443	13,520

(Rupees in Lakhs)

Particulars	Terms of repayment and security	As at 31st March, 2013 (Short term payable)	As at 31st March, 2013 (Long term payable)	As at 31st March 2012 (Short term payable)	As at 31st March 2012 (Long term payable)
Allahabad Bank	Secured by Assignment of entire cash flow of Grand Mercure Hotel including credit card receivables along with Collateral security of mortgage of Leasehold rights on the land and building located at 12th main, Koramangala, 3rd Block, Bangalore along with property falling under Sy No. 24/8-A of Jakkasandra Village, Begur Hobli, Bangalore South Taluk, Bangalore and hypothecation of current assets and movable fixed assets of Grand Mercure Hotel along with Corporate guarantee of M/s. Brigade Hospitality Services Ltd. The loan is repayable in 84 monthly installments, commencing from 31st October 2011.	943	4,235	943	5,183
Allahabad Bank	Secured by Assignment of future Rent Receivables of Orion Mall situated at Brigade Gateway Enclave, Malleswaram, Bangalore; and Supplemental Mortgage of the land measuring 2,99,200.56 sq.ft forming part of larger property bearing Municipal No. 26/1 popularly called Brigade Gateway situated in Subramanyanagar, Municipal Ward No. 9A, Rajajinagar Extension, Malleswaram West, Bangalore together with the buildings and other structures (Orion Mall) standing thereon. The loan is further secured by personal guarantee of director Mr M. R. Jaishankar. The loan is repayable in 120 monthly installments, commencing from April 2013.	250	5,460	—	—
Indian Overseas Bank	Secured by Equitable Mortgage of land along with buildings the Brigade Sparkle situated at Vishveswara Nagar, Khilli Mohalla, Mysore South and Brigade Horizon situated at T Narsipura-Mysore Road, Chamundi Vihar Complex, Mysore and Brigade Crescent located at Benson Cross road, Municipal Ward 92, Bangalore. The loan is repayable in 15 monthly installments, commencing from 31st January 2013.	3,044	—	1,050	2,645
Indian Overseas Bank	Secured by Extension of Equitable Mortgage followed by the registered Memorandum of Deposit of title deeds pertaining to Brigade Crescent located at Benson Cross road, Municipal Ward 92, Bangalore. The loan is repayable in 15 monthly installments (First 5 Installments of Rs 1.33 Crores each, Next 5 Installments of Rs 1.52 Crores each and last 5 Installments of Rs 1.75 Crores each, commencing from January 2013	1,896	—	—	—
Punjab National Bank	Secured by Assignment of lease rental receivable from unsold portion of WTC and MLCP and Equitable Mortgage of land, building and Multi Level Car Parking of the Brigade Gateway World Trade Centre Complex, Subramanyanagar, Rajajinagar Extn, Malleshwaram West, Bangalore. The loan is repayable in 120 monthly installments commencing from October 2012.	776	12,457	550	3,891
Corporation Bank	Secured by lien on fixed deposit with Corporation Bank. No specific terms of repayment.	—	—	—	2295
Karur Vysya Bank	Secured by EM Charge on Brigade Share of Land and proposed building to be constructed at Sy. No. 20/4, 20/2, 22/1, 22/2, 22/6, 22/8, 23/1, 23/2 and 23/3 of Jhurahalli Village, Uttarahalli Hobli, Bangalore. The loan is repayable from 1st Quarter of FY 2014-15 in 2 years. % payment in FY 2014-15 and FY 2015-16 shall be 47% and 53% respectively.	—	2502	—	—
ICICI Home finance company limited	Secured by Equitable mortgage of saleable area in Brigade Gateway Residences situated at Subramanyanagar, Malleshwaram West, Bangalore. The loan is repayable in 10 equal monthly installments of Rs 5 Crores each commencing from September 2012.	1,494	—	—	—
United Bank Of India	Secured by Hypothecation of concrete forms at Brigade Meadows. The loan is repayable in 48 equal monthly installments of Rs 17.30 Lakhs commencing from November 2012.	208	534	—	—
		18,529	77,958	15,757	68,347

Notes to Financial Statements

for the year ended 31st March 2013

Note 6—Other long-term liabilities

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
(a) Trade Payables		
Supplier Retention	2,366	4,808
Lease deposit	7,204	7,437
Rental & other deposits	38	—
Total	9,608	12,245

Note 7—Long-term provisions

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Provision for employee benefits		
Gratuity (unfunded)	25	56
Leave Encashment (unfunded)	17	181
Total	42	237

Note 8—Short-term borrowings

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Secured Loans repayable on demand from banks	2,005	998
Loans and advances from related parties	969	—
Total	2,974	998

Note 9—Trade Payables

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Trade payables	7,819	11,111
Dues to micro, small and medium enterprises	1	9
Total	7,820	11,120

Note 10—Other current liabilities

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Current maturities of long-term debt	18,529	15,757
Interest accrued and due on borrowings	—	29
Rent Received in Advance	167	—
Unpaid dividends	10	7
Statutory Remittances	494	359
Employee benefits	408	151
Advance from customers	13,219	28,518
Other advances	9,952	—
Provision for Engineering cost	973	800
Outstanding liabilities	1,550	1,167
Society payables	528	380
Security retention	1,417	—
Lease deposit - short term	726	—
Power caution deposit	92	—
Other payables	552	817
Rent Payable	55	—
Creditors for Expenses	940	912
Total	49,612	48,897

Note 11—Short-term provisions

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Provision for employee benefits	588	50
Provision for tax	1,200	592
Provision for proposed equity dividend	1,684	1,684
Provision for tax on proposed dividend	293	273
Total	3,765	2,599

NOTE 12 — FIXED ASSETS

(Rupees in Lakhs)

Sl No.	Particulars	GROSS VALUE				DEPRECIATION VALUE				NET BLOCK	
		Balance as at 1st April, 2012	Additions	Deletions	Balance as at 31st March, 2013	Balance as at 1st April, 2012	For the period ending 31st March, 2013	Amount written back	Total Amount as at 31st March, 2013	W.D.V as at 31st March, 2013	W.D.V as at 31st March, 2012
A.	Tangible										
1	Land										
	LEASED	—	—	—	—	—	—	—	—	—	—
	OWN	3,636	4,411	—	8,047	—	—	—	—	8,047	3,636
2	Building										
	LEASED	4,392	44	—	4,436	1,196	229	—	1,425	3,011	3,196
	OWN	28,383	50,872	282	78,973	1,828	3,651	53	5,426	73,547	26,555
3	Furniture, Fixtures and Interiors										
	LEASED	1,784	70	—	1,854	1,171	305	—	1,476	378	613
	OWN	9,001	1,917	115	10,803	2,639	1,549	113	4,075	6,728	6,362
4	Office Equipments, Plant and Machinery										
	LEASED	550	17	—	567	319	112	—	431	136	231
	OWN	3,977	4,253	83	8,147	921	983	78	1,826	6,321	3,055
5	Computer Hardware & Software										
	LEASED	—	—	—	—	—	—	—	—	—	—
	OWN	572	52	—	624	375	87	—	462	162	197
6	Vehicles										
	OWN	415	—	5	410	219	50	4	265	145	197
	Total	52,710	61,636	485	113,861	8,668	6,966	248	15,386	98,475	44,042
B.	Intangible										
1	Computer Hardware & Software										
	OWN	543	82	—	625	231	144	—	375	250	312
2	Transferable development rights	541	—	—	541	—	—	—	—	541	541
	Total	1,084	82	—	1,166	231	144	—	375	791	853
C.	Capital Work-in-progress	92,500	17,563	74,440	35,623	—	—	—	—	35,623	92,500
	Grand Total	146,294	79,281	74,925	150,650	8,899	7,110	248	15,761	134,889	137,395
	Previous year	123,431	67,056	44,193	146,294	5,651	4,001	754	8,899	137,395	117,780

Notes to Financial Statements

for the year ended 31st March 2013

Note 13—Non-current investments

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments:		
Investment in Subsidiaries:		
10 lakhs (31st March 2012: 10 lakhs) Equity shares of Rs 10/- each fully paid up in Brigade Hospitality Services Ltd	1,000	1,000
0.51 lakhs (31st March 2012: 0.50 lakhs) Class A Equity shares of Rs 10/- each fully paid up in Brigade Properties Pvt. Ltd	5	5
1.01 lakhs (31st March 2012: Nil) Class A Equity shares of Rs 100/- each fully paid up in Brigade Properties Pvt. Ltd	102	—
0.50 lakhs (31st March 2012: 0.50 lakhs) Equity shares of Rs 10/- each fully paid up in Brigade Infrastructure and Power Pvt. Ltd	5	5
0.50 lakhs (31st March 2012: 0.50 lakhs) Equity shares of Rs 10/- each fully paid up in Brigade Estates and Projects Pvt. Ltd	5	5
10.02 lakhs (31st March 2012: 10.02 lakhs) Equity shares of Rs 10/- each fully paid up in Brigade Tetrattech Pvt. Ltd	38	38
10 lakhs (31st March 2012: 10 lakhs) Equity shares of Rs 10/- each fully paid up in WTC Trades and Projects Pvt. Ltd	466	466
5 lakhs (31st March 2012: 0.5 lakhs) Equity shares of Rs 10/- each fully paid up in Orion Mall Management Ltd	50	5
0.50 lakhs (31st March 2012: nil) Equity shares of Rs 10/- each fully paid up in Prosperita Hotel Ventures Ltd	5	—
95.90 lakhs (31st March 2012: Nil) 0.01% Preference shares of Rs 10/- each fully paid up in Brigade Properties Pvt. Ltd.	959	—
Unquoted debt instruments:		
Investment in Subsidiaries:		
24.51 lakhs (31st March 2012: Nil) Series A Optionally convertible debentures of Rs 10/- each fully paid up in Brigade Properties Pvt. Ltd	2,452	—

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
35.09 lakhs (31st March 2012: Nil) Series B Optionally convertible debentures of Rs 10/- each fully paid up in Brigade Properties Pvt. Ltd	3,509	—
Investment in Joint Venture companies		
100 lakhs (31st March 2012: 100 lakhs) Equity shares of Rs 10/- each fully paid up in BCV Developers Pvt. Ltd	1,000	1,000
17.5 lakhs (31st March 2012: 17.5 lakhs) Equity shares of Rs 10/- each fully paid up in BCV Estates Pvt. Ltd	175	175
Investment in Associate Companies		
3.7 lakhs (31st March 2012: 3.7 lakhs) Equity shares of Rs 10/- each fully paid up in Tandem Allied Services Pvt. Ltd	7	7
Sub total	9,778	2,706
Non-trade investments (valued at cost unless stated otherwise)		
Investment in equity instrument		
0.05 lakhs (31st March 2012: 0.05 lakhs) Equity shares of Rs 10/- each fully paid up in Indian MRI Diagnostic & Research Ltd	1	1
2.39 lakhs (31st March 2012: 2.39 lakhs) Equity shares of Rs 10/- each fully paid up in AEC Promag Consultancy Pvt. Ltd	24	24
Government and trust securities		
Investment in Government securities	2	2
Sub total	27	27
Less:		
Aggregate value of diminution in value of investment	576	667
Total	9,229	2,066

Note 14—Long-term loans and advances

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
a. Security Deposits		
Unsecured, considered good	45	39
b. Loans and advances to related parties		
Secured, considered good	30,567	15,672
c. Balances with government authorities		
Unsecured, considered good		
(i) VAT paid under protest	238	
(ii) Income tax refund	343	
d. Other loans and advances		
Unsecured, considered good	1	
e. MAT credit entitlement - Unsecured, considered good	3,857	
Total	35,051	15,711

Note 15—Other non-current assets

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Preliminary expenses - Sheraton	336	337
Total	336	337

Note 17—Inventories

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
a. Raw Materials and components	2,810	1,942
b. Work-in-progress	32,236	19,050
c. Stock-in-trade		
Land held for development	12,236	15,107
Stock of completed units	12,817	29,611
d. Others		
Inventories held at Gateway Sheraton	150	144
Inventories held at Angasana Spa	10	9
Inventories held at Grand Mercure	39	—
Total	60,298	65,863

Note 18—Trade Receivables

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Trade receivable		
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	948	3,325
Less: Provision for doubtful debts	(14)	(8)
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	623	
Total	1,557	3,317

Note 19—Cash and cash equivalents

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
a. Balances with banks		
In current accounts	2,420	613
In Deposit accounts	912	3,247
b. Cash on hand	175	71
Total	3,507	3,931

Note 20—Short-term Loan & Advances

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
a. Loans and advances to related parties		
Unsecured, considered good	1,686	361
b. Security Deposits		
Unsecured, considered good	37	46
c. Loans and advances to employees		
Unsecured, considered good	12	9
d. Prepaid expenses—Unsecured considered good		
Prepaid rent	7	6
Prepaid expenses	204	49
Prepaid insurance	185	59

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for the year ended 31st March 2013

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
e. Balances with government authorities		
(i) VAT Credit receivable	69	—
(ii) Service tax credit receivable	1,690	3,435
(iii) Income tax refund	—	194
(iv) MAT Credit	626	2,233
(v) TDS receivable	1,999	993
(vi) Others	2,063	1,743
f. Others		
Unsecured, considered good		
Property advance	17,724	17,860
Advance to suppliers & contractors	1,171	5,125
Mobilisation advance	2,017	1,073
Receivable from Societies	469	669
Other Advances & Deposits	191	211
Total	30,150	34,066

Note 21—Other Current Assets

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
a. Accruals		
Interest accrued on deposits	9	18
Interest Accrued but not Due	16	—
b. Others		
Balance with land owners	192	—
Bank charges receivables	1	1
Current portion of pre-operative expenses—Gateway Sheraton	—	112
Total	218	131

Note 22—Revenue from operations

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
Sale of units	57,042	47,515
Sale of services	10,046	4,882
Other Operating revenues	10,523	4,778
Total	77,611	57,175

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
Sale of Units comprising:		
Revenue from Real Estate—Residential	31,292	10,769
Revenue from Real Estate—Commercial	25,750	36,746
Sale of services comprising:		
Food & Beverage Sales	3,192	2,422
Treatment revenue	92	46
Room & Hall rental charges	6,274	2,214
Other services	488	—
Other Operating revenues comprising:		
Rental income from operating leases	9,365	3,617
Management fees received	592	1,161
Gallery Sales	2	—
Revenue from car park	233	—
Other Operating income	329	—
Sale of scrap	2	—
Others	—	200
Total	77,611	57,175

Note 23—Other Income

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
(i) Interest income	181	812
(ii) Dividend/income from investment	13	9
(iii) Adjustments to carrying amount of investments—reversal of reduction in carrying amount		
Long term Investment	94	—
(iv) Net gain on foreign currency transactions and translation (other than considered as Finance cost)	14	—
(v) Commission received	152	60
(vi) Other non operating income	747	2,876
Total	1,201	3,757

Other expenses

Note 24A—Project & Direct Expenses

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
Construction material		
Steel	3,087	2,033
Cement	146	308
Granite/marble (flooring material)	356	1,495
Hardware materials	81	631
Total	3,670	4,467
Land and construction expenses		
Construction expenses	17,699	23,074
Architect & Consultancy Fees	1,060	840
Electrical Work and Power charges	2,704	11,316
Interiors—projects	2,193	6,767
Miscellaneous Expenses Construction	76	37
Land cost	7,162	990
Rates & Taxes—Projects	2,318	4,688
Direct expenses—Others	2,951	2,677
Other Direct Project Expenses		
Interest—Projects	3,683	5,951
Employee cost	1,225	1,182
Other expenses	2,952	3,195
Total-(A)	47,693	65,184
Increase / Decrease in Stock and WIP		
Opening Work-in-Progress— Projects-(a)	19,050	16,673
Opening Work-in-Progress— Capital-(b)	92,500	82,018
Less: Cost of Projects Capitalised-(c)	63,702	15,826
Total-B=(a+b-c)	47,848	82,865
Closing Work-in-Progress— Projects-(d)	32,236	19,050
Closing Work-in-Progress— Capital-(e)	35,623	92,500
Total-C=(d)+(e)	67,859	111,550
(Increase) / Decrease in value- D=B-C	(20,011)	(28,685)
Total E=A+D	27,682	36,499

Note 25—Employee Benefit Expenses

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
Salaries, allowances and bonus	6,752	5,599
Contribution to provident and other funds	740	124
Staff welfare expenses	249	206
Training and recruitment expenses	85	48
Less: Transferred to project Expenses*	1,225	1,182
Total	6,601	4,795

*Employee expenses directly attributable to specific projects have been transferred to project expenses. Employee would deem to include directors, in full time or part time employment of the company but exclude directors who are not under a contract of employment with the company.

Note 26—Finance costs

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
Interest expenses on Borrowings	11,554	11,694
Other borrowing cost @	417	296
Less: Transferred to project Expenses*	3,683	5,951
Total	8,288	6,039

*Finance costs directly attributable to specific projects have been transferred to project expenses.

@ Other borrowing cost includes commitment charges, loan processing charges, guarantee charges, loan facilitation charges, discounts/premiums on borrowings, other ancillary cost incurred in connection with borrowings or amortisation of such cost.

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for the year ended 31st March 2013

Note 27—Other Expenses

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
Legal and professional fees	978	719
Power and fuel	101	48
Rent including lease rentals	184	1,269
Repairs		
Building	421	190
Machinery	37	15
Others	139	39
Insurance	88	91
Rates and taxes	847	244
Agency commission	795	875
Business promotion	358	175
Advertising and selling expenses	3,282	1,651
Discount	47	31
Travelling and conveyance	389	326
Communication costs	153	93
Bad trade and other receivables, loans and advances written off	19	1
Printing and stationery	110	112
Security charges	201	250
Donation	347	243
Director's sitting fees	8	7
Net loss on foreign currency transaction or translation (other than considered as finance cost)	20	61
Interest paid to customers and others	373	—
Provision for losses (diminution in the value of investment) in subsidiary company	—	3
Loss on fixed assets sold / scrapped / written off	1	—
Miscellaneous expenses	276	180
Less: Transferred to project Expenses*	2,952	3,195
Total	6,222	3,428

*Other expenses directly attributable to specific projects has been transferred to project expenses.

28.1—Disclosures under Accounting Standard 7 (Revised): Details of contract revenue and contract costs

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Contract Revenue recognised during the year*	20,680	47,516
Aggregate amount of contract cost incurred upto the Reporting Date	44,025	112,153
Recognised profits (less: Recognised Losses) upto the Reporting Date	8,860	51,831
Advances Received from Customers	22,984	28,518

* Does not include sale of completed units from Stock

28.2. Provision for Warranty:

No estimation of liabilities for warranties has been done relating to sale of unit / property, since such costs, if any, are covered by a corresponding warranty from the Company's contractors / vendors. This cost, if any, is recognised as and when incurred by the Company.

28.3. Gratuity Plan:

The following table spells out the status of the gratuity plan as required under AS -15 (revised).

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Obligations at the beginning of the year	200	171
Service cost	42	34
Interest cost	16	14
Benefits settled	(19)	(9)
Actuarial (gain) / loss	3	(10)
Obligations at the end of the year	242	200
Change in plan assets		
Plan assets at the beginning of the year, at fair value	162	157
Expected return on plan assets	19	14
Contributions	90	Nil
Benefits settled	(19)	(9)
Actuarial (gain) / loss	Nil	Nil
Plan assets at the end of the year, at fair value	252	162

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Reconciliations of present value of the obligation and the fair value of the plan assets		
Present value of the defined benefit obligation at the end of the year	242	200
Fair value of the plan assets at the end of the year	252	162
Assets / (liability) recognised in the Balance Sheet	(10)	39
Gratuity cost for the year		
Service cost	42	34
Interest cost	16	14
Expected return on plan assets	(19)	(14)
Actuarial (gain) / loss	3	(10)
Net gratuity cost	42	24
Assumptions		
Interest rate	8.00%	8.00%
Salary escalations	7.00%	7.00%

In case of employees of Sheraton Bangalore at Brigade Gateway, provision for gratuity amounting to Rs 27 Lakhs is made based on actuarial valuation on the following assumptions.

Retirement Age	58
Mortality	Indian assured lives (94-96) Ultimate Mortality Table
Rate of Interest	8.25% p.a.
Salary increase	10.00% p.a.
Attrition rate	10.00% p.a.
No. of Employees	320
Benefits Payable	As per Gratuity Act 1972, Leave as per company rules

In case of employees of Grand Mercure, provision for gratuity amounting to Rs 17 Lakhs is made based on actuarial valuation on the following assumptions.

Retirement Age	58
Mortality	Indian assured lives (94-96) Ultimate Mortality Table
Rate of Interest	8.25% p.a.
Salary increase	10.00% p.a.
Attrition rate	39.00% p.a.
No. of Employees	135
Benefits Payable	As per Gratuity Act 1972, Leave as per company rules

28.4 Borrowing cost

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Borrowing costs capitalised during the year		
- as fixed assets / capital work-in-progress	1,436	4,469
- as inventory	2,247	1,482

28.5 Segmental information:

The company has identified real estate development, hospitality services and lease rentals as primary business segments. Accordingly the segment revenue, results and capital employed attributable to the segments are reported under each reportable segment.

The company has its operations in India, which makes it a single geographical segment. Hence, providing geographical segment information is not applicable to the company for the current financial year.

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
a. Segment revenue		
Real estate	57,487	50,452
Hospitality	10,810	6,173
Lease Rentals	9,639	3,617
Less: Inter-segment revenues	65	131
Net income from operations	77,871	60,111
b. Segment results		
Real estate	7,945	8,458
Hospitality	1,126	433
Lease Rentals	4,279	3,142
Profit / (Loss) before tax and interest	13,350	12,033
Less: Interest	8,288	6,039
Add: Other income	941	821
Profit / (Loss) before tax	6,003	6,815
c. Capital employed		
Real estate	101,073	94,216
Hospitality	31,021	25,517
Lease Rentals	87,208	81,724
Total capital employed	219,302	201,457

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for the year ended 31st March 2013

28.6. Related Party Disclosure:

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

Holding Company	NIL
Subsidiary Companies	Brigade Hospitality Services Ltd Brigade Tetrarch Pvt. Ltd Brigade Estates and Projects Pvt. Ltd Brigade Properties Pvt. Ltd. Brigade Infrastructure & Power Pvt. Ltd WTC Trades and Projects Pvt. Ltd Orion Mall Management Company Ltd Prosperita Hotel Ventures Ltd
Associate Companies & Joint Venture	Tandem Allied Services Pvt. Ltd BCV Developers Pvt. Ltd BCV Estates Pvt. Ltd
Other related parties where common control exists	Mysore Holdings Pvt. Ltd Brigade Foundation M. R. Jaishankar (HUF) Indian Music Experience Trust
Key Managerial Personnel (KMP)	Mr M. R. Jaishankar, Chairman and Managing Director Ms Githa Shankar, Executive Director Mr K. Suresh—Chief Financial Officer Mr P. Om Prakash—Company Secretary
Relatives of Key Managerial Personnel	Ms Nirupa Shankar (Daughter of KMP) Ms Pavitra Shankar (Daughter of KMP) Mr M. R. Shivram (Relative of KMP) Mr M. K. Shivraj Harsha (Relative of KMP) Mr M. S. Amar (Relative of KMP) Mr M. R. Gurumurthy (Relative of KMP) Mrs Latha Shivram (Relative of KMP) Mr A. A. Ramesh Kumar (Relative of KMP) Mr B. S. Adinarayana Gupta (Relative of KMP) Mrs G. R. Arundathi (Relative of KMP) Mr M. R. Krishna Kumar (Relative of KMP) Mr M. S. Ravindra (Relative of KMP)

Related party transactions

(Rupees in Lakhs)

	Name of the related party	Subsidiaries		Joint Venture		Associates		Key managerial Personnel		Other related parties where common control exists		Relatives of Key managerial Personnel	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Managerial Remuneration	M. R. Jaishankar	—	—	—	—	—	—	298	334	—	—	—	—
	Githa Shankar	—	—	—	—	—	—	110	119	—	—	—	—
	K Suresh	—	—	—	—	—	—	66	20*	—	—	—	—
	P Om Prakash	—	—	—	—	—	—	26	20	—	—	—	—
Purchase of material / finished goods / services	Brigade Hospitality Services Ltd	64	319	—	—	—	—	—	—	—	—	—	—
	WTC Trades and projects (P) Ltd	100	24	—	—	—	—	—	—	—	—	—	—
	Tandem Allied Services (P) Ltd	—	—	—	—	82	—	—	—	—	—	—	—
	Githa Shankar	—	—	—	—	—	—	87	—	—	—	—	—
	M. R. Gurumurthy	—	—	—	—	—	—	—	—	—	—	1	—
	Brigade Hospitality Services Ltd	399	1,468	—	—	—	—	—	—	—	—	—	—
Sale of material / finished goods / services	WTC Trades and projects (P) Ltd	91	1	—	—	—	—	—	—	—	—	—	—
	Orion Mall Management Company Ltd	34	—	—	—	—	—	—	—	—	—	—	—
	Brigade Infrastructure & power (P) Ltd	—	11	—	—	—	—	—	—	—	—	—	—
	BCV Estates (P) Ltd	—	—	—	63	—	—	—	—	—	—	—	—
	BCV Developers (P) Ltd	—	—	—	272	77	—	—	—	—	—	—	—
	Tandem Allied Services (P) Ltd	—	—	—	—	—	19	—	—	—	—	—	—
Purchase of capital assets	Mysore Holdings (P) Ltd	—	—	—	—	—	—	—	—	—	1,184	—	—
	Brigade Foundation	—	—	—	—	—	—	—	—	30	423	—	—
	Brigade Hospitality Services Ltd	279	—	—	—	—	—	—	—	—	—	—	—
	Brigade Foundation	—	—	—	—	—	—	—	—	—	3,440	—	—
Investments in Equity and Preference Share Capital and Debentures	Brigade Properties (P) Ltd	7,025	—	—	—	—	—	—	—	—	—	—	—
	Orion Mall Management Company Ltd	45	5	—	—	—	—	—	—	—	—	—	—
	Prosperita Hotel Ventures Ltd	5	—	—	—	—	—	—	—	—	—	—	—
	WTC Trades and projects (P) Ltd	—	99	—	—	—	—	—	—	—	—	—	—
Advance paid towards purchase of land, goods and services	BrigadeTetrach (P) Ltd	8,108	—	—	—	—	—	—	—	—	—	—	—
	Brigade Estates and projects (P) Ltd	4,500	—	—	—	—	—	—	—	—	—	—	—

* Since December 2011

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for the year ended 31st March 2013

Related party transactions

	Name of the related party	Subsidiaries		Joint Venture		Associates		Key managerial Personnel		Other related parties where common control exists		Relatives of Key managerial Personnel	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Advance received towards purchase of land/goods and services	Mysore Holdings (P) Ltd	—	—	—	—	—	—	—	—	800	—	—	—
Net assets transferred	Prosperita Hotel Ventures Ltd	2,551	—	—	—	—	—	—	—	—	—	—	—
Reimbursements received	Brigade Hospitality Services Ltd	101	—	—	—	—	—	—	—	—	—	—	—
	WTC Trades and projects (P) Ltd	41	—	—	—	—	—	—	—	—	—	—	—
	Brigade Properties (P) Ltd	16	—	—	—	—	—	—	—	—	—	—	—
	BCV Estates (P) Ltd	—	—	191	—	—	—	—	—	—	—	—	—
	BCV Developers (P) Ltd	—	—	123	—	—	—	—	—	—	—	—	—
	Brigade Foundation	—	—	—	—	—	—	—	—	80	—	—	—
Reimbursements paid	Brigade Hospitality Services Ltd	20	—	—	—	—	—	—	—	—	—	—	—
Loans given	Prosperita Hotel Ventures Ltd	210	—	—	—	—	—	—	—	—	—	—	—
Remuneration paid	Nirupa Shankar	—	—	—	—	—	—	—	—	—	—	17	—
Sitting fees	M. R. Gurumurthy	—	—	—	—	—	—	—	—	—	—	1	—
	M. R. Shivram	—	—	—	—	—	—	—	—	—	—	1	—
Donation Paid	Indian Music Experience Trust	—	—	—	—	—	—	—	—	265	—	—	—
Dividend received	Tandem Allied Services (P) Ltd	—	—	—	—	13	9	—	—	—	—	—	—

Related party transactions

(Rupees in Lakhs)

	Name of the related party	Subsidiaries		Joint Venture		Associates		Key managerial Personnel		Other related parties where common control exists		Relatives of Key managerial Personnel	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Amount (payable) / receivable	Brigade Hospitality Services Ltd	231	602	—	—	—	—	—	—	—	—	—	—
	WTC Trades and projects (P) Ltd	(290)	(199)	—	—	—	—	—	—	—	—	—	—
	Orion Mall Management Company Ltd	332	52	—	—	—	—	—	—	—	—	—	—
	BrigadeTetrach (P) Ltd	9,095	1,010	—	—	—	—	—	—	—	—	—	—
	Brigade Estates and projects (P) Ltd	4,504	4	—	—	—	—	—	—	—	—	—	—
	Brigade Infrastructure & power (P) Ltd	38	38	—	—	—	—	—	—	—	—	—	—
	Brigade Properties (P) Ltd	1	1	—	—	—	—	—	—	—	—	—	—
	Prosperita Hotel Ventures Ltd	2,766	—	—	—	—	—	—	—	—	—	—	—
	BCV Estates (P) Ltd	—	—	1,956	1,956	—	—	—	—	—	—	—	—
	BCV Developers (P) Ltd	—	—	12,245	12,364	—	—	—	—	—	—	—	—
	Tandem Allied Services (P) Ltd	—	—	—	—	(1)	(29)	—	—	—	—	—	—
	M. R. Jaishankar	—	—	—	—	—	—	752	—	—	—	—	—
	Mysore Holdings (P) Ltd	—	—	—	—	—	—	—	—	(783)	147	—	—
	Brigade Foundation	—	—	—	—	—	—	—	—	245	2,049	—	—
	M. R. Jaishankar HUF	—	—	—	—	—	—	—	—	51	—	—	—
	M. K. Shivraj Harsha	—	—	—	—	—	—	—	—	—	—	2	—
	Indian Music Experience Trust	—	—	—	—	—	—	—	—	297	—	—	—

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for the year ended 31st March 2013

28.7 Assets under operating lease:

- a. The Company has given certain assets on operating lease. Details of assets given under operating lease are as under:

(Rupees in Lakhs)

Asset Description	Gross value as on 31st March 2013	Depreciation 01 April 2012 to 31st March 2013	Total Depreciation as on 31st March 2013	Impairment
Building	4,436	229	1,425	—
Furniture Fixtures and interiors	1,853	305	1,476	—
Office equipment and plant and machinery	567	111	430	—

- b. The Company has given on non-cancelable operating lease certain assets, the future minimum lease receivables in respect of which, as at 31st March 2013 are as follows:

(Rupees in Lakhs)

Minimum lease receivable	2012-13	2011-12
Receivable not later than 1 year	10,416	3,100
Receivable later than 1 year and not later than 5 years	19,936	3,964
Receivable later than 5 years	Nil	Nil

- c. The Company has taken various residential / commercial premises on cancelable / operating leases. These agreements are normally renewed on expiry.
- d. The Company has taken, on non-cancelable operating lease, certain assets (land), the future minimum lease payments in respect of which, as at 31st March 2013 are as follows:

(Rupees in Lakhs)

Minimum lease payable	2012-13	2011-12
Payable not later than 1 year	146	140
Payable later than 1 year and not later than 5 years	663	632
Payable later than 5 years	2,760	2,937

- e. There are no exceptional / restrictive covenants in the lease agreements.
- f. Contingent rent recognised in the Profit and Loss Account is Rs Nil.
- g. The Company has constructed commercial space of 6,80,786 sft in one of its project called Brigade Summit. Till March 31, 2013, the Company has

sold 4,03,978 sft (Previous year 45,080 sft) and recognised the income and proportionate cost in its Income Statement. The Company's intention is to sell this stock over a period of two years and accordingly the same is grouped under Inventory. The Company has leased out 1,65,670 sft as on March 31, 2013 (Previous year 5,01,567 sft) to generate revenue out of unsold stock and recognised the rentals as revenue. Since the said property / units are held for sale, depreciation on this stock Rs 316 lakhs (previous year Rs 1,073 lakhs) has not been provided. Had depreciation on the same been provided, the profits would have been lower by Rs 316 lakhs (previous year Rs 1,073 lakhs).

28.8 Earnings per Share (EPS)

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
Equity Share of Face Value Rs 10/- each		
Net profit (Rupees in Lakhs)	6,425	5,809
Number of Shares used in computing Earnings per Share	112,251,940	112,251,940
Basic & Diluted (in Rupees)	5.72	5.18

28.9 Deferred Taxation

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Deferred tax (liability) / asset		
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	(2,864)	(2,051)
Others	—	(34)
Tax effect of items constituting deferred tax asset		
Provision for compensated absences, gratuity and other employee benefits	218	66
Net deferred tax (liability) / asset	(2,646)	(2,019)

28.10 Joint ventures

- a) **BCV Developers Private Limited ("BCV Developers")**

In July 2008, the Company and certain Landowners formed a Joint Venture Company called BCV Developers in Bangalore. BCV Developers is engaged in

the development of an Integrated Township Project in Devanahalli, Bangalore. As at 31st March 2013, the Company and the Landowners each hold 50% of the equity in BCV Developers Pvt. Ltd.

The Company's proportionate share in assets, liabilities, income and expense of the Joint Venture is detailed below.

(Rupees in Lakhs)

Particulars	BCV Developers Pvt. Ltd	
	2012-13	2011-12
Equity and Liabilities		
Shareholders' funds		
Share capital	1,000	1,000
Reserves and surplus	(44)	24
Non-current liabilities		
Long-term borrowings	12,889	12,301
Other long term liabilities	2,600	2,600
Trade Payables	171	63
Current liabilities		
Other current liabilities	1,492	304
Short term provisions	62	27
Total	18,170	16,319
ASSETS		
Fixed Assets		
Tangible assets	37	12
Intangible assets	38	—
Capital work in progress	760	—
Deferred tax asset	28	—
Non-current assets		
Long term loans and advance	24	16
Other current assets	2,600	2,600
Current Assets		
Inventories	14,032	13,419
Trade receivables	4	—
Cash and cash equivalents	326	109
Short term loans and advances	96	65
Other current assets	225	98
Total	18,170	16,319
Revenue	355	7
Expenses	451	11
Tax Expenses	(28)	1
Net profit	(68)	(5)

b) BCV Estates Private Limited ("BCV Estates"):

In September 2010, the Company and certain Landowners formed a Joint Venture Company called BCV Estates in Bangalore. BCV Estates envisages the development of an Integrated Township Project in Devanahalli, Bangalore. As at 31st March 2013, the Company and the Landowners each hold 50% of the equity in BCV Estates.

The Company's proportionate share in assets, liabilities, income and expense of the Joint Venture is detailed below.

(Rupees in Lakhs)

Particulars	BCV Estates Pvt. Ltd	
	2012-13	2011-12
Equity and Liabilities		
Shareholders' funds		
Share capital	175	175
Reserves and surplus	(1)	(1)
Non-current liabilities		
Long-term borrowings	2,475	2,475
Other long term liabilities	550	550
Current liabilities		
Other current liabilities	268	267
Total	3,467	3,466
ASSETS		
Non-current assets		
Long term loans and advance	260	260
Other current assets	550	550
Current Assets		
Inventories	2,655	2,654
Other current assets	2	2
Total	3,467	3,466
Expenses	1	1
Net profit	(1)	(1)

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for the year ended 31st March 2013

28.11 Contingent Liabilities and Capital Commitments:

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
(i) Contingent liabilities:		
a. Claims from government departments not acknowledged as debts	2,924	1,219
(ii) Commitments:		
a. Capital Commitments not provided in the books	100,940	71,289
b. Towards Letter of Credits and Bank Guarantees	1,480	549

28.12 Managerial Remuneration:

(Rupees in Lakhs)

Particulars	2012-13		2011-12	
	Executive Directors	Other Directors	Executive Directors	Other Directors
Salary	96	—	96	—
Commission Paid / Payable	312	6	357	6
Sitting Fees	—	8	—	7
Total	408	14	453	13

28.13 Remuneration paid to Statutory Auditors debited to Profit and Loss Account:

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
As auditor	14	14
For taxation matters	5	9
For limited review	7	6
For other services	1	2

28.14 During the year the Company has not made any political contribution. (Previous Year Nil).

28.15. Quantitative Details:

The Company is engaged in the business of real estate and property development. Such activity cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and the information as required under part II of Schedule VI of the Companies Act, 1956.

28.16 Disclosure under Section 22 of the Micro, Small and medium Enterprises Development Act, 2006.

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Principal amount remaining unpaid to any supplier as at the end of accounting year.	1	9

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

28.17 Details of Derivative instruments and unhedged foreign currency exposures:

The year-end foreign currency exposures that have not been hedged by derivative instrument or otherwise are given below:

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Payable	97	159

28.18 The Foreign Exchange Inflow and Outflow:

The details of Foreign Exchange inflow and outflow during the year are as follows:

(Rupees in Lakhs)

Particulars	2012-13	2011-12
Inflow:	—	—
Advance for Sale of Units, Lease deposits & Rentals	6,996	457
Outflow:		
i. Representative Office Expenses	323	—
ii. Professional charges	214	178
iii. Consultation Fees	113	6
iv. Marketing	181	—
v. Others	355	37

The CIF value of imports and payments for the year ended 31 March 2013, is Rs 1,127 Lakhs (previous year 3,070 lakhs)

28.19 Balances of Debtors and Creditors and Loans and Advances are subject to reconciliation and Confirmation.

28.20 The Company is examining the applicability of the Transfer pricing regulations with respect to its domestic transactions and the relevant documentation, if required, in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustment which will have a material bearing on the accounts in this regard.

28.21 Previous Year Amounts:
The figures of the previous year have been regrouped, reclassified and restated wherever necessary.

As per our report of even date
for **Narayanan, Patil and Ramesh**
Chartered Accountants
Firm Regn No. 002395S

L. R. Narayanan
Partner
Membership No: 200/25588

Place: Bangalore Date: May 07, 2013

for Brigade Enterprises Limited

M. R. Jaishankar
Chairman & Managing Director

Suresh K.
Chief Financial Officer

M. R. Shivram
Director

P. Om Prakash
Company Secretary

Statement relating to subsidiaries pursuant to exemption under section 212 of the Companies Act, 1956

Sl. No.	Particulars	Brigade Hospitality Services Ltd	Brigade Tetrarch Pvt. Ltd	Brigade Estates & Projects Pvt. Ltd	Brigade Infrastructure & Power Pvt. Ltd	WTC Trades & Projects Pvt. Ltd	Orion Mall Management Company Ltd	Prosperita Hotel Ventures Limited
1	The financial period of the Subsidiary Company ended on	31st March, 2013	31st March, 2013	31st March, 2013	31st March, 2013	31st March, 2013	31st March, 2013	31st March, 2013
2	Date from which they became Subsidiary Company	1st June, 2004	22nd December, 2005	16th December, 2006	24th January, 2009	21st July, 2010	7th September, 2011	20th September, 2012
3	a. Number of Shares held by the Company with its nominees in the Subsidiary at the end of the Financial Year of the Subsidiary	10,000,000	100,200	50,000	50,000	1,000,000	500,000	50,000
	b. Extent of interest of Holding Company at the end of the Financial Year of the Subsidiary Company	100%	100%	100%	100%	100%	100%	100%
4	The Net Aggregate amount of the Subsidiary Companies' Profit / Loss so far as it concerns the members of the Holding Company							
	a. Not dealt with in the Holding Company's Accounts							
	i) For the Financial Year ended 31.03.2013	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	ii) For the previous Financial Years of the Subsidiary Company since they became the Holding Company's Subsidiary	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	b. Dealt with in Holding Company's Accounts (Rs in Lakhs)							
	i) For the Financial Year ended 31.03.2013	4	(34)	—	(28)	33	(307)	—
	ii) For the previous Financial Years of the Subsidiary Company since they became the Holding Company's Subsidiary	(547)	(37)	(1)	(9)	(23)	(58)	—

Statement relating to subsidiaries pursuant to exemption under section 212(8) of the Companies Act, 1956

(Rupees in Lakhs)

Sl. No.	Particulars	Brigade Hospitality Services Ltd	Brigade Tetrarch Pvt. Ltd	Brigade Estates & Projects Pvt. Ltd	Brigade Infrastructure & Power Pvt. Ltd	WTC Trades & Projects Pvt. Ltd	Orion Mall Management Company Ltd	Prosperita Hotel Ventures Limited
a)	Share Capital	1,000	10	5	5	100	50	5
b)	Reserves	(387)	(71)	(1)	(37)	11	(365)	—
c)	Total Assets	7,122	9,035	4,507	6	750	645	2,984
d)	Total Liabilities	7,122	9,035	4,507	6	750	645	2,984
e)	Details of Investment (except in case of investment in the subsidiaries)	10	—	—	—	—	—	—
f)	Turnover	3,249	—	—	—	158	1,575	—
g)	Profit before Taxation	(48)	(34)	—	(28)	40	(455)	—
h)	Provision for Taxation	(52)	—	—	—	7	(148)	—
i)	Profit after taxation	4	(34)	—	(28)	33	(307)	—

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Consolidated Financial Statements

Auditors' Report

To the Board of Directors of **Brigade Enterprises Limited**.

Report on the Consolidated Financial Statements

We have examined the accompanying consolidated financial statements of Brigade Enterprises Limited ("the Company") and its subsidiaries and Joint Ventures (together referred to as 'the Group' as described in Note.1) which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation

of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
- (b) In the case of the consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date; and
- (c) In the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matter

We did not audit the financial statements / financial information of certain subsidiaries and Joint Ventures, whose financial statements reflect total assets (net) of Rs 5,050 Lakhs as at March 31, 2013, total revenues of Rs 4,124 Lakhs and net cash flows amounting to Rs 35 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs 238 Lakhs for the year ended 31 March, 2013 as considered in the consolidated financial statements, in respect of an associate, whose financial statements have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries Joint Ventures and associates, is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

Place: Bangalore
Date: May 07, 2013

for **Narayanan, Patil and Ramesh**
Chartered Accountants
Firm Regn No. 002395S

L. R. Narayanan
Partner
Membership No: 200/25588

Consolidated Balance Sheet

(Rupees in Lakhs)

PARTICULARS	NOTES	As at 31st March 2013	As at 31st March 2012
EQUITY AND LIABILITIES			
Shareholders Funds			
Share Capital	3	11,225	11,225
Reserves and Surplus	4	109,985	105,420
Minority Interest		545	—
		121,755	116,645
Non-current liabilities			
Long-term borrowings	5	84,272	68,347
Deferred tax liabilities (net)	28.9	2,443	2,045
Other long-term liabilities	6	18,873	21,263
Long-term provisions	7	63	257
Current liabilities			
Short-term borrowings	8	2,684	998
Trade payables	9	8,499	11,640
Other current liabilities	10	53,236	49,940
Short-term provisions	11	3,830	2,641
Total		295,655	273,776
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	12-A	103,945	49,525
Intangible assets	12-B	1,007	906
Goodwill on consolidation	—	366	366
Capital Work-in-progress	12-C	38,856	92,500
Non-current investments	13	337	181
Long-term loans and advances	14	19,011	3,133
Other Non-current assets	15	3,486	3,487
Current assets			
Current Investments	16	405	—
Inventories	17	90,988	81,996
Trade receivables	18	1,975	3,557
Cash and cash equivalents	19	4,703	4,890
Short-term loans and advances	20	30,019	32,919
Other current assets	21	557	316
Total		295,655	273,776

Summary of significant accounting policies. 2
The accompanying notes are an integral part of the financial statements.

As per our report of even date
for **Narayanan, Patil and Ramesh**
Chartered Accountants
Firm Regn No. 002395S

L. R. Narayanan
Partner
Membership No: 200/25588

Place: Bangalore Date: May 07, 2013

for Brigade Enterprises Limited

M. R. Jaishankar
Chairman & Managing Director

Suresh K.
Chief Financial Officer

M. R. Shivram
Director

P. Om Prakash
Company Secretary

Consolidated Statement of Profit & Loss

(Rupees in Lakhs)

PARTICULARS	NOTES	For the year ended 31st March 2013	For the year ended 31st March 2012
Revenue:			
Revenue from operations	22	82,269	61,300
Other income	23	1,192	3,803
Total		83,461	65,103
Expenses:			
Project and direct expenses	24-A	29,385	37,145
Changes in inventories of finished goods	—	16,793	(1,569)
Employee benefit expenses	25	7,569	5,950
Other expenses	27	7,633	5,487
Total		61,380	47,013
Earnings before interest, depreciation, tax and amortisation		22,081	18,090
Depreciation and amortisation expenses		7,733	5,323
Finance costs	26	8,982	6,039
Profit / (loss) before exceptional and extraordinary items and tax		5,366	6,728
Extraordinary items		8	—
Profit / (loss) before tax		5,358	6,728
Tax expense			
Current tax		1,206	1,366
Tax expense relating to prior years		1	—
Deferred tax		398	(274)
Wealth tax		2	2
MAT Entitlement:			
Current year		(626)	(59)
Prior years		(1,625)	—
Total tax expense		(644)	1,035
Profit (Loss) for the year		6,002	5,693
Minority interest		(11)	—
Share of profit from Associate		131	—
Earnings per Share—Basic & Diluted (in Rupees)		5.45	5.07

Summary of significant accounting policies. 2
 The accompanying notes are an integral part of the financial statements.

As per our report of even date
 for **Narayanan, Patil and Ramesh**
 Chartered Accountants
 Firm Regn No. 002395S

L. R. Narayanan
 Partner
 Membership No: 200/25588

Place: Bangalore Date: May 07, 2013

for Brigade Enterprises Limited

M. R. Jaishankar
 Chairman & Managing Director

Suresh K.
 Chief Financial Officer

M. R. Shivram
 Director

P. Om Prakash
 Company Secretary

Consolidated Cash Flow Statement

(Rupees in Lakhs)

PARTICULARS	For the year ended 31st March, 2013	For the year ended 31st March, 2012
A. Cash Flow from Operating Activities		
Net Profit / (Loss) before extraordinary items and tax	5,358	6,728
Adjustments for:		
Depreciation and amortisation	7,733	5,323
(Profit) / loss on sale / write off of assets	(194)	(1,750)
Finance costs	12,696	11,990
Interest income	(216)	(857)
Dividend income	(18)	(9)
Provision for losses of subsidiary companies / LLP	—	3
Adjustments to reserve	922	5
Provision for doubtful trade and other receivables, loans and advances	16	1
	20,939	14,706
Operating profit / (loss) before working capital changes	26,297	21,434
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(8,992)	(3,066)
Trade receivables	1,567	(2,545)
Short-term loans and advances	3,525	(2,433)
Long-term loans and advances	(14,253)	(2,334)
Other current assets	(241)	408
Other non-current assets	1	1,651
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(3,141)	1,540
Other current liabilities	524	1,124
Other long-term liabilities	(2,802)	6,865
Short-term provisions	568	4,469
Short-term borrowings	1,686	998
Long-term provisions	(194)	(1,846)
	(21,752)	4,831
Cash generated from operations	4,545	26,265
Net income tax (paid) / refunds	(601)	(1,349)
Net cash flow from / (used in) operating activities (A)	3,944	24,916

(Rupees in Lakhs)

PARTICULARS	For the year ended 31 March, 2013	For the year ended 31 March, 2012
B. Cash Flow from Investing Activities		
Capital expenditure on fixed assets, including capital advances	(8,768)	(28,035)
Proceeds from sale of fixed assets	352	5,091
Deferred revenue expenditure	—	(76)
Bank balances not considered as Cash and cash equivalents		
- Matured	—	6
Current investments not considered as Cash and cash equivalents		
- Purchased	(405)	(104)
Interest received		
- Others	216	857
Dividend received		
- Associates	13	9
- Others	5	—
Net cash flow from / (used in) investing activities (B)	(8,587)	(22,252)
C. Cash flow from financing activities		
Proceeds from Issue of Equity, Preference and debentures		5
Proceeds from long-term borrowings	56,803	11,455
Repayment of borrowings	(38,105)	—
Proceeds from new membership	411	200
Finance cost	(12,696)	(11,990)
Dividend paid	(1,684)	(1,684)
Tax on dividend	(273)	(273)
Net cash flow from / (used in) financing activities (C)	4,456	(2,287)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(187)	377
Cash and cash equivalents at the beginning of the year	4,890	4,513
Cash and cash equivalents at the end of the year	4,703	4,890

As per our report of even date
for **Narayanan, Patil and Ramesh**
Chartered Accountants
Firm Regn No. 002395S

L. R. Narayanan
Partner
Membership No: 200/25588

Place: Bangalore Date: May 07, 2013

for Brigade Enterprises Limited

M. R. Jaishankar
Chairman & Managing Director

Suresh K.
Chief Financial Officer

M. R. Shivram
Director

P. Om Prakash
Company Secretary

Notes to Consolidated Financial Statements

for the year ended 31st March 2013

BACKGROUND:

Brigade Enterprises Limited (referred to as “BEL”, “Parent” or “the Company”) was incorporated in 1995. The Company is carrying on the business of real estate development. BEL has the following subsidiary / associates as on 31st March 2013:

Subsidiaries

Brigade Hospitality Services Limited (referred to as “BHSL”), a company incorporated in India, is a 100% subsidiary of the Company and is carrying on the business of running and managing clubs, service apartments, and convention centres.

Brigade Estates and Projects Private Limited (referred to as “Brigade Estates”), a company incorporated in India, is a 100% subsidiary of the Company and is carrying on the business of real estate development.

Brigade Tetrarch Private Limited (formerly known as Tetrarch Holding Private Ltd referred to as “Tetrarch”), a company incorporated in India, is a 100% subsidiary of the Company and is carrying on the business in the field of sports related activities.

Brigade Infrastructure and Power Private Limited (referred to as “Brigade infrastructure”), a company incorporated in India, is a 100% subsidiary of the Company and is carrying on the business of power generation and infrastructure development.

WTC Trades and Projects Private Limited (referred to as “WTC”), a company incorporated in India, is a 100% subsidiary of the Company and holds the World Trade Center License for the city of Bangalore issued by the World Trade Centers Association, USA. The company is carrying on the business of Trade and Commerce.

Orion Mall Management Company Ltd (referred to as ‘OMMCL’), a company incorporated in India, is a 100% subsidiary of the Company and is carrying on the business of Mall Management.

Brigade Properties Private Limited (referred to as “Brigade Properties”), a company incorporated in India, is a subsidiary of the Company in which the Company owns 51% of its equity shares and is carrying on the business of real estate development.

Prosperita Hotel Ventures Ltd, (referred to as ‘Prosperita’) a company incorporated in India, is a 100% subsidiary of the Company and is carrying on the business of hotel management.

Joint Venture

BCV Developers Private Limited (referred to as “BCV Developers”), a company incorporated in India is a Joint Venture wherein the company owns 50% of its shares and is carrying on the business of real estate development.

BCV Estates Private Limited (referred to as “BCV Estates”), a company incorporated in India is a Joint Venture wherein the company owns 50% of its shares and is carrying on the business of real estate development.

Other Associates

Tandem Allied Services Private Limited (referred to as “Tandem”), a company incorporated in India, is an associate company wherein 37% of its shares is held by the Company and is carrying on the business of realty, property management services and related financial services.

The Company together with its subsidiaries and associates is hereinafter referred to as “Brigade Group”.

1. PRINCIPLES OF CONSOLIDATION:

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

Consolidated Financial Statements normally include Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Notes and explanatory statements that form an integral part thereof. “Consolidated Cash Flow Statement” is presented in case the Parent presents its own Cash Flow Statement. The Consolidated Financial Statements are presented, to the extent possible, in the same format as that adopted by the parent for its separate financial statements.

The Consolidated Financial Statements include the financial statements of the Company and all its subsidiaries which are more than 50 per cent owned or controlled as at March 31, 2013. Investments in entities that were not more than 50 per cent owned or controlled as at March 31, 2013 have been accounted for in accordance with the provisions of Accounting Standard 13 “Accounting for Investments”, or Accounting Standard 23 “Accounting for Associates” or Accounting Standard 27 “Accounting for Joint Venture”, as applicable which are prescribed by the Companies (Accounting Standard) Rules 2006.

The Financial Statements of the Parent Company, BHSL, Tetrarch, Brigade Estates, Brigade Properties and Brigade Infrastructure, WTC, OMMCL and Prosperita have been

combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/ transactions and resulting unrealised profits in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the entities consolidated. The financial statements of joint venture companies BCV Developers and BCV Estates have been considered on the basis of proportionate consolidation. Investments in associate companies have been accounted for, by using equity method whereby investment is initially recorded at cost and the carrying amount is adjusted thereafter for post acquisition change in the Company's share of net assets of the associate.

Minority interest, if any, represents the amount of equity attributable to minority shareholders at the date on which investment in a subsidiary is made and its share of movements in the equity since that date. Any excess consideration received from minority shareholders of subsidiaries over the amount of equity attributable to the minority on the date of investment is reflected under Reserves and Surplus.

Excess of cost of investment in a subsidiary over the company's portion of equity of subsidiary is recognised as goodwill and classified as an asset in consolidated financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1. Basis for Preparation of Financial Statements:

The Financial Statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with generally accepted accounting principles in India and comply with the Accounting Standards prescribed by the Companies (Accounting Standards) Rules 2006, to the extent applicable and in accordance with the Provisions of the Companies Act, 1956.

2.2. Use of Estimates:

Preparation of financial statements in conformity with Generally Accepted Accounting Principles requires company management to make estimates and assumptions that affect reported balance of assets and liabilities and disclosures relating to contingent assets and liabilities as of the date of Financials and reported amounts of income and expenses during the period. Examples of such estimate include Revenues and Profits expected to be earned on projects carried on by the company, contract costs expected to be incurred for completion of project, provision for doubtful debts, income taxes, etc. Actual results could differ from these estimates. Differences, if any, between the actual results and estimates are recognised in the period in which

the results are known or materialised.

2.3. Expenditure:

Expenses are accounted on the accrual basis and provisions are made for all known losses and liabilities.

2.4. Valuation of Inventories & Construction Work-in-Progress:

Valuation of Inventories, representing stock of materials at project site/with contractors, has been done after providing for obsolescence, if any, at lower of Cost or Net Realizable Value. The cost is generally calculated on FIFO basis.

The value of construction work-in-progress during the period is determined as an aggregate of opening work in progress, cost of construction, and construction overheads incurred during the year as reduced by cost of completed contract transferred to income and closing stock of materials, if any.

The value of completed projects intended for immediate sale is considered as an inventory and value of completed projects / units intended to be retained / leased is considered as fixed asset.

Land held for development, Work in Progress and Closing Stock of unsold units is valued at Cost or Net Realizable Value whichever is lower.

Inventories in the hospitality business are valued at cost determined on weighted average basis or net realizable value whichever is lower after providing for obsolescence, if any. Initial expenses on soft furnishing, linen, cutlery and crockery are amortized over 24 months.

Inventories of stores, spares and consumables, are valued at lower of cost and net realizable value.

2.5. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating; financing and investing activities of the company are segregated.

2.6. Events occurring after the date of Balance Sheet:

Material events occurring after the date of Balance Sheet are taken into cognizance.

2.7. Depreciation:

Depreciation in respect of fixed assets, is provided adopting

Notes to Consolidated Financial Statements

for the year ended 31st March 2013

Written down Value Method at the rates provided under Schedule XIV to the Companies Act, 1956, except with respect to certain assets, depreciation is charged on Straight Line Method as shown below:

Project Name	Building	Furniture, Fixture and Interiors	Office Equipment and Plant and Machinery
Brigade Manae Court	25 Years	5 Years	5 Years
Augusta Club	25 Years	5 Years	5 Years
Brigade MLR Convention Centre	25 Years	5 Years	5 Years
Woodrose Club	25 Years	5 Years	5 Years
Homestead 2	25 Years	5 Years	5 Years
Grand Mercure	25 Years	5 Years	5 Years
Brigade Plaza	25 Years	5 Years	Not Applicable
Brigade South Parade	14 Years	5 Years	Not Applicable
Brigade Tech Park B-Block 4th & 5th Floor	Not Applicable	5 Years	5 Years

Depreciation is charged on a pro-rata basis for assets purchased / put to use / sold during the year. Individual assets costing less than or equal to Rs 5,000/- is fully depreciated in the year of purchase.

In case of BHSL, Depreciation is provided on assets purchased upto 31st March 2005 on the written down value method at the rates specified in schedule XIV to the Companies Act, 1956. In respect of additions to fixed assets from 01st April 2005 depreciation has been provided on the straight line method applying the following rates which are more than the corresponding rates specified in schedule XIV to the Companies Act, 1956.

Nature of Asset	Rate of Depreciation
Buildings	5.00%
Plant and Machinery	9.50%
Electric & Electronic Equipments	9.50%
Office & Other Equipments	9.50%
Motor Vehicles	20.00%
Computers & Software	33.33%
Furniture & Fittings	12.00%
Lease Hold Improvements a. Borewell b. Others	At lower of lease period or 10 Years At lower of lease period or 36 Months

In case of WTC, license fee has been amortised over a period of 10 years.

2.8. Revenue Recognition:

Income from contractual real estate projects is determined and recognised, based on the percentage of completion method, as the aggregate of the profits earned on the projects completed/under completion and the value of construction work done during the period.

Profit so recognised in respect of individual projects is adjusted to ensure that it does not exceed the estimated overall profit margin. Loss on projects, if any, is fully provided for.

Stage of completion of projects in progress is determined on the basis of the proportion of the contract costs incurred, in respect of individual projects for work performed up to the period of the financial statements, bear to the estimated total project cost. Income recognised as contract revenue during the period is based on the lower of stage of completion as determined above and actual amount received on sale (pursuant to agreements entered into by the company). Project revenues on new projects are recognised when the cost incurred for stage of completion of each project reaches a significant level (excluding land cost), which is estimated to be at least 25%.

The estimates for sale value and contract costs are reviewed by management periodically and the cumulative effect of the changes in these estimates, if any, are recognised in the period in which these changes may be reliably measured.

In respect of sale of completed units, revenue is recognised when the significant risks and rewards of ownership of the units in real estate have been passed on to the buyer.

Interest income is recognised on time basis and is determined by the amount outstanding and rate applicable.

Differential income arising on account of any charges collected from Buyers including Deposits and the related expenses incurred are recognised in the year of completion of the project / handing over of the flats to the customers.

Dividend income is recognised as and when right to receive payment is established.

Rental income / lease rentals are recognised on accrual basis in accordance with the terms of agreement.

In respect of Hospitality operations, revenue from rooms, restaurants, banquets and other services comprising of renting of rooms, sale of food and beverages, allied services relating to hotel operations, including net income from telecommunication services and management and operating fees, revenue is recognised upon rendering of the services.

Subscription received for Membership of club(s) is recognised as income on a straight line basis by amortizing the amount received from the year of admission up to the period of expiry of the relevant membership. The balance unamortized amount received as well as membership fees received for clubs which are not operational has been shown as a liability. If the membership is terminated, the unamortized membership fees will be recognised as income in the year of termination.

Subscription charges for facility usage have been accounted on monthly basis for usage of clubs.

Sale of food and beverages are accounted net of VAT.

Revenues relating to Management fees are recognised pursuant to contracts entered into between the company, the Mall owner and the tenants. Such revenues are recognised on accrual basis in accordance with the terms of the said agreement.

Royalty fees / Income from business centre and Facility management fees has been accounted on accrual basis.

In case of BCV Developers (P) Ltd, the company has recognised the revenue from sale of undivided share of land, super built up area and movables related to two mock up villas during the year based on the fact that the risks and reward of ownership have been transferred to the respective owners of the said villas by way of handing over possession to the parties. However, conveyance and transfer of legal title with respect to the said villas are yet to be executed.

Income from agriculture has been accounted in Statement of Profit and loss as and when sale is affected.

2.9. Fixed Assets:

Tangible:

Fixed assets are stated at cost of acquisition including directly attributable costs for bringing the asset into use, less accumulated depreciation and impairment loss, if any. Capital Work in Progress comprises the cost of fixed assets under construction and not yet ready for their intended use. Capital Work in progress is carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Intangible:

Intangible assets are carried at cost less accumulated amortization and impairment loss, if any. The cost of intangible asset comprises its purchase cost and directly attributable expenditure.

In case of WTC, Intangibles pertain to Licence fee paid to World Trade Centre which has been carried at cost. The cost includes purchase cost and directly attributable expenditure.

2.10. Foreign Currency Transactions:

Foreign currency transactions are recorded in reporting currency at exchange rates prevailing on the date of transactions. Exchange gain or loss arising on settlement are adjusted to the statement of profit and loss. All monetary items denominated in foreign currency are converted at the rates prevailing on the date of the Financial Statement.

2.11. Investments:

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as Long Term Investments. Long Term Investments are carried at the cost, and a provision for diminution in value in investments is made to recognize a decline, other than temporary, in the value of the investments. Investments other than long term investments being current investments are carried at the lower of cost or fair value

Investments, which are readily realizable and intended to be held for not more than one year from balance sheet date, are classified as current investments. All other investments are classified as non-current investments.

2.12. Employee Benefits:

a) Short-Term Employee Benefits:

The employee benefits payable only within 12 months of rendering the services are classified as short term employee benefits. Benefits such as salaries, leave travel allowance, short term compensated absences etc. and the expected cost of bonus are recognised in the period in which the employee renders the related services.

Notes to Consolidated Financial Statements

for the year ended 31st March 2013

- b) Post-Employment Benefits:
 - i. Defined Contribution Plans:

The Company has contributed to state governed provident fund scheme, employee state insurance scheme and employee pension scheme which are defined contribution plans. Contribution paid or payable under the schemes is recognised during the period in which employee renders the related service.
 - ii. Defined Benefit Plans:

The employees' gratuity is a defined benefit plan. The present value of the obligation under such plan is determined based on the actuarial valuation using the projected unit credit method which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the financial obligation. The Company has an employee gratuity fund managed by Life Insurance Corporation of India (LIC). Actuarial gains or losses are charged to Profit and Loss Account.
 - iii. Liability in respect of leave encashment is provided for on actuarial basis using the projected unit credit method same as above.

2.13. Borrowing Costs:

Borrowing costs attributable to acquisition and construction of assets are capitalized as part of the cost of such assets up to the date the asset is put to use.

Other borrowing costs are charged as expense in the year in which these are incurred.

2.14. Segment reporting:

The company identifies primary segments based on the dominant source, nature of risks and returns and internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the management. The Accounting policies adopted for the segment reporting are in line with the accounting policies of the company.

2.15. Earnings per Share:

Basic earnings per share is computed by dividing net income by the weighted average number of common stock outstanding during the period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could

have been issued on the conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value (i.e., the average market value of the outstanding shares). Diluted potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

2.16. Provision for Taxation:

The provision for taxation is made on Taxes Payable Method and determined in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax is recognised, subject to the consideration of prudence, in respect of deferred tax assets or liabilities, on timing differences, being the difference between taxable incomes and accounting incomes that originate in one period, and are reversible in one or more subsequent periods.

2.17. Impairment of Assets:

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard-28 "Impairment of Assets" prescribed under the Companies (Accounting Standards) Rules 2006, where the recoverable amount of any fixed asset is lower than its carrying amount, a provision for impairment loss on fixed assets is made for the difference.

2.18. Provisions and Contingent Liabilities:

Provision is recognised when an enterprise has a present obligation as a result of past event and is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability will also made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.19. Amortisation of Miscellaneous Expenditure:

Expenses incurred towards Initial Public Offer and other deferred expenses (being operational expenses in respect of certain projects incurred till commencement of commercial

operation) classified under Miscellaneous Expenditure are written off equally over a period of 5 years. In case of Sheraton Hotel Bangalore at Brigade Gateway, Pre-operative expenses incurred till commencement of commercial operations, classified under Miscellaneous Expenditure are written off equally over a period of 5 years.

2.20. Commission paid for procurement of membership at clubs:

Commission incurred for procurement of memberships at the clubs is amortised and recognised as expense over the same period as the corresponding membership fees amortised as income.

Note 3—Share capital

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Authorised		
15,00,00,000 (Previous Year 15,00,00,000) Equity Shares of Rs 10/- each	15,000	15,000
Issued, Subscribed & Paid Up		
11,22,51,940 (Previous Year 11,22,51,940) Equity Shares of Rs 10/- each	11,225	11,225
Total	11,225	11,225

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Number of Equity shares

Particulars	As at 31st March 2013	As at 31st March 2012
Shares outstanding at the beginning of the year	112,251,940	112,251,940
Shares issued during the year	—	—
Shares bought back during the year	—	—
Shares outstanding at the end of the year	112,251,940	112,251,940

Details of shareholders' holding equity shares more than 5%

Name of the shareholder	As at 31st March 2013		As at 31st March 2012	
	No. of shares held	% of holding	No. of shares held	% of holding
M R Jaishankar	230	21%	230	21%
Nirupa Shankar	93	8%	93	8%
Githa Shankar	187	17%	143	13%

Notes to Consolidated Financial Statements

for the year ended 31st March 2013

Note 4—Reserves & Surplus

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Securities Premium Account		
Balance at the beginning of the reporting period	68,572	68,572
Add: Securities premium credited on Share issue	468	—
Balance at the end of the reporting period	69,040	68,572
General Reserve		
Balance at the beginning of the reporting period	6,416	5,838
Add: amount transferred from surplus in the statement of profit and loss	321	440
Add: amount transferred from surplus in the statement of profit and loss—Capital Asset and F & FE reserve	290	170
Less: Capital Assets and F & FE Reserve Utilised	—	32
Balance at the end of the reporting period	7,027	6,416
Surplus in the statement of profit and loss		
Balance at the beginning of the reporting period	30,432	27,186
Add: Profit / (Loss) for the current year	6,002	5,693
Add: Adjustments	65	83
Add: F & FE reserve withdrawn	—	37
Less: Profit transferred to General Reserve	321	440
Less: Transfer to Capital Asset and F & FE reserve	290	170
Less: Appropriation towards Proposed Dividend	1,684	1,684
Less : Appropriation towards tax on Proposed Dividend	286	273
Net surplus in the statement of profit and loss	33,918	30,432
Total	109,985	105,420

Note 5—Long term borrowings

(Rupees in Lakhs)

Particulars	Terms of repayment and security	As at 31st March 2013 (Short term payable)	As at 31st March 2013 (Long term payable)	As at 31st March 2012 (Short term payable)	As at 31st March 2012 (Long term payable)
Debentures					
Debentures-Fully Convertible-Series A	23,55,430 nos, unsecured -16 % Fully Convertible Debentures of Rs 100 each, fully paid up-Reco Begonia Pvt. Ltd	—	2,355	—	—
Debentures-Fully Convertible-Series B	33,70,470 nos, unsecured-16 % Fully Convertible Debentures of Rs 100 each, fully paid up-Reco Begonia Pvt. Ltd	—	3,370	—	—
Corporation Bank	Secured by first charge on pari-passu basis with Punjab National Bank on land, building and Multi Level Car Parking of the Brigade Gateway World Trade Centre Complex, Subramanyanagar, Malleswaram West, Bangalore. The loan is repayable in 22 quarterly installments, commencing from 31 December 2010	—	—	1,622	6,435
Corporation Bank	Secured by EMG / first charge on the residential buildings, viz., B Block (Altair at Brigade Gateway) and J, K, L Blocks at Brigade Metropolis, Bangalore. The loan is further secured by the personal guarantee of, Mr M. R. Jaishankar, Chairman and Managing Director; Mr M. R. Shivram, relative of director and Mr M. R. Krishna Kumar, relative of director and to the extent of Rs 15,500 Lakhs only. The loan is repayable in 5 quarterly installments commencing from 30 June 2011	—	—	2,446	—

Notes to Consolidated Financial Statements

for the year ended 31st March 2013

(Rupees in Lakhs)

Particulars	Terms of repayment and security	As at 31st March 2013 (Short term payable)	As at 31st March 2013 (Long term payable)	As at 31st March 2012 (Short term payable)	As at 31st March 2012 (Long term payable)
State Bank of India	Secured by first charge on pari-passu basis with State Bank of Mysore and State Bank of Patiala on land and building of the Sheraton Hotel at the Brigade Gateway, Subramanyanagar, Malleshwaram West, Bangalore. The loan has been further secured by personal guarantee of, Mr M. R. Jaishankar, Chairman and Managing Director; Mr M. R. Shivaram, Non-executive director. The loan is repayable in 28 quarterly installments, commencing from 30 June 2011.	872	4,186	873	5,067
State Bank of India	Equitable Mortgage of the land measuring 35 Acres and 38 Guntas and building in which Meadows project is being constructed located at # 122, Saalu Hunase Village, Kanakapura Road, Bangalore 560 082; and First charge on the current assets of Meadows project like fixtures of flats and other construction materials like cement, steel, receivables lying on the site. The loan has been further secured by personal guarantee of, Mr M. R. Jaishankar, Chairman and Managing Director. The Loan is repayable every quarter as follows: Oct 14-Dec 14—Rs 3 Crs; Jan 15-Mar 15—Rs 15 Crs; Apr 15-Jun 15—Rs 17 Crs; Jul 15-Sep 15—Rs 20 Crs; Oct 15-Dec 15—Rs 22.50 Crs; Jan 16-Mar 16—Rs 19 Crs; Apr 16-Jun 16—Rs 21 Crs; Jul 16-Sep 16—Rs 22 Crs; Oct 16-Dec 16—Rs 23.50 Crs	—	7,750	—	—

(Rupees in Lakhs)

Particulars	Terms of repayment and security	As at 31st March 2013 (Short term payable)	As at 31st March 2013 (Long term payable)	As at 31st March 2012 (Short term payable)	As at 31st March 2012 (Long term payable)
State Bank of Patiala	Secured by first charge on pari-passu basis with State Bank of Mysore and State Bank of India on land and building of the Sheraton Hotel at the Brigade Gateway, Subramanyanagar, Malleswaram West, Bangalore. The loan has been further secured by personal guarantee of, Mr M. R. Jaishankar, Chairman and Managing Director and Mr M. R. Shivaram, Non-executive director. The loan is repayable in 28 quarterly installments, commencing from 30 June 2011.	364	1,739	364	2,107
Bank of Baroda	Secured by equitable mortgage of land and building of the Brigade School building @ Whitefield, Dyavasandra Industrial Area Phase I, K. R. Puram Hobli, Bangalore. The loan is repayable in 27 quarterly installments, commencing from 31 March 2011.	444	1,555	444	2,002
Bank of Baroda	Secured by exclusive first charge of portions owned by the Company at Summit 1 & 2 and the adjoining 7-level MLCP building including car parking space at Brigade Metropolis, Mahadevapura, K. R. Puram Hobli, Bangalore. The loan is repayable in 108 monthly installments commencing from 31 October 2011.	1,901	2,394	409	10,915

Notes to Consolidated Financial Statements

for the year ended 31st March 2013

(Rupees in Lakhs)

Particulars	Terms of repayment and security	As at 31st March 2013 (Short term payable)	As at 31st March 2013 (Long term payable)	As at 31st March 2012 (Short term payable)	As at 31st March 2012 (Long term payable)
State Bank of Mysore	Secured by first charge on pari-passu basis with State Bank of India and State Bank of Patiala on land and building of the Sheraton Hotel at the Brigade Gateway, Subramanyanagar, Malleswaram West, Bangalore. The loan has been further secured by personal guarantee of, Mr M. R. Jaishankar, Chairman and Managing Director and Mr M. R. Shivaram, Non-executive director. The loan is repayable in 28 quarterly installments, commencing from 30 June 2011.	364	1,741	364	2,109
Bank of Baroda	Secured by Equitable Mortgage of land and proposed building of the Brigade Exotica @ Bandapura Village, Bidarahalli Hobli, Hoskote Taluk, Bangalore and the personal guarantee of directors Mr M. R. Jaishankar and Mrs Githa Shankar. The loan is repayable in 11 quarterly installments, commencing from October 2014.	—	6,138	—	2,950
Bank of India	Secured by Equitable Mortgage of land and building of the School building @ Brigade Gateway Subramanyanagar, Malleswaram West, Bangalore. The loan is repayable in 23 quarterly installments, commencing from March 2012	—	—	280	1,202
Bank of India	Secured by Equitable Mortgage of land along with building the Brigade Rubix in HMT Main Road, Peenya Plantation, Bangalore North Taluk Bangalore. The loan is repayable in 6 quarterly installments, commencing from 30th September 2013.	2,250	1,748	—	1,798

(Rupees in Lakhs)

Particulars	Terms of repayment and security	As at 31st March 2013 (Short term payable)	As at 31st March 2013 (Long term payable)	As at 31st March 2012 (Short term payable)	As at 31st March 2012 (Long term payable)
Bank of India	Secured by Equitable Mortgage of land along with building the Orion Mall at Banaswadi Main Road, Banaswadi layout, Maruti Seva Nagar, Bangalore. The loan is repayable in 120 monthly installments.	—	2,295	750	948
Lakshmi Vilas Bank	Secured by equitable mortgage/ hypothecation of land and building of MLR Convention Center and Woodrose Club situated at Brigade Millennium at Puttenahalli, J. P. Nagar, 7th Phase, Bangalore and Regent Club at Doddhanekundi Industrial Area, II Phase, Mahadevapura Village, K. R. Puram Hobli, Bangalore and the Corporate guarantee of M/s. Brigade Hospitality services Ltd. The loan is repayable in 36 monthly installments, commencing from 31 January 2012.	1,333	994	2,500	1,165
Lakshmi Vilas Bank	Secured by equitable mortgage/ hypothecation of land and building of MLR Convention Center and Woodrose Club situated at Brigade Millennium at Puttenahalli, J. P. Nagar, 7th Phase, Bangalore and Regent Club at Doddhanekundi Industrial Area, II Phase, Mahadevapura Village K. R. Puram Hobli, Bangalore and the Corporate guarantee of M/s. Brigade Hospitality services Ltd. The loan is repayable in 24 monthly installments commencing from 31 July 2011.	616	—	1,333	1,790

Notes to Consolidated Financial Statements

for the year ended 31st March 2013

(Rupees in Lakhs)

Particulars	Terms of repayment and security	As at 31st March 2013 (Short term payable)	As at 31st March 2013 (Long term payable)	As at 31st March 2012 (Short term payable)	As at 31st March 2012 (Long term payable)
Allahabad Bank	Secured by Assignment of Lease rentals from: Cisco Systems India Pvt. Ltd, Encora Technologies Pvt. Ltd, Quintiles Data Processing Center (India) Pvt. Ltd and Quintiles Technologies (India) Pvt. Ltd with Collateral security of exclusive equitable mortgage of plot of Land situated at Sy No. 6/1, 7/1, 6/2, 6/3, 6/4, 7/2, 7/3, 7/4,5 in Kurubarakunte Village, Kasaba Hobli, Devanahalli Taluk, Bangalore Rural Dist., which is under Joint Development Agreement between Mr M. R. Jaishankar and M/s. Brigade Enterprises Limited and the personal guarantee of director Mr M. R. Jaishankar. The loan is repayable in 95 monthly installments, commencing from 31 October 2010.	391	1,995	386	2,325
Allahabad Bank	Secured by equitable mortgage of land and building of Orion Mall Project at Brigade Gateway, Subramanyanagar, Malleshwaram West, Bangalore. The loans is further secured by personal guarantee of director Mr M. R. Jaishankar. The loan is repayable in 120 monthly installments, commencing from 30 April 2012.	1,383	20,235	1,443	13,520

(Rupees in Lakhs)

Particulars	Terms of repayment and security	As at 31st March 2013 (Short term payable)	As at 31st March 2013 (Long term payable)	As at 31st March 2012 (Short term payable)	As at 31st March 2012 (Long term payable)
Allahabad Bank	Secured by Assignment of entire cash flow of Grand Mercure Hotel including credit card receivables along with Collateral security of mortgage of Leasehold rights on the land and building located at 12th main, Koramangala, 3rd Block, Bangalore along with property falling under Sy No. 24/8-A of Jakkasandra Village, Begur Hobli, Bangalore South Taluk, Bangalore and hypothecation of current assets and movable fixed assets of Grand Mercure Hotel along with Corporate guarantee of M/s. Brigade Hospitality Services Ltd. The loan is repayable in 84 monthly installments, commencing from 31 October 2011.	943	4,235	943	5,183
Allahabad Bank	Secured by Assignment of future Rent Receivables of Orion Mall situated at Brigade Gateway Enclave, Malleswaram, Bangalore; and Supplemental Mortgage of the land measuring 2,99,200.56 sq.ft forming part of larger property bearing Municipal No.26/1 popularly called Brigade Gateway situated in Subramanyanagar, Municipal Ward No.9A, Rajajinagar Extension, Malleswaram West, Bangalore together with the buildings and other structures (Orion Mall) standing thereon. The loan is further secured by personal guarantee of director Mr M.R. Jaishankar. The loan is repayable in 120 monthly installments, commencing from April 2013.	250	5,460	—	—

Notes to Consolidated Financial Statements

for the year ended 31st March 2013

(Rupees in Lakhs)

Particulars	Terms of repayment and security	As at 31st March 2013 (Short term payable)	As at 31st March 2013 (Long term payable)	As at 31st March 2012 (Short term payable)	As at 31st March 2012 (Long term payable)
Indian Overseas Bank	Secured by Equitable Mortgage of land along with buildings the @ Brigade Sparkle situated at Vishveswara Nagar, Khilli Mohalla, Mysore South and Brigade Horizon situated at T Narsipura-Mysore Road, Chamundi Vihar Complex, Mysore and Brigade Crescent located at Benson Cross road, Municipal Ward 92, Bangalore. The loan is repayable in 15 monthly installments, commencing from 31 January 2013.	3,044	—	1,050	2,645
Indian Overseas Bank	Secured by Extension of Equitable Mortgage followed by the registered Memorandum of Deposit of title deeds pertaining to Brigade Crescent located at Benson Cross road, Municipal Ward 92, Bangalore. The loan is repayable in 15 monthly installments (First 5 Installments of Rs 1.33 Crores each, Next 5 Installments of Rs 1.52 Crores each and last 5 Installments of Rs 1.75 Crores each, commencing from January 2013	1,896	—	—	—
Punjab National Bank	Secured by Assignment of lease rental receivable from unsold portion of WTC and MLCP and Equitable Mortgage of land, building and Multi Level Car Parking of the Brigade Gateway World Trade Centre Complex, Subramanyanagar, Rajajinagar Extn, Malleswaram West, Bangalore. The loan is repayable in 120 monthly installments commencing from October 2012.	776	12,457	550	3,891
Corporation Bank	Secured by lien on fixed deposit with Corporation Bank. No specific terms of repayment.	—	—	—	2,295

(Rupees in Lakhs)

Particulars	Terms of repayment and security	As at 31st March 2013 (Short term payable)	As at 31st March 2013 (Long term payable)	As at 31st March 2012 (Short term payable)	As at 31st March 2012 (Long term payable)
Karur Vysya Bank	Secured by EM Charge on Brigade Share of Land and proposed building to be constructed at Sy. No. 20/4, 20/2, 22/1, 22/2, 22/6, 22/8, 23/1, 23/2 and 23/3 of Jhurahalli Village, Uttarahalli Hobli, Bangalore. The loan is repayable from 1st Quarter of FY 2014-15 in 2 years. % payment in FY 2014-15 and FY 2015-16 shall be 47% and 53 respectively.	—	2,503	—	—
ICICI Home finance company limited	Secured by Equitable mortgage of saleable area in Brigade Gateway Residences situated at Subramanyanagar, Malleshwaram West, Bangalore. The loan is repayable in 10 equal monthly installments of Rs 5 Crores each commencing from September 2012.	1,494	—	—	—
United Bank Of India	Secured by Hypothecation of concrete forms at Brigade Meadows. The loan is repayable in 48 equal monthly installments of Rs 17.30 Lakhs commencing from November 2012.	208	534	—	—
State Bank of Mysore	Security by EQM over plot No.35/1,2,3,4,5, & Plot No. 36 measuring 16.32 & 15.80 acres. The Loan is repayable after 18 months from date of first release. Loan amount to be repaid in 10 unequal quarterly installments in arrears.	—	498	—	—
United Bank of India	Secured by Hypothecation of Equipments / materials proposed to be purchased. The loan is repayable in 48 equal monthly installments of Rs 31.25 lakhs commencing after moratorium period of 3 months i.e., tentatively from January 2013 and ending by December 2016, assuming that the commencement of disbursement will take place September 2012—Interest is to serviced every month as and when debited / due.	—	90	—	—
Total		18,529	84,272	15,757	68,347

Notes to Consolidated Financial Statements

for the year ended 31st March 2013

Note 6 — Other long-term liabilities

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Supplier Retention	2,387	4,823
Lease deposit	7,545	7,616
Rental and other deposits	62	26
Sinking fund and Power caution deposits	37	344
Advance received from customers	343	—
Club membership fee received in advance	5,349	5,304
Provision for future tax liability	3,150	3,150
Total	18,873	21,263

Note 7— Long-term provisions

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Provision for employee benefits	63	257
Total	63	257

Note 8 — Short term borrowings

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Secured		
Loans repayable on demand from banks	2,005	998
Loans and advances from related parties	679	—
Total	2,684	998

Note 9 — Trade payables

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Trade payables	8,498	11,631
Dues to micro, small and medium enterprises	1	9
Total	8,499	11,640

Note 10 — Other current liabilities

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Current maturities of long-term debt	18,529	15,757
Interest accrued but not due on borrowings	543	—
Interest accrued and due on borrowings	—	29
Rent Received in Advance	167	—
Unpaid dividends	10	7
Statutory Remittances	756	313
Capital creditors	190	—
Advance from customers	14,819	28,930
Other current liabilities	15,170	3,569
Provision for Engineering cost	973	—
Outstanding liabilities	1,870	1,167
Current maturities of club membership fees	209	168
Total	53,236	49,940

Note 11 — Short term provisions

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Provision for employee benefits	623	71
Provision for tax	1,211	603
Provision for proposed equity dividend	1,684	1,684
Provision for proposed tax on proposed dividend	293	273
Other current liabilities	19	10
Total	3,830	2,641

Notes to Consolidated Financial Statements

for the year ended 31st March 2013

NOTE 12 — FIXED ASSETS

(Rupees in Lakhs)

Sl No.	Particulars	GROSS VALUE				DEPRECIATION VALUE				NET BLOCK	
		Balance as at 1st April, 2012	Additions	Deletions	Balance as at 31st March, 2013	Balance as at 1st April, 2012	For the period ending 31st March, 2013	Amount written back	Total Amount as at 31st March, 2013	W.D.V as at 31st March, 2013	W.D.V as at 31st March, 2012
A.	Tangible										
1	Land										
	OWN	4,818	4,410	—	9,228	—	—	—	—	9,228	4,818
	LEASED	—	—	—	—	—	—	—	—	—	—
2	Building										
	OWN	31,065	51,036	282	81,819	1,941	3,798	54	5,685	76,134	29,124
	LEASED	4,392	44	—	4,436	1,196	229	—	1,425	3,011	3,196
3	Furniture, Fixtures and Interiors										
	OWN	10,126	2,124	114	12,136	2,932	1,711	114	4,529	7,607	7,194
	LEASED	1,784	70	—	1,854	1,171	305	—	1,476	378	613
4	Office Equipments, Plant and Machinery										
	OWN	5,208	4,286	82	9,412	1,276	1,100	77	2,299	7,113	3,932
	LEASED	550	17	—	567	319	112	—	431	136	231
5	Computer Hardware										
	OWN	797	75	—	872	591	103	—	694	178	206
	LEASED	—	—	—	—	—	—	—	—	—	—
6	Vehicles										
	OWN	460	7	4	463	250	57	3	304	159	210
	LEASED	—	—	—	—	—	—	—	—	—	—
7	Leasehold improvements										
	OWN	2	1	—	3	1	1	—	2	1	1
	LEASED	—	—	—	—	—	—	—	—	—	—
	Total	59,202	62,070	482	120,790	9,677	7,416	248	16,845	103,945	49,525
B.	Intangible										
1	Software										
	OWN	684	137	7	814	319	171	7	483	331	365
	LEASED	—	—	—	—	—	—	—	—	—	—
2	Transferable development rights	541	—	—	541	—	—	—	—	541	541
3	Licence Fee	—	135	—	135	—	—	—	—	135	—
	Total	1,225	272	7	1,490	319	171	7	483	1,007	906
C.	Capital Work-in-progress	92,500	20,796	74,440	38,856	—	—	—	—	38,856	92,500
	Grand Total	152,927	83,138	74,929	161,136	9,996	7,587	255	17,328	143,808	142,931
	Previous year	129,443	69,213	45,729	152,927	6,512	4,384	900	9,996	142,931	122,386

Note 13 — Non Current investments

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Trade investments (valued at cost unless stated otherwise)		
Investment in Associate Companies		
3.7 lakhs (31st March 2012: 3.7 lakhs) Equity shares of Rs 10/- each fully paid up in Tandem Allied Services Pvt. Ltd	325	175
Sub total	325	175
Non-trade investments (valued at cost unless stated otherwise)		
Investment in equity instrument		
0.05 lakhs (31st March 2012: 0.05 lakhs) Equity shares of Rs 10/- each fully paid up in Indian MRI Diagnostic and Research Pvt. Ltd	1	1
2.39 lakhs (31st March 2012: 2.39 lakhs) Equity shares of Rs 10/- each fully paid up in AEC Promag Consultancy Pvt. Ltd	24	24
Government and trust securities		
Investment in Government securities	2	2
Investments in Partnership firms:		
Celebrations Catering and Events LLP	9	—
Sub total	36	27
Less: Aggregate value of diminution in value of investment	24	21
Total	337	181

Note 14 — Long-term loans and advances

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Capital Advances		
Unsecured, considered good	185	173
Security Deposits		
Unsecured, considered good	215	167
Balances with government authorities	14,391	1,121
Other loans and advances		
Unsecured, considered good	362	1,672
MAT credit entitlement—Unsecured, considered good	3,858	—
Total	19,011	3,133

Note 15 — Other non-current assets

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Preliminary expenses	336	337
Amount Recoverable from Promoters towards Future Tax Liability		
Unsecured, considered good	3,150	3,150
Total	3,486	3,487

Notes to Consolidated Financial Statements

for the year ended 31st March 2013

Note 16 — Current Investments

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Quoted mutual funds		
101,044 (March 31, 2012: Nil) units of `100.16 each fully paid-up of Birla Sunlife Floating Rate Fund	101	—
101,089 (March 31, 2012: Nil) units of `100.09 each fully paid-up of Birla Sunlife Savings Fund	101	—
13,247 (March 31, 2012: Nil) units of `1,528.74 each fully paid-up of Reliance Liquid Fund	203	—
Total	405	—

Note 17 — Inventories (At lower of Cost or Net Realisable Value)

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Raw Materials and components	3,043	1,942
Work-in-progress	59,933	32,469
Land held for development	14,891	17,761
Stock of completed units	12,818	29,671
Food & beverages	18	—
Cutlery Crockery & Glassware	4	—
Others	5	—
Stores and spares	18	—
Inventories held at Gateway Sheraton	149	144
Inventories held at Angasana Spa	10	9
Inventories held at Grand Mercure	39	—
Total	90,988	81,996

Note 18 — Trade receivables

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	1,341	—
Less: Provision for doubtful debts	(15)	—
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	650	3,567
Less: Provision for doubtful debts	(1)	(10)
Total	1,975	3,557

Note 19 — Cash and cash equivalents

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Balances with banks		
In current accounts	2,688	792
In Deposit accounts	1,456	3,911
Balance held as Margin money or security against borrowings, guarantees and other commitments.	209	107
Bank deposits with more than 12 months maturity	164	—
Cheques, drafts on hand	5	—
Cash on hand	181	80
Total	4,703	4,890

Note 20 — Short-term Loan & Advances

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Loans and advances to related parties		
Unsecured, considered good	1,088	298
Security Deposits		
Unsecured, considered good	40	3
Loans and advances to employees		
Unsecured, considered good	16	2
Balances with government authorities	6,667	8,693
Others		
Unsecured, considered good	22,208	23,923
Total	30,019	32,919

Note 21 — Other current assets

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Unamortised Expenses	31	13
Accruals	27	—
Duties and taxes	176	—
Other receivables	323	303
Total	557	316

Notes to Consolidated Financial Statements

for the year ended 31st March 2013

Note 22 — Revenue from Operations

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
Sale of units	57,392	47,616
Sale of services	14,513	6,585
Other Operating revenues	10,364	7,099
Total	82,269	61,300
Sale of Units comprising:		
Revenue from Real Estate—Residential	31,642	10,870
Revenue from Real Estate—Commercial	25,750	36,746
Sale of services comprising:		
Revenue from Hospitality	14,511	6,584
Other Operating revenues comprising:		
Rental income from operating leases	9,326	6,820
Management fees received	335	47
Gallery Sales	2	—
Sale of scrap	2	—
Revenue from car park	233	—
Others	468	233
Total	82,269	61,300

Note 23 — Other income

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
Interest income	216	857
Dividend / income from investment	18	9
Adjustments to carrying amount of investments— reversal of reduction in carrying amount		
Long term Investment	93	—
Net gain on foreign currency transactions and translation (other than considered as Finance cost)	14	—
Commission received	25	60
Other non operating income (net of expenses directly attributable to such income)	826	2,877
Total	1,192	3,803
Interest income comprising:		
Interest from banks on:		
Deposits	207	857
Other interest	9	—
Total	216	857
Other non-operating income comprising:		
Rental income	67	—
Profit on sale of fixed assets	194	1,750
Liabilities/provisions no longer required written back	313	101
Prior period income	165	948
Miscellaneous income	87	78
Total	826	2,877

Note 24 — Project and Direct Expenses

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
Construction material		
Steel	3,087	2,056
Cement	146	309
Granite / marble (flooring material)	356	1,495
Hardware materials	81	634
	3,670	4,494
Land and construction expenses		
Construction expenses	18,688	23,594
Architect & Consultancy Fees	992	1,090
Electrical Work and Power charges	2,704	11,365
Interiors—projects	2,193	6,894
Miscellaneous Expenses Construction	77	96
Land cost	20,136	990
Rates & Taxes—Projects	2,318	4,907
Direct expenses—services	5,420	3,322
Other Direct Project Expenses		
Interest—Projects	3,714	5,951
Employee cost	1,351	1,260
Other expenses	3,200	3,248
Total-(A)	64,463	67,211
Increase / Decrease in WIP		
Opening Work in Progress—Projects (a)	32,469	29,336
Opening Work in Progress—Capital (b)	92,500	82,018
Less: Cost of Projects capitalised (c)	(64,431)	(16,451)
Total B = (a+b+c)	60,538	94,903
Closing Work in Progress—Projects (d)	59,993	32,469
Closing Work in Progress—Capital (e)	35,623	92,500
Total C = (d+e)	95,616	124,969
(Increase) / Decrease in value—D=(B-C)	(35,078)	(30,066)
Total E=(A+D)	29,385	37,145

Notes to Consolidated Financial Statements

for the year ended 31st March 2013

Note 25 — Employee Benefit Expenses

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
Salaries, allowances and bonus	7,813	6,779
Contribution to provident and other funds	786	198
Staff welfare expenses	303	294
Training and recruitment expenses	85	55
Less:		
Allocation to other expenses	67	—
Transferred to project Expenses*	1,351	1,376
Total	7,569	5,950

*Employee expenses directly attributable to specific projects have been transferred to project expenses. Employee would deem to include directors, in full time or part time employment of the company but exclude directors who are not under a contract of employment with the company.

Note 26 — Finance costs

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
Interest expense on:		
Borrowings	12,264	11,694
Other borrowing cost @	432	296
Less: Transferred to project Expenses*	3,714	5,951
Total	8,982	6,039

*Finance costs directly attributable to specific projects have been transferred to project expenses. @ Other borrowing cost includes commitment charges, loan processing charges, guarantee charges, loan facilitation charges, discounts / premiums on borrowings, other ancillary cost incurred in connection with borrowings or amortisation of such cost.

Note 27 — Other expenses

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
Legal and professional fees	1,292	1,059
Power and fuel	333	413
Rent including lease rentals	258	1,423
Repairs		
Building	424	244
Machinery	213	257
Others	163	54
Insurance	99	116
Rates and taxes	1,159	330
Agency commission	796	1,050
Business promotion	307	—
Advertising and selling expenses	3,409	1,964
Administrative Expenses	165	—
Discount	47	31
Operating cost	10	172
Travelling and conveyance	421	364
Communication costs	186	204
Annual membership fee	5	5
Bad trade and other receivables, loans and advances written off	24	—
Printing and stationery	110	113
Security charges	201	285
Donation	348	248
Director's sitting fees	8	7
Net loss on foreign currency transaction or translation (other than considered as finance cost)	20	61
Interest paid to customers and others	402	—
Preliminary / pre-operative expenses written off	28	—
Provision for losses (diminution in the value of investment) in subsidiary company	1	3
Loss on fixed assets sold/scrapped/written off	—	15
Net loss on sale of investments		
From current investment	1	—
Provision for doubtful trade and other receivables, loans and advances (net)	—	4
Prior period items (net)	276	—
Miscellaneous expenses	128	366
Less: Transferred to project Expenses*	3,201	3,301
Total	7,633	5,487

*Other expenses directly attributable to specific projects has been transferred to project expenses.

Notes to Consolidated Financial Statements

for the year ended 31st March 2013

28.1. Disclosure pursuant to Accounting Standard 7 (Revised):

(Rupees in Lakhs)

Particulars	2012-13	2011-12
Contract Revenue recognised as Revenue in the year*	20,680	47,516
Aggregate amount of contract cost incurred upto the Reporting Date	73,877	112,153
Recognised Profits (less Recognised Losses) upto the Reporting Date	8,860	51,831
Advances Received from Customers outstanding	25,779	28,518

*Does not include sale of completed units from Stock

28.2. Warranty Costs:

The parent Company has not recognised warranty cost relating to sale of unit / property, since such costs, if any, are covered by a corresponding warranty from the company's contractors / vendors. This cost, if any, is recognised as and when incurred by the company.

28.3. Gratuity Plan:

The following table spells out the status of the gratuity plan as required under AS -15 (revised).

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Obligations at the beginning of the year	236	207
Service Cost	56	42
Interest Cost	19	18
Benefits Settled	(21)	(12)
Actuarial (Gain) / Loss	(6)	(19)
Obligations at the end of the year	284	236
Change in Plan Assets		
Plan Assets at the beginning of the year, at Fair Value	201	195
Expected return on plan assets	22	17
Contributions	100	—
Benefits Settled	(21)	(12)
Plan Assets at the end of the year, at Fair Value	302	201

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Fair Value of Plan Assets at the end of the year	284	236
Present Value of the defined benefit obligation at the end of the year	302	201
Asset / (Liability) recognised in the balance sheet	18	(35)
Service Cost	56	42
Interest Cost	19	18
Expected return on plan assets	(22)	(17)
Actuarial (Gain) / Loss	(6)	(19)
Net Gratuity Cost	47	24
Interest rate	BEL 8.00% BHSL 8.25% OMMCL 8.25%	BEL 8.00% BHSL 8.00%
Expected rate of return on plan assets	BEL 7.00% BHSL 6.00% OMMCL 6.00%	BEL 8.00% BHSL 8.00%

In case of employees of Sheraton Bangalore at Brigade Gateway, provision for gratuity amounting to Rs 27 Lakhs is made based on actuarial valuation on the following assumptions:

1. Retirement Age	58
2. Mortality	Indian assured lives (94-96) ultimate mortality table
3. Rate of Interest	8.25%
4. Salary increase	10%
5. Attrition rate	10%
6. No. of employees	320
7. Benefits payable	As per Gratuity Act, 1972, Leave as per company rules.

In case of employees of Grand Mercure, provision for gratuity amounting to Rs 17 Lakhs is made based on actuarial valuation on the following assumptions:

1. Retirement Age	58
2. Mortality	Indian assured lives (94-96) ultimate mortality table
3. Rate of Interest	8.25%
4. Salary increase	10%
5. Attrition rate	39%
6. No. of employees	135
7. Benefits payable	As per Gratuity Act, 1972, Leave as per company rules.

The above figures doesn't represent the gratuity plan in respect of the subsidiaries, namely, Brigade Estates, Brigade Tetrarch, Brigade Infrastructure, Prosperita and WTC and also joint venture companies, namely, Brigade Properties, BCV Developers and BCV Estates, as actuarial calculations were not carried out. The assumptions of interest rate and expected rate of return on plan assets used by BHSL and Orion Mall, a subsidiary company, for the year ended March 31, 2013, being different are shown separately.

28.4. Borrowing Costs:

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
Borrowing costs capitalised during the year		
- as fixed assets / capital work-in-progress	1,433	4,469
- as inventory	2,281	1,482

28.5. Segmental reporting:

The company has identified real estate development, hospitality services and lease rentals as primary business segments. Accordingly the segment revenue, results and capital employed attributable to the segments are reported under each reportable segment.

The company has its operations in India, which makes it a single geographical segment. Hence, providing geographical segment information is not applicable to the company for the current financial year.

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2013
a. Segment revenue	
Real estate	57,837
Hospitality	13,965
Lease Rentals	11,359
Less: Inter-segment revenues	759
Net income from operations	82,402
b. Segment results	
Real Estate	8,446
Hospitality	984
Lease Rentals	3,860
Profit / (Loss) before tax and interest	13,290
Less: Interest	8,982
Add: Other Income	1,059
Profit / (Loss) before tax	5,367
c. Capital employed	
Real estate	128,864
Hospitality	30,634
Lease rentals	86,854
Less: Adjustments	20,334
Total capital employed	226,018

28.6. Related Party Disclosure:

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

28.6.1. Relationships:

Associate	Tandem Allied Services Private Limited
Other related parties where common control exists	Mysore Holdings Private Limited Brigade Foundation M. R. Jaishankar (HUF) Indian Music Experience Trust
Key Managerial Personnel (KMP)	Mr M. R. Jaishankar, Chairman and Managing Director—BEL Ms Githa Shankar, Executive Director—BEL Mr Suresh K., Chief Financial Officer—BEL Mr Om Prakash P., Company Secretary—BEL Mr Balram Menon, Managing Director—WTC Mr Vineet Verma, Executive Director—BHSL Ms Nirupa Shankar Director—BHSL
Relatives of Key Managerial Personnel	Ms Pavitra Shankar (Daughter of KMP) Mr M. R. Shivram (Relative of KMP) Mr M. K. Shivraj Harsha (Relative of KMP) Mr M. S. Amar (Relative of KMP) Mr M. R. Gurumurthy (Relative of KMP) Mrs Latha Shivram (Relative of KMP) Mr A. A. Ramesh Kumar (Relative of KMP) Mr B. S. Adinarayana Gupta (Relative of KMP) Mrs G. R. Arundathi (Relative of KMP) Mr M. R. Krishna Kumar (Relative of KMP) Mr M. S. Ravindra (Relative of KMP)

Notes to Consolidated Financial Statements

for the year ended 31st March 2013

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

Related party transactions

(Rupees in Lakhs)

	Name of the related party	Joint Venture & Associates		Key managerial Personnel		Other related parties where common control exists		Relatives of Key managerial Personnel	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Managerial Remuneration	M. R. Jaishankar	—	—	298	334	—	—	—	—
	Githa Shankar	—	—	110	119	—	—	—	—
	Nirupa Shankar	—	—	19	15	—	—	—	—
	Vineet Verma	—	—	23	—	—	—	—	—
	Balram Menon	—	—	30	24	—	—	—	—
	K Suresh	—	—	66	20*	—	—	—	—
	P. Om Prakash	—	—	26	20	—	—	—	—
Purchase of material / finished goods / services	Tandem Allied Services (P) Ltd	247	8	—	—	—	—	—	—
	Githa Shankar	—	—	87	3	—	—	—	—
	M. R. Gurumurthy	—	—	—	—	—	—	1	—
Sale of material / finished goods / services	M. R. Jaishankar	—	—	3	3	—	—	—	—
	Githa Shankar	—	—	2	1	—	—	—	—
	Brigade Foundation	—	—	—	—	37	430	—	—
	Mysore Holdings (P) Ltd	—	—	—	—	—	1,184	—	—
	Tandem Allied Services (P) Ltd	1	20	—	—	—	—	—	—
Sale of capital assets	Brigade Foundation	—	—	—	—	—	3,440	—	—
Advance received towards purchase of land, goods and services	Mysore Holdings (P) Ltd	—	—	—	—	800	—	—	—
Reimbursements received	Brigade Foundation	—	—	—	—	5	—	—	—
	Mysore Holdings (P) Ltd	—	—	—	—	80	—	—	—
Reimbursements paid	M. R. Jaishankar	—	—	3	2	—	—	—	—
Sitting fees	M. R. Gurumurthy	—	—	—	—	—	—	1	—
	M. R. Shivram	—	—	—	—	—	—	1	—
Donation paid	Indian Music Experience Trust	—	—	—	—	265	—	—	—
Dividend received	Tandem Allied Services (P) Ltd	13	9	—	—	—	—	—	—
Outstanding (payable) / receivable	Tandem Allied Services (P) Ltd	(14)	(29)	—	—	—	—	—	—
	M. R. Jaishankar	—	—	752	—	—	—	—	—
	Mysore Holdings (P) Ltd	—	—	—	—	(783)	147	—	—
	Brigade Foundation	—	—	—	—	245	2,049	—	—
	M. R. Jaishankar HUF	—	—	—	—	51	—	—	—
	M. K. Shivraj Harsha	—	—	—	—	—	—	2	—
	Indian Music Experience Trust	—	—	—	—	297	—	—	—

* since December 2011

28.7. Assets under Operating Leases:

The Parent Company has given certain Assets on Operating Lease. Details of assets given under Operating Lease are as under:

(Rupees in Lakhs)

Asset Description	Gross Value as on 31st March 2013	Depreciation 01st April 2012 to 31st March 2013	Total Depreciation as on 31st March 2013	Impairment
Building	4,436	229	1,425	—
Furniture Fixtures and interiors	1,853	305	1,476	—
Office equipment and plant and machinery	567	111	430	—

The parent Company has given on non-cancelable operating lease certain assets the future minimum lease receivables in respect of which, as at 31st March 2013, are as follows:

(Rupees in Lakhs)

Minimum Lease Receivable	2012-2013	2011-2012
Receivable not later than 1 year	10,416	3,100
Receivable later than 1 year and not later than 5 years	19,936	3,964
Receivable later than 5 years	—	—

The Group has taken various residential / commercial premises on cancelable operating leases. These agreements are normally renewed on expiry.

The parent Company has taken on non-cancelable operating lease certain assets (lands) the future minimum lease payments in respect of which, as at March 31, 2013, are as follows:

(Rupees in Lakhs)

Minimum Lease Payables	2012-2013	2011-2012
Payable not later than 1 year	146	140
Payable later than 1 year and not later than 5 years	663	632
Payable later than 5 years	2,760	2,937

There are no exceptional / restrictive covenants in the lease agreements.

Contingent rent recognised in the Profit and Loss account is Rs Nil

The Company has constructed commercial space of 6,80,786 Sq.ft in one of its project called Brigade Summit. Till March 31, 2013, the Company has sold 4,03,978 Sq.ft (Previous year 45,080 sq.ft) and recognised the income and proportionate cost in its Income Statement. The Company's intention is to sell this stock over a period of two years and accordingly the same is grouped under Inventory. The Company has leased out 1,65,670 sq.ft. as on March 31, 2013 (Previous year 5,01,567 sq.ft) to generate revenue out of unsold stock and recognised the rentals as revenue. Since the said property / units are held for sale, depreciation on this stock has not been provided. Had depreciation on the same been provided, the profits would have been lower by Rs 316 lakhs (previous year Rs 1,073 lakhs).

28.8. Earnings per Share (EPS)

Particulars	Earnings per Share	
	2012-13	2011-12
Equity Share of Face Value Rs 10/- each		
Net Profit (amount used as numerator) (Rs In Lakhs)	6,122	5,693
Number of shares used in computing Earnings per Share (number used as denominator)	11,22,51,940	11,22,51,940
Basic and Diluted (in Rupees)	5.45	5.07

28.9. Deferred Taxation:

(Rupees in Lakhs)

Particulars	2012-13	2011-12
Deferred tax (liability) / asset Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	(2,865)	(2,228)
Tax effect of items constituting deferred tax asset		
Provisions of compensated absence, gratuity and other employee benefits	65	24
Others	357	159
Total	(2,443)	(2,045)

Notes to Consolidated Financial Statements

for the year ended 31st March 2013

28.10. Contingent Liabilities:

Capital commitments and Contingent liabilities

(Rupees in Lakhs)

Particulars	2012-13	2011-12
Claims from government departments not acknowledged as debts	2,924	1,219
Capital Commitments not provided in the books	100,940	71,289
Towards Letter of Credits and Bank Guarantees	1,985	549

28.11 Disclosure pursuant to AS-23:

Depreciation:

The depreciation policy adopted by Tandem (an associate company) is straight line basis as per the rates prescribed in Schedule XIV. This differs from the depreciation policy adopted by the Company as indicated in Clause 2.7 of the Accounting Policies given above.

Gratuity and Leave Encashment:

Gratuity liability of Tandem is based on actual basis, whereas the company follows actuarial method for the purpose of gratuity liability calculation. Tandem (associated company) has not provided leave encashment liability and expenses are considered on cash basis.

This differs from the Policy on Employee Benefits adopted by the Company as indicated in Clause 2.12 of the Accounting Policies given above.

28.12 Disclosure pursuant to AS-21:

Depreciation:

Depreciation in respect of assets of BHSL, wholly owned subsidiary of BEL is computed on straight line method as against written down value method which is followed by the Company. However no adjustments have been made for any periods since such depreciation is not for like transactions or other events in similar circumstances as those of the Company. The written down value of fixed assets amounting to Rs 4,246 Lakhs (March 31, 2012 Rs 4,327 lakhs) out of Fixed Assets amounting to Rs 143,808 lakhs (March 31, 2012- Rs 142,930 lakhs) and depreciation for the year amounting to Rs 463 Lakhs (March 31, 2012 Rs 381 lakhs) out of total depreciation amounting to Rs 7,733 Lakhs (March 31, 2012 Rs 4,399 lakhs) relates to BHSL.

28.13. Current Liabilities include a sum of Rs 5,558 Lakhs (Previous Year Rs 5,305 Lakhs) being deferred income of BHSL from membership of clubs.

28.14. Details of Derivative instruments and unhedged foreign currency exposures:

The year-end foreign currency exposures that have not been hedged by derivative instrument or otherwise are given below:

(Rupees in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Payable	97	159

28.15. The Foreign Exchange Inflow and Outflow:

The details of Foreign Exchange inflow and outflow during the year are as follows:

(Rupees in Lakhs)

Particulars	2012-13	2011-12
Inflow:		
Advance for Sale of Units, Lease Deposits & Rentals	7,003	2,757
Outflows:		
i. Representative Office Expenses	323	
ii. Professional charges	216	198
iii. Consultation Fees	113	6
iv. Marketing	181	—
v. Others	1,047	37

CIF Value of imports and payments during the year the year ended March 31, 2013, is Rs 1,167 Lakhs (Previous year 3,120 Lakhs).

28.16. Remuneration paid to Statutory Auditors debited to Profit and Loss Account:

(Rupees in Lakhs)

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
As auditor	19	14
For taxation matters	6	9
For limited review	7	6
For other services	1	2

28.17. Quantitative Details:

The Company is engaged in the business of real estate and property development. Such activity cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and the information as required under part II of Schedule VI of the Companies Act, 1956.

28.18. Balances of debtors, deposit accounts, creditors and Loans and Advances etc., are subject to reconciliation and confirmation.

28.19. As per the information available with the parent company, the principal amount payable to Micro, Small and Medium Enterprises falling under the provisions of Micro, Small and Medium Enterprises Development Act, 2006 is Rs 1 Lakh. (As on March 31, 2012 – Rs 9 lakhs)

In case of Brigade Hospitality Service Limited (a 100% Subsidiary Company), company is in the process of compiling necessary data regarding the status of creditors under the Micro, Small and Medium Enterprises Development Act 2006. Consequently, the disclosure under the Act has not been furnished.

28.20. The Company is examining the applicability of the Transfer pricing regulations with respect to its domestic transactions and the relevant documentation, if required, in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustment which will have a material bearing on the accounts in this regard.

28.21. Previous year Amounts:

The figures of previous year have been regrouped and reclassified wherever necessary.

As per our report of even date
for **Narayanan, Patil and Ramesh**
Chartered Accountants
Firm Regn No. 002395S

L. R. Narayanan
Partner
Membership No: 200/25588

Place: Bangalore Date: May 07, 2013

for Brigade Enterprises Limited

M. R. Jaishankar
Chairman & Managing Director

Suresh K.
Chief Financial Officer

M. R. Shivram
Director

P. Om Prakash
Company Secretary

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BRIGADE ENTERPRISES LIMITED

Regd off.: 29th & 30th Floors, World Trade Center, Brigade Gateway Campus, 26/1, Dr Rajkumar Road, Malleswaram-Rajajinagar, Bangalore 560 055

18TH ANNUAL GENERAL MEETING—31st July 2013 at 11.00 a.m.

PROXY FORM

CLID/ Folio No. :

DPID :

No. of Shares held :

I/We of in the district of being Member(s) of Brigade Enterprises Limited hereby appoint of in the district of or failing him/her appoint of in the district of as my/our proxy to attend and vote for me/us on my/our behalf at the 18th Annual General Meeting of the Company to be held on Wednesday, 31st July 2013 at 11.00 a.m. at MLR Convention Centre, Brigade Millennium Campus, J. P. Nagar, Bangalore 560 078 and at any adjournment thereof.

Date:

Place:

Signature

Note: This proxy form duly completed must be received at the Company's Registered Office at least 48 hours before the meeting.

Affix
Revenue
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BRIGADE ENTERPRISES LIMITED

Regd off.: 29th & 30th Floors, World Trade Center, Brigade Gateway Campus, 26/1, Dr Rajkumar Road, Malleswaram-Rajajinagar, Bangalore 560 055

18TH ANNUAL GENERAL MEETING—31st July 2013 at 11.00 a.m.

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

CLID/ Folio No. :

DPID :

No. of Shares held :

I certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the 18th Annual General Meeting of the Company being held on Wednesday, 31st July 2013 at 11.00 a.m. at MLR Convention Centre, Brigade Millennium Campus, J. P. Nagar, Bangalore 560 078.

Name of Member / Proxy (in BLOCK letters)

Signature of Member / Proxy

Note: A member/proxy wishing to attend the meeting must fill up this Attendance Slip and hand it over at the entrance. If you intend to appoint a proxy, please complete the proxy form above and deposit it at the Company's Registered Office at least 48 hours before the meeting.

BRIGADE ENTERPRISES LIMITED
Regd off.: 29th & 30th Floors, World Trade Center, Brigade Gateway Campus,
26/1, Dr Rajkumar Road, Malleswaram-Rajajinagar, Bangalore 560055.

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, 29th & 30th Floors, World Trade Center, Brigade Gateway Campus
26/1, Dr Rajkumar Road, Malleswaram-Rajajinagar, Bangalore 560055.**

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 SFT AREA :

NAME OF THE SHAREHOLDER :

CLIENT ID (CLID) :

DEPOSITORY PARTICIPANT ID (DPID) :

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 2013.
- 3) Shareholders can avail the discount only for a single booking.
- 4) The privilege coupon can be gifted. In case it is gifted, the shareholder needs to fill in the details of the person to whom it is being gifted apart from providing his details.
- 5) This 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).

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Expanding Facilities & Services. Targets Exceeded.



*Chefs at
Sheraton Bangalore Hotel*



Holiday Inn at Chennai



*Grand Mercure Hotel,
Mysore*

ENTERING the hospitality industry through the serviced apartment vertical, Brigade Hospitality established itself as a pioneer in the area of professionally managed serviced residence facilities in Bangalore.

Today, Brigade Hospitality is a major domain in its own right, encompassing 5-star hotels, serviced residences, convention centres, clubs and spas and a range of

hospitality-related services. We operate both independently and in partnership with world-class organisations like Starwood, InterContinental and Accor under the Sheraton, Holiday Inn and Mercure brands respectively.

New and prestigious projects underway include two hotels in Mysore and Holiday Inn at Chennai.



Innovation. Consolidation. Growth.

Quality education in a world-class environment



Rehearsal in progress.



All three schools offer excellent infrastructure and facilities.



BRIGADE Foundation is a not-for-profit trust that we established in 2003. The Foundation's scope covers three broad areas: education, health and community development. The major thrust so far has been on education at the school level.

Brigade Foundation has set up and manages three schools in Bangalore. The Brigade Schools are considered

institutions of excellence. The RTE policy has been successfully implemented in all three schools.

The Foundation has also developed unique initiatives in the area of pedagogy, curriculum development and training. The resources and information collated through these initiatives are intended for the exclusive use of The Brigade Schools.



We continue to excel in our commitment to society



Sangolli Rayanna Park, Malleswaram, Bangalore, after redevelopment.



Centre for Indian Music Experience, Bangalore.



Winner—Young Achiever 2012

WE can speak with pride of a host of wide and varied initiatives that have made a tangible difference. These include student scholarships and awards; creation and conduct of the Young Achiever Award programme, in association with Rotary Bangalore Midtown; renovation of government buildings; sponsorship of cultural events and even the adoption of birds and animals at Bangalore's Bannerghatta Biological Park, to name just a few.

One of the objectives of our corporate social responsibility initiatives has been to reach out and enhance the quality of life of communities who live and work around our projects. A few recent philanthropic efforts include:

- Redevelopment of the 3-acre Sangolli Rayanna Park

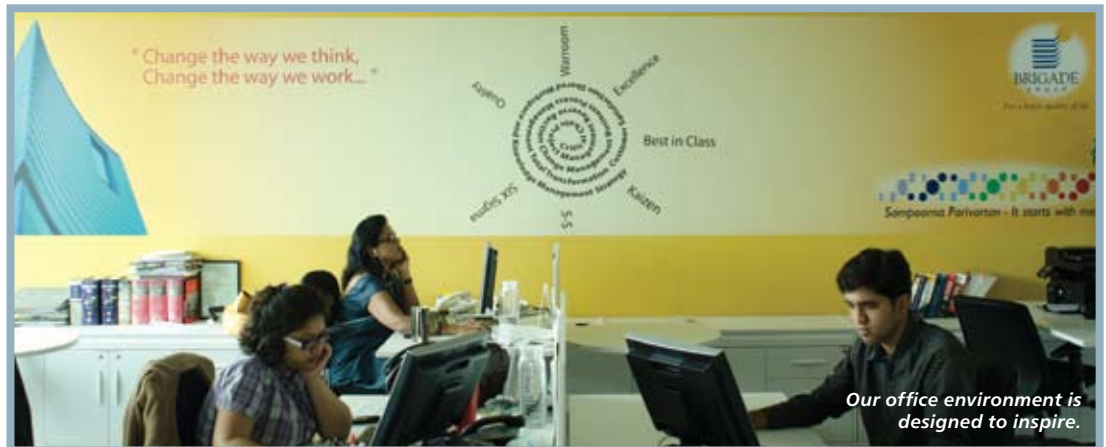
in Subramanya Nagar, Malleswaram. The park was awarded First Prize in the Big Garden Category by the Department of Horticulture and the Governing Council of the Mysore Horticultural Society.

- A 5-acre playground, adjacent to Malleswaram bridge, which is nearing completion.
- We will be adopting Sonnenahalli Lake, adjacent to Brigade LakeFront in Whitefield.
- We are supporting the Centre for Indian Music Experience or IME. This interactive music museum is taking shape at the Brigade Millennium enclave in Bangalore.



Innovation. Consolidation. Growth.

Completed: 20 million+ sft across 100+ buildings.
Construction of 40 million sft in the next 4-5 years.



NEARLY 27 years have passed since we laid the foundation stone for our first project. Brigade Towers—on Brigade Road, Bangalore—was an instant success. It also set many records: the first 14-storied building in Bangalore, the tallest building to be built by a private property developer in the city, and one of the very few projects to market ownership offices. Brigade Group has grown exponentially since then:

- We have entered new domains and cities.
- We have branch offices in several South Indian cities, a representative office in Dubai and an accredited agent in the USA.
- We have inducted people of high caliber across departments.
- Working with our change partners Wipro Consulting Services, we developed and implemented the Sampoorana Parivartan programme, to become a Six Sigma Organisation.
- We follow the best practices of HR management

and conduct learning and development programmes, motivational events, mentoring initiatives and professional seminars.

- We draw upon a national and international pool of professional associates.
- We are headquartered in one of the most prestigious office addresses in the city—World Trade Centre Bangalore—which, incidentally, was built by us.

To date, we have completed over 100 buildings, aggregating to over 20 million sft and intend to construct a further 40 million sft in the next four to five years. We have worked on numerous interesting projects and initiatives, many of which inhabit realms unrelated to our business; and engaged with the community through a variety of CSR initiatives. In the process, we have earned important certifications, won prestigious awards and created urban landmarks.

Latest additions to our list of honours

CW Architect and Builder Awards 2012

- Brigade Group was conferred the Platinum Award of Excellence, for being recognised as one of India's Top 10 builders for 5 consecutive years (2007-2011).



M. R. Jaishankar, CMD, Brigade Group, receiving the award from Pratap Vijay Patode, Editor-in-Chief and Managing Director, ASAPP Media Information Group.

At CREDAI Real Estate Awards 2012

- Brigade Gateway won the **Best Theme-based Township of the Year** award.
- World Trade Center Bangalore won **Best Commercial Office Space of the Year** award



Brigadiers receiving the award from Malaika Arora Khan, Actor.

At ET Now-Asia Retail Congress 2012 Awards:

- Brigade Group won **Best Retailer of the Year** (Real Estate) Award.
- Brigade Group won **Best Emerging Retailer** (Real Estate) Award.
- Orion Mall won **Best Marketing Campaign of the Year** Award.



Brigadiers with the awards received at the ceremony.

At CREDAI Real Estate Awards Karnataka 2013:

- World Trade Center at Brigade Gateway won **Best Office Space** Award.



M. R. Jaishankar, CMD, Brigade Group, receiving the award from A. Balakrishna Hegde, Past President CREDAI, Bengaluru (right).

At CNBC AWAAZ Real Estate Awards 2012:

- Brigade Gateway Residences won the National Award for the **Best Project in the Mid-segment Housing** category and the **Best Residential Project in Bangalore** Award.
- World Trade Center won the **Best Commercial Project** in Bangalore.
- Orion Mall at Brigade Gateway won the **Best Retail Project in Bangalore**.



B RIGADE Group has been selected as one of "India's best companies to work for 2012" by Great Place to Work Institute and The Economic Times for



the second time in a row. The group was ranked 23rd on an illustrious list of TOP 50 Companies having up to 1000 Employees and also ranked 3rd in the Real Estate industry.



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26/1, Dr Rajkumar Road, Malleswaram-Rajajinagar
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