Brigade Enterprises Limited
Corporate Identity Number (CIN): L85110KA1995PLC019126
Registered Office : 29th & 30th Floors, World Trade Center
Brigade Gateway Campus, 26/1, Dr. Rajkumar Road
Malleswaram-Rajajinagar, Bangalore - 560 055, India
T: +91 80 4137 9200 F: +91 80 2221 0784
E: enquiry@brigadegroup.com www.brigadegroup.com

BRIGADE
Building Positive Experiences

BEL/AR/NSEBSE/20082018

20th August, 2018

Listing Department
National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra (East)
Mumbai - 400 051

Department of Corporate Services - Listing
BSE Limited
P. J. Towers
Dalal Street
Mumbai - 400 001

NSE Scrip Symbol: BRIGADE/ BSE Scrip Code: 532929

Dear Sir/Madam,

Sub: Annual Report 2017-18

Greetings from Brigade Enterprises Limited!

We are enclosing herewith the Twenty Third Annual Report of the Company for the financial year ended 31st March, 2018.

The Annual General Meeting of the Company was held on Thursday, 16th August, 2018 wherein the financial statements for the year ended 31st March, 2018 were approved by the shareholders.

The Annual Report is enclosed pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Kindly take the above information on your records.

Thanking you,

Yours faithfully,
For **Brigade Enterprises Limited**

P. Om Prakash
Company Secretary & Compliance Officer

Encl.: a/a

INDIA'S BEST COMPANIES TO WORK FOR
THE ECONOMIC TIMES

Brigade is recognised as one among the best in Construction & Real Estate Industry.

ISO 9001
ISO 14001
OHSAS 18001
BUREAU VERITAS
Certification

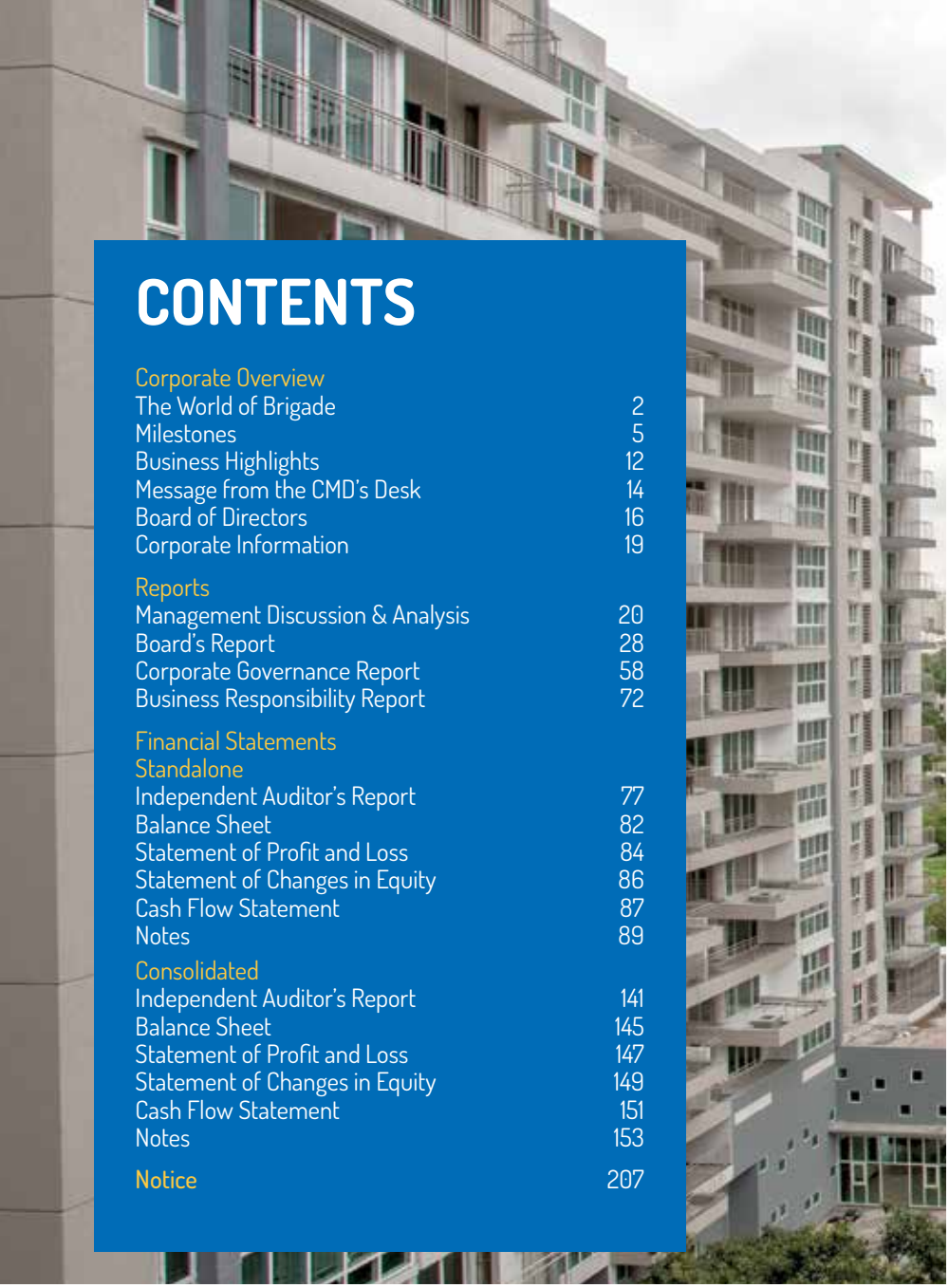
LEADING THE *SHIFT*



Brigade Enterprises Limited

Annual Report 2017-18

BRIGADE



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Cautionary Statement Regarding Forward-Looking Statement

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



Brigade Cosmopolis, Bengaluru

LEADING THE *SHIFT*

Having ushered in a new era of organised and transparent way of conducting business, the real estate industry is embracing several new norms stipulated by the regulators.

Technological advancement and the steady progress made by the real estate industry coupled with evolving preferences of customers are adding new dimensions to this shift. As a leading player in the organised real estate sector, Brigade is spearheading this shift. Be it ensuring transparency in doing business or adopting cutting edge technology, innovation, the Company is geared for the change. Brigade has not only infused a new lease of life in the real estate sector through its novel ideas but has also been instrumental in creating landmarks and enabling futuristic lifestyle concepts, thus leading the shift swiftly.

THE WORLD OF BRIGADE

Brigade is one of India's leading property developers headquartered in Bengaluru with a presence in all domains of real estate – Residential, Offices, Retail, Hospitality and Education for over three decades. Brigade has developed many landmark buildings in Bengaluru, Mysuru, Kochi, Hyderabad, Mangaluru, Chikmagaluru, Ahmedabad and Chennai.

Brigade's residential portfolio includes apartments in various budget ranges viz. villas, premium residences, penthouses, luxury apartments, value homes and senior living complete the bouquet of residential offerings.

Brigade is among the few developers with a reputation of developing Grade A commercial properties. The World Trade Center, Bengaluru and Kochi, Software and IT parks, SEZs and stand-alone offices have top international clients operating from them.

Brigade's retail projects includes Orion Mall-a Lifestyle Mall in Brigade Gateway, Orion East and upcoming Orion OMR in Bengaluru, exclusive shopping areas with a blend of Indian & International food chains and large format hypermarkets.

Brigade's hospitality offerings include operational star hotels- Sheraton Grand Bangalore, Grand Mercure, Bengaluru and Mysuru, Holiday Inn Chennai OMR IT Expressway and Holiday Inn Express & Suites Racecourse Bengaluru, recreational clubs, convention centres in Bengaluru and other parts of South India. As part of the extended offering, Brigade has two other initiatives - Celebrations Catering and Events and The Baking Company, a unique patisserie focusing on freshly baked healthy products.

The Brigade schools run by the Brigade Foundation, a not for profit organisation operates the 3 schools in Bengaluru.

Brigade has been socially responsible and has vastly contributed by redevelopment of the Sangolli Rayanna Park and the Shri Nadaprabhu Kempegowda Playground in Malleswaram, Bengaluru, Skywalk across Dr. Rajkumar Road, rejuvenation of Sitharampalya lake in Whitefield etc. This responsible attitude and innovative mindset combined with uncompromising quality of the projects has created a corporate tradition that delights the customers.



BRIGADE

Great Place To Work.

BUSINESS GEOGRAPHIES

- Bengaluru, Karnataka
- Mangaluru, Karnataka
- Mysuru, Karnataka
- Chikmagaluru, Karnataka
- Hyderabad, Telangana
- Chennai, Tamil Nadu
- Kochi, Kerala
- GIFT City, Gujarat



Brigade Opus, Bengaluru

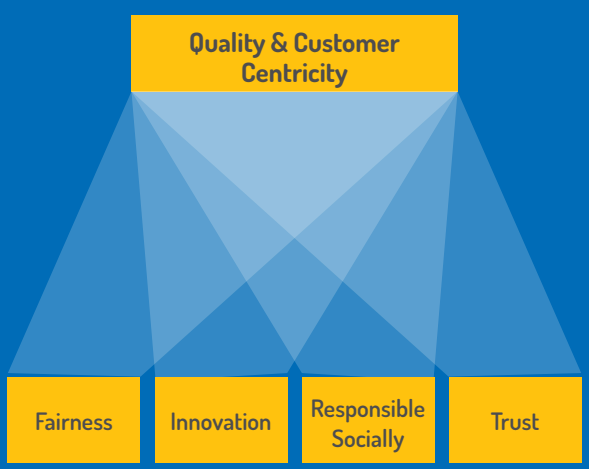
Brigade's Business Segment		
Real Estate	Lease Rental	Hospitality Segment
• Residential • Office Space on outright sale	• Office Spaces • Retail Spaces	• Hotels • Clubs and Convention Centres

VISION

To be a world-class organisation in our Products, Processes, People and Performance

MISSION

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





Artist's Impression of Brigade Financial Centre at GIFT City, Gujarat.



MILESTONES



1986
The launch of Brigade Towers, Bengaluru's tallest building by a private developer

1992
Brigade Gardens, Bengaluru's first centrally air-conditioned shopping complex project completed

1994
Brigade Residency, our first luxury apartment project in Mysuru, completed

1996
Obtained ISO 9001:1994 certification from Veritas Quality International, London

2001
Komarla Brigade Residency, an eco-friendly residential complex, handed over

2002
Brigade Millennium, an integrated lifestyle enclave in Bengaluru, completed

2007
A successful completion of ₹ 650 crore IPO led to the public listing of the company's shares

2010
World Trade Center, Bengaluru came into being as South India's tallest building [1.1 Million Square Foot (mn. sqft.)]

2011
Sheraton Hotel became operational at Brigade Gateway, Malleswaram (230 keys)

2012
Orion Mall became operational at Brigade Gateway, Malleswaram (0.8 mn. sqft.)

2013
World Trade Center, Bengaluru bagged the Best Commercial Complex Award (Bengaluru zone) at CREDAI Real Estate Awards Karnataka

2014
Partnered GIC, Singapore to jointly invest ₹ 1,500 crore in residential projects across South India

2015
Completed Brigade Exotica-Azure, 35 floor residential tower

2016
Completion of 30 projects in the 30th year of business

2017
Brigade Pinnacle, Brigade's first luxury residential project in Mangaluru was completed and inaugurated

2018
Successfully raised ₹ 500 crore through Qualified Institutional Placement

INNOVATION IN REAL ESTATE

LEADING THE *SHIFT*



Brigade is in the business of real estate development for more than three decades and is continuously looking at innovating with every project being developed.

Over the years, many of Brigade's projects have been the first of their kind. Some of these 'Firsts' include:

- Brigade Towers (the first project in 1986) was at that time, the tallest building constructed by a private property developer in Bengaluru and The World Trade Center, Bengaluru developed by Brigade in 2011 is the tallest commercial building in South India;
- Brigade is credited for building the first World Trade Center, Bengaluru, by a private developer in India, followed by the World Trade Center, Kochi, which are operational. Brigade also holds the license to construct World Trade Centers in other major cities in South India.
- The Brigade Homestead chain was the first professionally run serviced residence facility in Bengaluru.
- Brigade pioneered the concept of integrated enclaves in Bengaluru. Enclaves like Brigade Millennium, Brigade Gardenia, Brigade Gateway, Brigade Metropolis etc. have set benchmarks in excellence.
- Brigade was the first developer in Karnataka to set up a precast plant at one its sites for faster construction and increasing efficiency in operations.

Brigade Real Estate Accelerator Program (REAP), India's first start up accelerator program, with a focus on the real estate industry is an initiative to enable the innovators and inventors to use technology as a catalyst for creating sustainable and scalable businesses in the Real Estate industry. Brigade REAP program is a prelude to the changing trend in the real estate industry, which is standing on the cusp of disruption.







Holiday Inn Express & Suites, Racecourse, Bengaluru

FUTURISTIC REAL ESTATE

LEADING THE *SHIFT*



Brigade is getting into new categories of development in the residential segment in a big way. The initial success of Parkside, our Senior Living Residences at Brigade Orchards has paved the way for getting into this category in a larger way. We are coming up with Parkside East, West and North in Bengaluru. In the quest to be a customer-first organisation, Brigade is planning to offer the convenience of Managed Residences in the villa projects offering full-fledged concierge service and customers can also opt for leasing service from us to maximise the returns on their investment.

Brigade has also launched Customer Friendly Initiatives like the Brigade+ Easy Home Packages. This new initiative will be a one stop solution for home buyers, who can buy a home and move into it without the hassles of making it liveable and assuring 'peace of mind' as home buyers will have the convenience of dealing with a 'single window player'. The benefits of this offering are available for all the ready homes across Bengaluru, Mysuru, Mangaluru, Chikmagaluru and Hyderabad. Any customer who buys a ready Brigade home will have the option of choosing from 4 customised packages namely Electrical Fittings, Wardrobes & Kitchen, Air Conditioners and Home Automation.

During the past year, the one segment that saw consistent growth was the commercial segment. Brigade has Grade A commercial spaces which are operational across South India and over 5 mn. sqft. of commercial space is presently being developed in the markets of operation.

The hospitality segment has reached a critical mass of 1000 keys that are presently operational and would add another 1000 keys in the next couple of years. The segment has recently been hived off into wholly owned subsidiaries, to enhance the focus and tap the growth prospects in the segment.





Signature Towers at Brigade Golden Triangle, Bengaluru

AFFORDABLE REAL ESTATE

LEADING THE *SHIFT*



The financial year 2017-18 saw important policy changes like RERA & GST which have had an impact on the volume of business in the residential segment of Real Estate. We have been continuously focusing our efforts to increase the volume and value of sales. In the residential segment, we have around 20 mn. sqft. of space to be developed in the coming two to three years in South India, including Bengaluru, Chennai and Hyderabad.

Brigade is geared up in leading the shift to cater to the changing needs of customers who look at good quality apartments, efficiently designed in terms of space with affordable ticket size and at the same time get the tax breaks provided by the government in the Pradhan Mantri Awas Yojana (PMAY) scheme. During this fiscal, Brigade is set to launch several new projects with focus on affordable housing segment as there is good potential and demand in this segment. Brigade's residential portfolio is a medley of penthouses, villas, premium residences, luxury apartments, value homes, retirement, homes and award-winning, fully integrated lifestyle enclaves across a wide budget range.

Brigade's residential projects reflect the quality of lifestyle and range from small buildings, quality of lifestyle and precision and range from small and exclusive apartment buildings to large integrated apartment complexes. Brigade assures best-in-class design and top-of-the-line facilities that exude elegance and sophistication.







Brigade Northridge, Bengaluru

BUSINESS HIGHLIGHTS

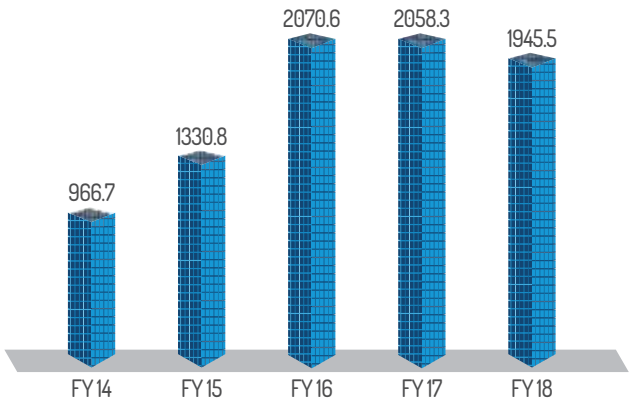
BUSINESS HIGHLIGHTS

Financial Highlights (Consolidated)

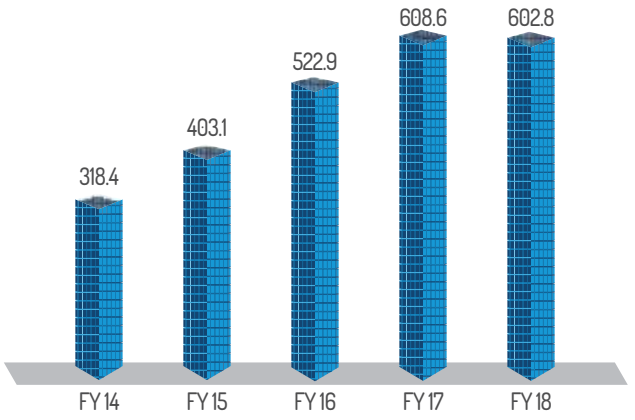
(₹ in Crores)

Particulars	FY 18	FY 17	FY 16	FY 15	FY 14
Revenue	1,945.5	2,058.3	2,070.6	1,330.8	966.7
EBIDTA	602.8	608.6	522.9	403.1	318.4
EBIT	465.1	487.3	418.3	303.8	236.6
Interest	254.9	246.5	199.0	131.4	113.1
PBT	205.7	240.8	219.3	172.5	123.5
PAT	132.9	167.2	139.1	116.4	89.9
Net Worth	2,510.1	1,922.4	1,661.6	1,356.7	1,280.2
Debt	2,953.0	2,177.2	1,999.0	1,394.4	863.5
Net Fixed Assets	3,921.3	2981.7	2650.0	1,657.4	1,469.0
Inventory	2,179.5	2,263.9	2,306.7	1,544.4	1,123.1
Debtors	177.0	37.4	42.9	14.9	37.2
Cash & Bank	146.6	136.3	108.9	82.9	38.3
Per Share Ratio					
Earnings per share (EPS)	10.4	13.5	10.9	8.5	8.2
Dividend per share (DPS)	2.0	2.5	2.0	2.0	2.0
Book Value per share (BVPS)	168.2	149.2	129.9	120.4	114.0
Growth Ratio (%)					
Revenue Growth	(5.5)	(0.6)	55.6	37.7	15.8
EBIDTA Growth	(1.0)	16.4	29.7	26.6	44.2
PAT Growth	(20.5)	20.2	19.5	29.5	49.8
Growth in Book Value per Share	12.7	14.9	7.9	5.6	5.4
Inventory Growth	(3.7)	(1.9)	49.4	37.5	23.4
Margin Ratios (%)					
EBIDTA Margin	31.0	29.6	25.3	30.3	32.9
EBIT Margin	23.9	23.7	20.2	22.8	24.5
Net Profit Margin	6.8	8.1	6.7	8.7	9.3
Other Key Ratios (%)					
Return on Equity (RoE)	7.5	8.7	8.2	8.5	7.0
Dividend Payout	30.7	18.5	18.3	23.5	24.4
Debt Equity Ratio (D/E) x	1.2	1.1	1.2	1.0	0.7
Interest Coverage Ratio x	2.3	2.5	2.6	3.1	2.8

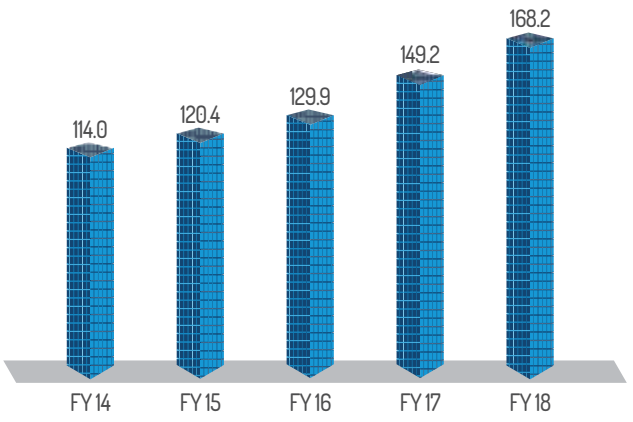
REVENUE (₹ in crores)



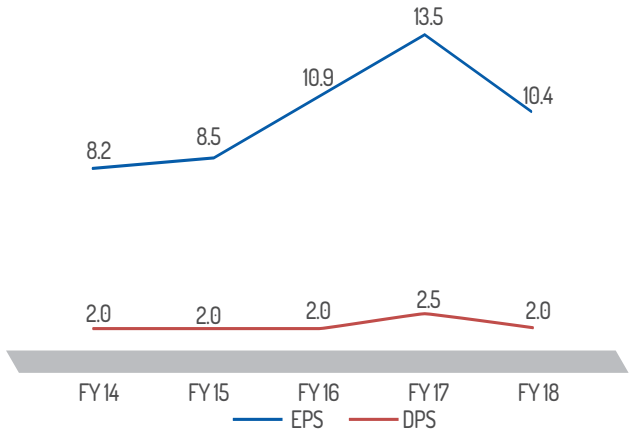
EBITDA (₹ in crores)



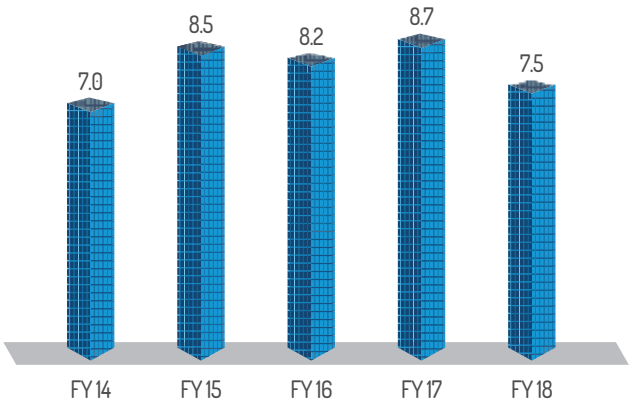
BOOK VALUE PER SHARE (in ₹)



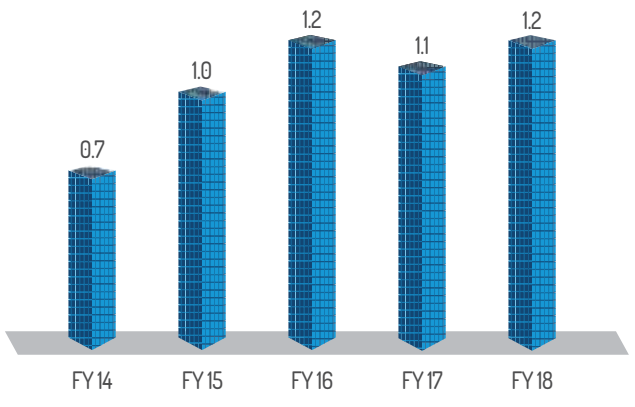
EPS (in ₹)



ROE (in %)



DEBT EQUITY RATIO (x)





MESSAGE FROM THE CMD'S DESK

Dear Shareholders,

The world economy, during the year, has witnessed a strong revival with all major economies showing good signs of improvement. United States, the world's largest economy has also witnessed improvement in economic activities, giving confidence to its Federal Reserve to reverse the process of quantitative easing undertaken, post the financial crisis of 2008. Other major economies in Europe too have gained momentum. This cyclical upsurge in economic activities has pushed up the global commodity prices where base metals and crude prices have steadily moved upward during the year. This has also improved the economic scenario of commodity exporter nations that have faced a severe economic crisis in the previous year.

India continues to dominate the economic growth globally, with its tag of the fastest-growing major economy amongst the emerging and developing economies. India's growth momentum would have been much stronger during the year but for the lingering impacts of demonetisation. The central government continues to remain resolute in its efforts to strengthen the organised players amongst various sectors with its policy measures. After the bold move of demonetisation, the newly introduced Real Estate (Regulation & Development) Act (RERA) and Goods & Services Tax (GST) were the next initiatives. These initiatives would not only significantly strengthen the domestic economy but also result in rationlisation of tax rates. Change is not always embraced by many and like earlier experiences, deferred their home buying decision preferring to opt for a wait and watch approach. We too have faced the effects of clients deferring their decisions to buy a new home or expand businesses in anticipation of

"India continues to dominate the economic growth globally, with its tag of fastest-growing major economy amongst the emerging and developing economies."



more clarity. However, Brigade welcomes these reforms as it is well aligned with our philosophy of best quality service in the most transparent manner to ensure high quality of living for our customers. This has been one of our guiding light, which today has built a robust brand equity for Brigade, making us successful for more than three decades in building positive experiences and winning customer's trust.

We have also won the trust of our institutional investors through their overwhelming response to our Qualified Institutional Placement (QIP) through which we have raised ₹ 500 crore in April 2017. We have been using the proceeds from the QIP towards project development, adding to our product offering. Currently, we are working on developing various projects across all our key business segments, be it residential, commercial – office & retail and hospitality. With our hospitality business gaining a larger mass, we have decided to significantly enhance our focus in this business and hence have moved the hospitality business into three separate entities to tap the growing business activities in India.

The Financial Year 2018 has been a challenging year in the light of recent policy changes by the Government which has had a major impact on the Real Estate Industry, We are optimistic on the future given our existing pipeline of projects. The total revenue for the financial year 2017-18 was ₹ 1,946 crore as against ₹ 2,058 crore in the previous year. The Earnings before interest, tax, depreciation and amortisation (EBITDA) during the year came in at ₹ 603 crore as against ₹ 609 crore in the previous year. The net profit for the year stood at ₹ 133 crore as against ₹ 167 crore in the previous year.

The Group's business is broadly divided into three segments, which are Real Estate, Lease Rental and Hospitality. The real estate business during the year achieved the sales volume of 1. 57 mn. sqft. and clocked a sales value of ₹ 896 crores. The total real estate revenue recognised in the books of account stood at ₹ 1,423 crore. This revenue constituted 73% of the Company's total revenue. The EBITDA, during the year, for this business segment, stood at ₹ 346 crore and the EBITDA margin was at 24%. Currently, a total of 12.33 mn. sqft. of projects are under development for this business segment. In the hospitality segment, we have achieved sales of ₹ 237 crore that accounts for 12% of the total revenue. The occupancy level continues to remain healthy across our properties and the average room rate has gone up by 8% on our stabilised hotels during the year. The EBITDA, for the segment, stood at ₹ 59 crore with an EBITDA margin of 25%. The lease rental segment clocked in a revenue of ₹ 286 crore accruing from a total leaseable area of 2.41 mn. sqft. of which 95% has been leased out, accounting for 15% of the total revenue. The EBITDA for the segment stood at ₹ 197 crore with an EBITDA margin of 69%.

Your Company continues to win many awards and accolades for its various projects as well as for its management excellence. The same have been detailed in the Board's Report.

The economic environment in India is gaining strength from the various reformatary measures introduced by the government. Brigade is well-placed in leading the shift to newer avenues in the real estate business viz. senior living, managed residences, additional focus on value homes, continuously innovating through Brigade REAP for better efficiency, cost and time optimisation for real estate development. The vast bouquet of offerings which we have and would offer caters to the society at large. I would like to thank all our stakeholders for entrusting their trust on us for more than three decades and assure you that we will continue to move ahead by building positive experiences for all our stakeholders.

Best Regards,
M. R. Jaishankar
Chairman & Managing Director



PROFILE OF DIRECTORS



M. R. JAISHANKAR

Chairman & Managing Director

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



PAVITRA SHANKAR

Executive Director

She holds a Bachelor's Degree in Economics and Mathematics from the University of Virginia, USA and a Masters in Business Administration in Real Estate and Finance from Columbia Business School, USA. She is a relative of the Promoter Group and has over a decade of rich experience and oversees Residential Sales & Marketing and IT departments at Brigade.



GITHA SHANKAR

Whole-time Director

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



NIRUPA SHANKAR

Executive Director

She holds a Bachelor's Degree in Economics from the University of Virginia, USA and has done her Masters of Management in Hospitality in 2009 from Cornell University. She forms part of the Promoter Group and is associated with the Group since 2009 with a rich and versatile experience. She oversees the Company's Hospitality, Office & Retail Ventures, Human Resources (HR), Public Relations (PR) and Innovation functions.



AMAR MYSORE

Executive Director

He holds a Masters in Engineering from Pennsylvania State University USA. He is a relative of the Promoter Group and has more than a decade of diverse experience in the fields of Supply Chain Management, Manufacturing, Power Sector and Real Estate. He has been instrumental in tying up green power for the Company's commercial, retail and hotel properties. He is actively involved in the Company's IT initiatives in adopting tech in the business processes to bring in higher efficiency.



M. R. SHIVRAM

Non-Executive Director

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



M. R. GURUMURTHY

Non-Executive Director

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



P. V. MAIYA

Independent Director

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



AROON RAMAN

Independent Director

He holds a Post-Graduate degree in Economics and an MBA from the Wharton School. He has promoted Raman Fibre Science, a research & innovation company in the area of technical non-wovens and composites which was acquired in 2014 by Hollingsworth & Vose Company, a world leader in engineered composites for filtration and energy storage. He specialises in conducting due diligence to assess companies or their competencies in term of technology, process, people capabilities and also on strategic interventions. He has held several senior positions with the Confederation of Indian industry (CII), and was the Chairman of CII, Karnataka State Council for 2010-11. He is a recipient of the state's highest civilian honour - the Karnataka Rajyotsava Award for 2010 for his contribution to the industrial development of the state. He also serves on several corporate boards and charitable trusts.



BIJOU KURIEN

Independent Director

He has done Business Management from XLRI, Jamshedpur. He has been associated with Marquee brands in the fast moving consumer products, consumer durables and retail industry in India for over 33 years with companies viz. Reliance Retail Limited, Titan Industries Limited and Hindustan Unilever Limited. Currently, he is an independent consultant and member of the strategic advisory board of L Capital, Asia (Sponsored by the LVMH Group), and also advises several consumer product companies and mentors a few start-ups. He is also on the Board of several national and international companies.

PROFILE OF DIRECTORS



DR. SRINIVASA MURTHY

Independent Director

He holds a Masters in Management from Sloan School of Management, M.I.T., and a Doctorate in Business Administration from the Harvard Business School, Boston, U.S.A. He has rich experience in teaching in business institutes like Indian Institute of Management, Ahmedabad and Bangalore. He is a former Director of the Indian Institute of Management, Bangalore. He was on the Board of the National Stock Exchange of India Ltd.



LAKSHMI VENKATACHALAM

Independent Director

She holds Post-Graduate degrees in Economics and in Business Administration, from Boston University, USA, and a Post Graduate degree in English from Jadavpur University, Kolkata. She is from the Indian Administrative Service having more than 30 years of rich and versatile experience in the public sector before her retirement in 2010. Her previous assignment was with Asian Development Bank as Vice President for Private Sector and co-financing operations. She held various positions in the Government viz. Director General of Shipping and ex-officio Additional Secretary to the Government of India; Principal Secretary to the Government of Karnataka in the departments of (1) Commerce and Industry, (2) Urban Development and (3) Planning, Program Implementation, Economics and Statistics; Chairperson of the Coffee Board of India, (a statutory body, under the Ministry of Commerce, Government of India) during which she held the office of Chairperson of the International Coffee Council; Commissioner of the Bangalore Development Authority; Director in the Ministry of Steel, Government of India.



PRADEEP KUMAR PANJA

Independent Director

He has done his Masters in Science, (Statistics), from the University of Madras and Certified Associate of Indian Institute of Bankers (CAIIB). Mr. Pradeep Kumar Panja is having around 4 decades of rich experience with State Bank of India (5 years of which at Board level) which encompassing various areas of Corporate, International, Treasury, Information Technology, Retail and Transaction Banking. Also, hands on experience in Strategic Planning, Goal setting & Business Development. He also has Rich Board level exposure at the numerouno Bank of the country and other Organisations and exposure to Treasury and Investment Management – served as Head of Treasury-Global Markets Group.



DR. VENKATESH PANCHAPAGESAN

Independent Director

Dr. Venkatesh Panchapagesan is a Chartered Accountant, Cost Accountant and is a IIM Kolkata, Alumni. He is an Associate Professor of Finance and heads the Real Estate Research Initiative at the Indian Institute of Management, Bangalore. He was, until recently, India's sole academic representative in the advisory committee for World Economic Forum's Initiative on Real Estate. He has more than 20 years of experience in academia and in global financial services industry. Prior to joining IIM-B in September 2011, he was with the world's largest hedge fund, Bridgewater Associates, where he was the global currency trading strategist and led efforts to revamp trading and research analytical infrastructure. He has also worked with Goldman Sachs Asset Management in New York between 2005 and 2008 overseeing trading research for their quantitative hedge funds.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. M. R. Jaishankar
Chairman & Managing Director
Ms. Githa Shankar
Whole-time Director
Mr. Amar Mysore
Executive Director (w.e.f. May 16, 2018)
Ms. Pavitra Shankar
Executive Director (w.e.f. May 16, 2018)
Ms. Nirupa Shankar
Executive Director (w.e.f. May 16, 2018)
Mr. M. R. Shivram
Non-Executive Director
Mr. M. R. Gurumurthy
Non-Executive Director
Mr. Aroon Raman
Independent Director
Mr. P. V. Maiya
Independent Director
Mr. Bijou Kurien
Independent Director
Dr. Srinivasa Murthy
Independent Director
Ms. Lakshmi Venkatachalam
Independent Director
Mr. Pradeep Kumar Panja
Independent Director (w.e.f. May 16, 2018)
Dr. Venkatesh Panchapagesan
Independent Director (w.e.f. May 16, 2018)

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. P. Om Prakash

INTERNAL AUDITORS

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

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

STATUTORY AUDITORS

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

REGISTERED & CORPORATE OFFICE

29th & 30th Floors, World Trade Center
Brigade Gateway Campus,
26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar
Bangalore – 560 055.
Telephone No. : 080 41379200
Fax No. : 080 41379321
Email Id. : investors@brigadegroup.com
www.brigadegroup.com
Corporate Identity Number (CIN): L85110KA1995PLC019126

EQUITY SHARES LISTED AT

National Stock Exchange of India Ltd (NSE)
BSE Ltd (BSE)

REGISTRAR & SHARE TRANSFER AGENTS

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

BANKERS

Allahabad Bank
Bank of Maharashtra
Corporation Bank
The Federal Bank Limited
HDFC Bank Limited
The Karur Vysya Bank Limited
PNB Housing Finance Limited
State Bank of India
ICICI Bank Limited
DCB Bank Limited
Kotak Mahindra Bank Limited
The Jammu & Kashmir Bank Limited
Axis Bank Limited

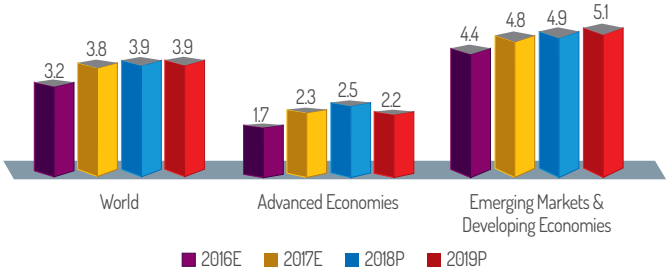
MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC REVIEW

Global Economy

The world Gross Domestic Product (GDP) growth of 3.8% in the year 2017, as per International Monetary Fund's (IMF) 'World Economic Outlook' published in April 2018, has gained some momentum over 3.2% growth in 2016. The GDP growth in 2017 is also the highest growth since 2011. It was largely driven by a surge in global trade and a revival in investments across advanced economies. The steady economic growth across emerging Asia and recovery in several commodity exporting nations has also strengthened the world economic growth in 2017. The advanced economies have witnessed a sharp increase in economic growth of 2.3% in 2017 as compared to 1.7% in 2016. The economic growth in emerging markets and developing economies continue to remain stable and is estimated to have been around 4.8% in 2017 compared to 4.4% in 2016. However, the outlook continues to remain a mixed bag across emerging markets and developing economies. The global growth going forward is expected to remain stable with IMF's projection of 3.9% for 2018 & 2019, supported majorly by strong momentum across various economies and recovery in commodity prices. However, the inclination towards protectionist policies of governments across advanced economies leading to an increase in trade tensions remains a key downside risk to the world economic growth.

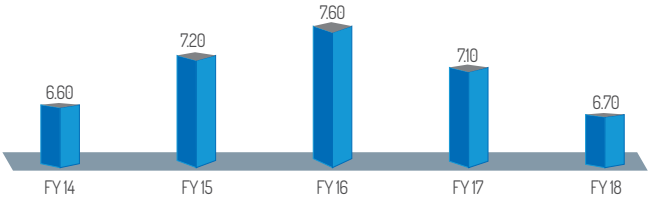
Exhibit 1: World GDP Growth (%)



India Economy

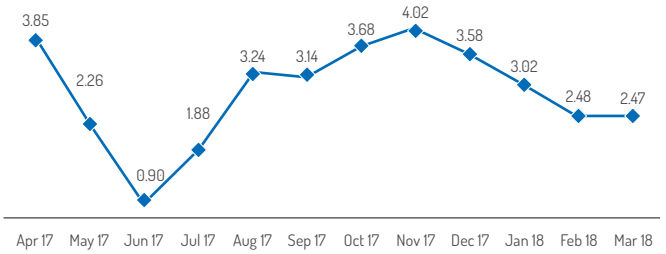
As per Central Statistical Organisation's (CSO) provisional estimates, India's GDP growth grew by 6.7% in FY18. The key reason for this slowest growth in the last 5 years has been the lingering impact of demonetisation and disruption caused by the introduction of new Goods & Services Tax (GST) last July. The weakness in the farm sector due to delayed rains has also been a drag on India's economic growth. The inflation during the year FY18 has been in control where Wholesale Price Index (WPI) ended the year at 2.47%. However, during the last quarter of FY18, Consumer Price Index (CPI) has witnessed an upsurge and stood at 4.28% in March 2018. With inflation under control, the Reserve Bank of India during the year FY18 has reduced the Repo rate by 25bps to 6.0%, still, maintained CRR at 4.0%. To perk-up the credit growth in the system, the central government announced a massive public sector bank recapitalisation scheme of ₹ 2.11 lakh crore. This would significantly strengthen the health of the current beleaguered public sector banking system, which is facing huge Non Performing Assets (NPAs). Furthermore, the new Insolvency & Bankruptcy Code lays down a robust framework and time-bound road map to deal with distressed or failed businesses. This would fast-track the resolution process, further adding strength to the banking system as well as to the economy. As per IMF's World Economic Outlook, April 2018, the GDP growth in India is projected to increase from 6.7% in 2017 to 7.4% in 2018 and 7.8% in 2019 surpassing China's projected GDP growth. The key growth drivers as per IMF would be the increase in private consumption backed by fading impacts of demonetisation and streamlining of the goods & services tax. Also, much higher investments in infrastructure development and an expectation of a normal monsoon by India Meteorological Department (IMD) would further strengthen India's GDP growth.

Exhibit 2: India GDP Growth (%)



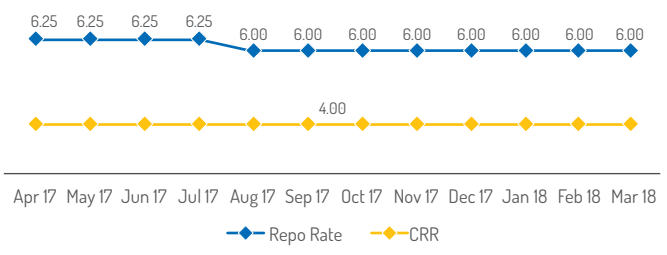
Source: CSO Provisional estimates

Exhibit 3: India WPI, %



Source: MOSPI

Exhibit 4: Key Policy Rates



Source: RBI

INDUSTRY REVIEW

Real Estate Industry

The Real Estate Industry in India is the second largest employer after agriculture. The real estate sector comprises four sub-sectors - housing, retail, hospitality, and commercial. The Real Estate Industry that showed some early signs of recovery in the year 2016 was struck by back-to-back three blows. The first being demonetisation in November, 2016 followed by the Real Estate (Regulation and Development) Act, 2016 (RERA) in May, 2017 and then the Goods & Services Tax in July, 2017. Of this, RERA has been a big jolt to the developers but also a boon to the organised players in the industry. According to RERA, each state and Union territory will have its own regulator and set of rules to govern the functioning of the regulator. The policy reforms were rolled out to improve financial discipline, boost market transparency and also give confidence to consumers.

Given the government's thrust, affordable housing is going to be a big thing for the real estate industry in 2018. The government has awarded it the much-needed infrastructure status. The definition of affordable housing and houses classified under mid-income group has also been changed by the government to cover a larger buyer base and help developers off load their budget homes inventory.

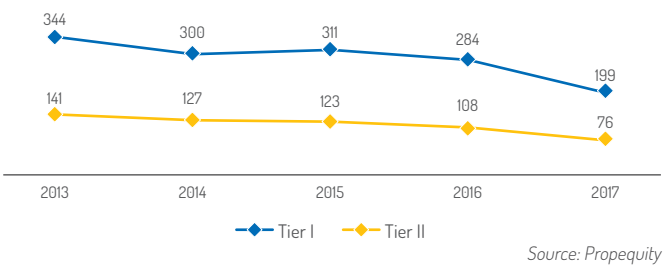
Residential Segment

On account of the three consecutive structural changes in the real estate sector in India, the buyers in the residential market, during the year, have been on a wait and watch mode.

With an objective to reduce the cost of capital in the system, the Reserve Bank of India has announced rate cut of 25bps in FY17-18. The fall in interest cost on home loans has acted as a support to the demand for the residential real estate market in India. Affordable housing has also been an attractive proposition both for developers and consumers as the demand is huge and largely unmet. Under Pradhan Mantri Awas Yojana, the central government has launched a credit-linked subsidy scheme through which it has provided support by subsidising the interest payment for the economically weaker section (EWS), low-income group (LIG) as well as the middle-income group (MIG) segment of home buyers. Under this scheme, the government has assigned ₹ 8 bn in FY18 for the EWS and the LIGs, which has been increased to ₹ 10 bn for FY19. The allocation for MIG has also been very strong and was ₹ 10 bn in FY18 and ₹ 9 bn in FY19. This initiative has acted as a strong demand driver for the residential real estate industry in India.

Exhibit 5: Unsold Units across

Cross Major Tier I & Tier II cities, in '000



Source: Propequity



Brigade Xanadu, Chennai

As per Propequity, the total units sold across major tier I & tier II cities in India was 2.75 lakh units in 2017, down from 3.92 lakh units in 2016. The percentage YoY fall in sale of new units has been similar across tier I and tier II cities. The number of units sold across tier I cities has been down from 2.84 units in 2016 to 1.99 units in 2017. While in tier II cities, it was down from 1.08 lakh units in 2016 to 0.76 lakh units in 2017.

As per Jones Lang LaSalle (JLL) India's survey, around 4.4 lakh housing units were unsold at the end of 2017 with the Delhi-NCR contributing maximum at over 1.5 lakh units. The survey has been across seven major cities of India i.e. Mumbai, Delhi-NCR, Chennai, Hyderabad, Pune, Bengaluru, and Kolkata. Out of the total unsold housing stock, around 0.34 lakh units are ready-to-move-in units. Delhi-NCR has the highest volume at around 1.50 lakh units, which remained unsold in 2017, while Chennai has the highest percentage of completed unsold inventory at close to 20%. In addition, Kolkata had the lowest volume of unsold inventory at about 0.26 lakh units and Mumbai has about 0.86 lakh unsold units and Bengaluru nearly 0.70 lakh of unsold units. However, the housing sales have started to gain momentum from Q1 of 2018. As per Propequity, housing sales in Q1 2018 has witnessed 8% QoQ growth across nine major cities in India. City-wise, housing sales in Bengaluru rose by 45% to 8,349 units, while Chennai saw 71% rise to 3,101 units during January-March 2018. Also, the trend has shifted towards buying more ready to move in flats or units that are nearing completion.

Unlike the older generation who has been debt averse, the young earning force is ready to buy in much better properties with a higher leverage pushing up the housing demand. The improving lifestyle, rising aspirations and higher inclination towards better amenities have also led to a better demand in the luxury housing market. With a rising younger population and growing income scale, India's realty sector is likely to experience an upsurge in the demand for residential properties in the years to come.

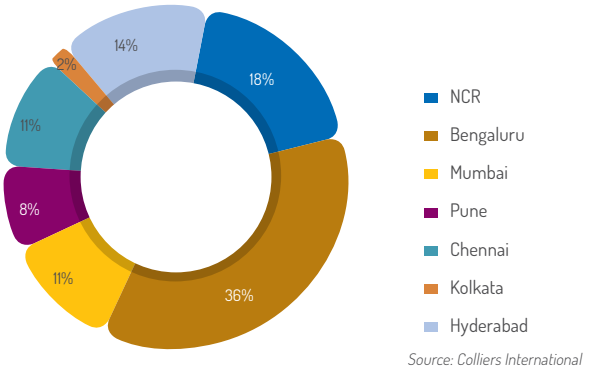
Commercial Segment

Even after the disruptions caused by the government policies, the commercial real estate market in India has remained robust in 2017. The demand for office and commercial spaces in India is expected to have largely been driven by occupiers from IT/ITeS, banking, financial services & insurance (BFSI)

sectors, apart from co-working space operators and data centers focusing on digitisation. Co-working, in the year 2017, has emerged as a new strong demand driver for office spaces with operators in this segment leasing up to 1.5 Million Square Foot (mn. sqft.) of office space, making up 5% of the overall absorption. The co-working space culture is growing not only amongst start-ups and independent professionals but also amongst large corporates. The large corporates have preferred outsourcing capacity by involving third-party co-working model to reduce capital expenditure and increase collaborative culture. The large players in the co-working space are expected to compete against traditional offices to target major corporates apart from focusing on small and medium enterprises.

In 2017, the preferred locations witnessed a rental growth of 10-15% in most cities. The average increase in rent was 3-4% in technology-driven cities while traditional cities such as Delhi, Mumbai, and Kolkata witnessed 1-2% decrease in rents.

Exhibit 6: Office Space Absorption



Source: Colliers International

As per Colliers International, seven major metros have witnessed a leasing volume of about 42.8 mn. sqft. excluding pre-commitments, which was marginally up from 2016 leasing volume. Bengaluru had the highest share of 36% in the overall office demand with about 15 mn. sqft. of office space leased in 2017. It was followed by NCR with 18% share and Hyderabad by 13% share. Going forward, the demand for offices is expected to be driven by the technology, engineering, manufacturing, and finance sectors and by co-working operators. The policy initiatives such as Revision of Master Plan (RMP) 2031 and Transit Oriental Development (TOD) by the state government would further boost the supply situation. On the other hand, the upcoming infrastructure such as Namma Metro Phase 2, Metro connectivity to Karnataka International Airport and Signal-free 17 KM road extension of ORR is likely to address the infrastructure issues, thus, further propping up the demand for commercial space across Bengaluru.

Retail Segment

As per CB Richard Ellis (CBRE), the retail real estate market in India has continued to gain momentum in 2017. India has topped the Global Retail Development Index in 2017, overtaking China. During the year, there were 70 new brands, which marked their presence in Mumbai, Delhi-NCR, and Bengaluru. Additionally, several retail developments were completed across select cities resulting in approximately 1.5 mn. sqft. of fresh supply entering the market. The demand for quality retail space remained robust with a majority of this supply concentrated in Mumbai, Bengaluru, and Delhi-NCR.

The retail sector has limited number of developers that have been able to sustain and are currently managing superior retail assets. The retail sector developers have also moved towards constructing retail spaces along with office complexes. A good retail mix in an office complex provides a lot of ease to the office occupants and values for the assets.

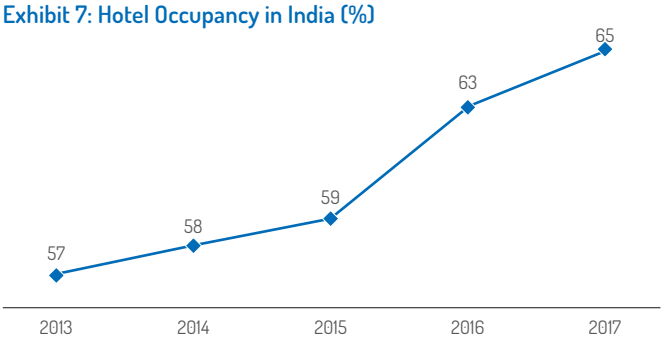
The high urbanisation rate, rising young population base, increasing disposable income levels, rising aspirations and increasing proportion of nuclear families, which influence urban consumption base and subsequent rapid growth of the retail industry, offers huge potential for investors to cash in on the large consumer base in India. The Indian organised retail which has a penetration of only 7% of the total trade is currently placed in a very sweet spot, especially post demonetisation and GST. The organised retail space in India is on the cusp of strong growth as per capita income rises past the crucial USD 2,000 threshold. Many economies have witnessed a strong growth after crossing this threshold. There has also been a consolidation in the online retail space and only a few online retailers are expected to survive ultimately. This would further strengthen the Brick & Mortar retail segment. As per JLL, the retail space supply in the next three years (2018 – 2020) is expected to touch 19.4 mn. sqft.. The steady growth of supply will be accompanied by an equally stable growth in demand, which is also expected to be at around 15 mn. sqft.. in the period of 2018 – 2020. The retail sector in India is going through a new era of growth that is backed by its strong economic fundamentals.

Hospitality

With steadily growing middle class and increasing disposable income, the tourism and hospitality sector in India over the few years have witnessed a healthy growth and accounts for 7.5% of India's GDP. The tourism and hospitality sector is also among the top 10 sectors in India to attract the highest Foreign Direct Investment (FDI). During the period April 2000-December 2017, the hotel and tourism sector attracted around USD 10.90 billion of FDI, according to the data released by Department of Industrial Policy and Promotion (DIPP). The booming tourism industry has had a cascading effect on the hospitality sector with an increase in the occupancy ratios and average room rates.

Occupancy levels have started to notably move higher since the fiscal year 2015, as demand conditions have improved and the rate of new supply has decelerated. The upward trend in RevPAR has been led by occupancy, and is expected to continue. Furthermore, ADR is expected to improve due to high occupancy levels.

Exhibit 7: Hotel Occupancy in India (%)

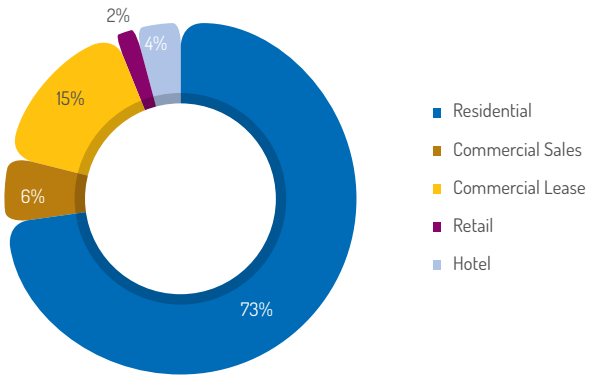


Source: Horwath HTL India

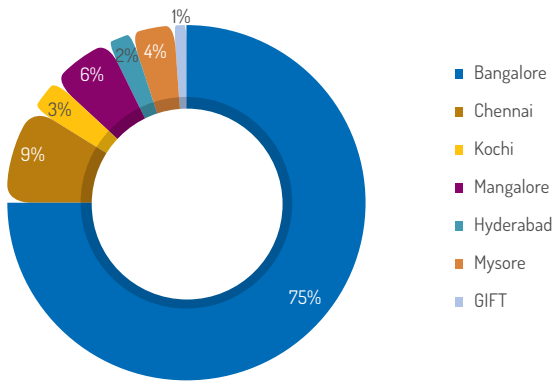
According to hotel consultant firm Hotelivate, hotel room occupancy across the country has recorded a nine-year high in the financial year ending March 2018, touching over 67%. The current strong occupancy level is expected to push average room rates higher. The growing demand for hotel rooms and declining future supply is bringing momentum back to the hospitality sector and this will be the likely trend going forward. With a steady economy, increased business travel, demand from domestic and foreign tourists and the government's push to tourism through the e-visa programme, the growth prospects for the hotel industry in India would further widen.

Operational Review

Land Area – Segment-wise



Land Area – Region-wise

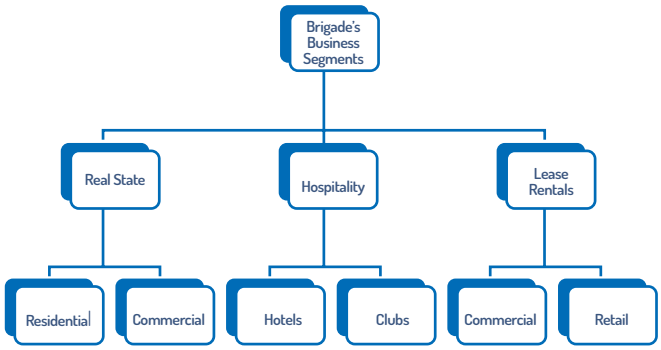


The Brigade Group's total land bank area as of March 31, 2018 stood at 523 acres valuing about ₹ 1415.8 crore. Bengaluru continues to remain the prime region for the Company with 75% share in the total land followed by Chennai with 9.0% share. The share of residential segment dominates with 73% share.

The Group's business is broadly divided into the following segments:-

Real Estate Segment

The total sales volume during the year was 1.57 mn. sqft. as against 1.62 mn. sqft. in the previous year. The residential sales during FY18 were 1.39 mn. sqft. as against 1.45 mn. sqft. in the previous year. The commercial sales volume stood at 0.18 mn. sqft. almost same as previous year. The lingering impact of demonetisation, introduction of RERA and GST during the year has delayed home buyers decisions.



This has impacted the real estate industry across India. However, RERA is a welcome step helping further strengthen the organised real estate developers such as Brigade.

The real estate market has also witnessed some weakness in prices where the average rate per sqft for the year stood at ₹ 5,721 as against ₹ 5,876 in the previous year. The revenue in the real estate business segment during the year was ₹ 1,422.5 crore, which accounts for 73% of the total revenue of the Company. The EBITDA in the business segment for the year came in at ₹ 346.5 crore, which accounts for 57% of the Company's total EBITDA. The EBITDA margin for the year has been 24%. As of March 31, 2018, a total of 12.33 mn. sqft. of real estate space is under development.

During the year, the Company, through its wholly-owned subsidiary acquired a prime property measuring 12.95 acres from M/s. SABMiller India Limited at North Bengaluru for ₹ 218 crore. This property will be developed in to office space and presently the approval process is under progress.

Projects under development as of March 31, 2018

	Project Area	LO/JV Share	Brigade Share
Real Estate Projects	8.94	1.84	7.10
Brigade Orchards- BCV*	2.68	1.34	1.34
Brigade Cosmopolis - BPPL*	0.71	0.35	0.36
Total	**12.33**	**3.53**	**8.80**

* Special Purpose Vehicles (SPVs)

Hospitality

The occupancy rate across the Group's s marquee hotels has been very healthy during the year. The occupancy at our flagship hotel Sheraton Grand has been 77% and the average room rate has been better YoY by 10.4% and stood at ₹ 8,834. The occupancy at Grand Mercure was at 71% whereas average room rate increased by 3.5% and was at ₹ 6,898 during the year. The occupancy at more recently launched Grand Mercure (Mysuru), Holiday Inn Chennai and Holiday Inn Express (BLR) continues to strengthen and the growth is very inspiring.

The revenue, from the hospitality segment, during FY18, was ₹ 237.1 crore accounting for 12% of the total revenue. The EBITDA for the segment was ₹ 58.9 crore making 9.8% of the total EBITDA of the Company. The EBITDA margin for the year was 25%. During the year, the Company has



moved its hospitality business under wholly-owned separate entities to enhance the focus and tap the strong growth prospects in this segment.

Hotel Projects under Construction

	No of Keys
Four Points by Sheraton @ Kochi	218
Holiday Inn Express, Golden Triangle @ Bengaluru	132
Ibis Styles @ GIFT City	158
Total	**508**

Lease Rental

The total leasable area during the year FY18 has increased by 0.29 mn. sqft. and stands at 2.41 mn. sqft. With more than 95% leased out area, the Lease Rental business segment continues to remain a strong and fast-growing segment of the Company. The Lease Rental business segment posted revenue of ₹ 285.9 crore, which forms 15% of the total revenue. The EBITDA, for the year, came in at ₹ 197.4 crore with an EBITDA margin of 69%.

Leasing status as on March 31, 2018, in 000 sqft.

Projects	Leasable Area	Leased Out	To be Leased
WTC Bangalore	637	635	2
Orion Mall at Brigade Gateway	820	816	4
Orion East Mall	148	140	8
WTC, Kochi - Phase I	388	327	61
Brigade South Parade	117	117	-
Bhuwalaka Icon	187	187	-
Brigade Vantage, Chennai	57	27	30
Others	53	44	9
Total	**2,407**	**2,293**	**114**

Under Construction Projects as on March 31, 2018

	Project Area, in 000 sft	Company Share	Brigade Share
WTC, Kochi - Phase 2	387	-	387
Brigade Broadway	83	58	25
Brigade Opus	347	-	347
Brigade Orion OMR	283	-	283
GIFT City Tower 1	314	-	314
Brigade Tech Gardens	3,300	1,617	1,683
WTC Chennai	2,000	980	1,020
Total	**6,714**	**1,675**	**4,059**

FINANCIAL REVIEW (CONSOLIDATED)

Equity Share Capital

The equity share capital of the Company as of March 31, 2018 was ₹ 136.1 crore as against ₹ 113.7 crore in the previous year. The increase in equity share capital has been due to the fund raising done by the Company via a QIP of ₹ 500 crore in May 2017 and ESOP allotment resulting in allotting additional 2.20 crore shares.

Gross Debt

The Gross Debt of Brigade Group as of March 31, 2018 stood at ₹ 2,953.14 crore and the debt/equity ratio stood at 1.17.

Revenue

The total income during the year FY18 stood at ₹ 1945.51 crore, down by 5% YoY from ₹ 2,058.38 crore in the previous year.

EBITDA

The EBITDA, for the year, came in at ₹ 602.70 down by 1% from ₹ 608.6 crore in the previous year FY17. However, the EBITDA margin for the year FY18 has increased slightly to 31% from 30% in the previous year.

Net Profit

The net profit for the year, post adjustments for minority interest, stood at ₹ 139.20 crore, down by 9% from ₹ 153.1 crore, in the previous year. The net profit margin, for the year, came in at 7.1% as against 7.4% in the previous year.

Return Ratios

The return on equity for the year stood at 7.5% whereas the return on capital employed at 8.7%.

Outlook

The year has been a year of disruptions leading to delay in the home buyer's as well as business expansion decisions. However, the

turbulence caused by the implementation of Real Estate (Regulatory & Development) Act (RERA) and the introduction of Goods & Services Tax (GST) has calmed down. The Indian economy to a large extent has also surfaced from the impacts caused by demonetisation and is gaining strength. The central government's initiative towards increasing the organised players share across various industries would fortify the economy. Under the central government's flagship scheme, Pradhan Mantri Awas Yojana, the central government is providing a credit linked subsidy scheme that would help in reducing the cost of buying a home. This has made the home buying more affordable for various people making their dream of owning a home, a reality.

At Brigade, we have always endeavored to give the best services and transparent processes as we fulfill the dreams of our customers. We have been launching projects across various segments, right from affordable housing segment to best-in-class luxury complexes. Our landmark commercial properties continue to enhance the beauty of various cities. Our hospitality business has now reached a point where an enhanced focus is required, which has made us shift the business in separate entities with a focused management. Our vast number of ongoing projects on an area of 19.46 mn. sqft., spreading across residential, commercial and hospitality further enhances our growth prospects. We are currently well-placed with a wide range of product offerings that will help us grab the business opportunities in a flourishing economy.

RISK MANAGEMENT

Economic Risk:

Factors such as economy, interest rates, government regulations, and income levels impact the Indian real estate market. Thus, these factors can have a bearing on the existing and ongoing projects.

Mitigation Measures: Brigade follows certain policies such as estimation of project Return on Investment, efficient business model in terms of steady Annuity Income and land acquisition through a good mix of outright acquisition, joint development and joint venture. Apart from this, the Company continuously tries to builds up reserves from cash flows to take care of market fluctuations.

Liquidity Risk

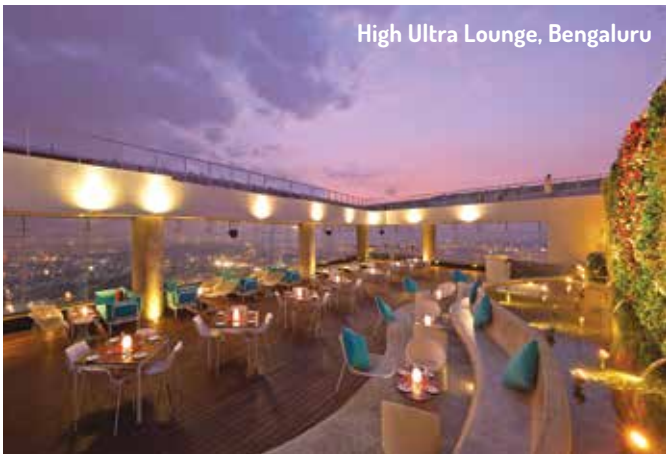
Factors such as weak sales and delays in payment from customers may add to the liquidity crunch and can affect the progress of projects.

Mitigation Measures The completion of projects within the stipulated time has been ensured by brand Brigade. The projects are launched in phases and in even in each phase the sales are done during the construction of the project.

Political Risk

The business of Brigade is affected by political uncertainties and changes in regulations pertaining to the real estate sector.

Mitigation Measures Brigade diversified its business in South India. This diversification helps in reducing the impact of political risks


High Ultra Lounge, Bengaluru

Execution Risk

Any delays experienced in terms of regulatory clearances would lead to cost overruns, which would lead to further delays or stalling of projects.

Mitigation Measures Brigade enjoys a commendable record of completing all its projects on time. Execution depends on several factors like receipt of approvals, raw material availability & prices, labour availability, climatic conditions etc. Brigade ensures that meticulous planning at the time of conceiving the project and engaging reputed contractors based on their track record. Frequent and regular review of the projects internally by the project teams and with contractors to take stock of the project progress and take any remedial measures required from time to time to ensure that the project is completed well within the time limits.

Human Resource

We at Brigade always support high performance work culture aligned to our Vision, Mission & Core Values for achieving organisational goals. This is carried out through various HR initiatives that are aimed at driving Employee Engagement & Productivity across the organisation. In the Financial Year 2017-18, we have strengthened our approaches to drive customer & business focus through following practice areas in line with the Great Place to Work framework:

Hiring & Welcoming

- Acquisition of diverse Talent - Neo Bs (New Brigadier) & their assimilation into organisational culture & ethos through a well-designed comprehensive induction program –'Aagaaz'.

Supporting

- Improving response time by launching fully automated HR module on our intranet – B1.NET.
- Cascading of organisational objectives to ensure a clear line of sight for individual goals with organisational goals & targets.

Listening & Speaking

- Employee communication – (Town Halls, Brigade Insight), Long Service Awards, employee connect program, criss-cross connect,

involvement of employees in improvement initiatives to foster a culture of high performance & Team work.

- As a part of our initiative to inculcate among all Brigadiers, the spirit of Customer Centricity and the passion to protect our reputation and brand, we have rolled out 'An ear to the ground' policy.

Developing

- Structured Technical Training for the Graduate Engineer Trainees, On the Job training, Use of In house Experts for technical training, Knowledge sharing sessions with our staff at Corporate office & Project sites for reinforcement of new knowledge and skills on the job.
- Training on improving communication effectiveness and personal excellence thereby leading to enhance Customer Centricity in all our approaches (EC+PE = 2C).
- To emphasis our commitments towards skill development, we have embarked on a journey in training labour under the PMKVY – 2 programme. Around 325 labourers have been trained in Masonry, Bar Bending & Carpentry.

Celebrations:

- As a part of the Diversity Practice, we at Brigade, ensure that all festivals and occasions are grandly celebrated, in keeping with the cultural spirit – Women's Day Celebration, Diwali, Dussehra, Onam, Eid & Christmas Celebration.


Dussehra Celebrations

Contributing

- In our quest for growth and excellence, we want to contribute positively towards nation building, while remaining sensitive to environmental concerns and sustainability. Brigade is always committed to the upliftment of the society and surroundings in which we operate.
- Many ways in which Staff at Brigade contributes for the betterment of the community is through Employee Volunteering Service Program and involvement in various CSR initiatives.


Brigade Meadows, Bengaluru

Including

Workforce compensation and R & R practices to encourage high performance and team work for greater customer focus and achieving business goals and targets. As part of the Diversity & Inclusion Practices at Brigade, one of our agenda is to ensure that we show no bias towards gender while hiring. In a conscious effort to escalate the staff ratio of Male: Female this year, 29 women employees have been hired. The current Ratio of Men: Women is 83: 17. The No. of Women in Engineering is 35 wherein we have sizeable representation at our project sites. We are extremely proud and happy to have exclusive team of women professionals spearheading the execution of Arcade- retail project at Brigade Orchards site.

In our journey towards Building Positive Experiences for all our staff and stakeholders, Brigade has been recognised as India's best companies to work for – 2017. In one of the India's largest workplace study conducted by The Economic Times & Great place to Work Institute, the Group has been recognised for being among the best in the industry – Construction & Real Estate. This recognition is testimony of our commitment and solidarity to the organisational goals and reinforces our strong belief that people are one of the prime movers in fueling organisational growth & success.

We have received this recognition for inspiring trust among employees, instilling pride in them, and consistently creating a work atmosphere that brings out the best in employees, for the benefit of the organisation, society and the employees themselves.

Brigade also participated in the 2nd edition of "Great Managers Award 2017, an initiative by People Business in partnership with Economic Times aimed at identifying, recognising and rewarding organisations with" Great Managers" in India. Out of 113 companies that participated this year, Brigade has been recognised for being selected as one of the "Companies with Great Managers, in India. Two of our senior staff were also recognised for applying skills and abilities in guiding and directing the team members and demonstrating excellent managerial effectiveness 1) Ms. Jayashri Venkatesh in the category of women leaders 2) Mr. Manu in the category –'Overall'





INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Brigade has adequate internal control systems matching the company's size and nature of the business. Brigade's internal control system is supported by documented policies, guidelines, and procedures to monitor business and operational performance. This is done to ensure business integrity and for promoting operational efficiency.

Brigade has an Internal Audit Department and independent audit firms to conduct periodical audits to ensure adequacy of internal control systems, adherence to management policies and compliance with applicable laws and regulations.

Their scope of work includes:

- Reviewing of internal controls on accounting, efficiency, and economy of operations
- Presenting to the audit committee the findings of the internal auditors' audit
- Recommending better practices by the internal auditors
- Reporting on the status of implementation of their recommendations
- Continuously reviewing of the efficiency and effectiveness of the internal controls based on the reports from the company's internal audit team and the Internal Auditors Audit Committee and board reviews.

BOARD'S REPORT

Dear Members

We have pleasure in presenting the Twenty Third Annual Report on business and operations of the Company together with the Audited Statement of Accounts for the financial year ended March 31, 2018.

FINANCIAL HIGHLIGHTS:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Total Revenue	1,36,827	1,58,999	1,94,551	2,05,838
Operating Expenditure	86,412	1,09,999	1,34,274	1,44,978
Earnings before Interest, Depreciation & Amortization	50,415	49,000	60,277	60,860
Depreciation & Amortization	6,905	7,604	13,766	12,255
Finance Costs	18,329	17,953	25,940	24,648
Profit before Tax from Continuing Operations	25,181	23,443	20,571	23,957
Expense on Demerger	-	-	1,154	-
Profit before tax and after Exceptional Items	25,181	23,443	19,417	23,957
Tax Expense				
Current Tax	6,755	6,111	9,778	9,267
Deferred tax charge/(credit)	375	797	(3,496)	(1,951)
Profit for the year from Continuing Operations	18,051	16,535	13,135	16,641
Discontinued Operations				
Profit/Loss from Discontinued Operations	-	(138)	-	-
Profit for the Year	18,051	16,397	13,135	16,641
Share of profit from associate	-	-	153	79
Net Profit after taxes & Share of Profit of Associate	18,051	16,397	13,288	16,720
Other Comprehensive income (net of tax)	104	32	113	31
Total Comprehensive income for the year	18,155	16,429	13,401	16,751
Profit/(loss) attributable to:				
Equity holders of the Parent	-	-	14,033	15,339
Non-Controlling Interests	-	-	(632)	1,412

Details of Appropriations:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Surplus in the retained earnings as per last financial statements	78,363	62,513	71,192	56,706
Total Comprehensive income for the year (net of Non-controlling interest)	18,155	16,429	14,033	15,339
Less: Cash dividends declared and paid				
Final Dividend for FY 2016-17	3,392	-	3,392	-
Less: Tax on dividends paid on Final Dividend	691	-	691	-
Less: Other adjustments (Net)	-	579	364	853
Net Surplus in the statement of profit and loss carried forward	**92,435**	**78,363**	**80,778**	**71,192**

FINANCIAL OVERVIEW:

During the financial year 2017-18, the Company has on a standalone basis, clocked a total income of ₹ 1,36,827 Lakhs as compared to ₹ 1,58,999 Lakhs for the previous year ended March 31, 2017, a decrease of 14% on a year-on-year basis. Earnings before Interest,Tax, Depreciation and Amortization (EBITDA) has increased from ₹ 49,000 Lakhs to ₹ 50,415 Lakhs an increase of 3%. Total Comprehensive income was at ₹ 18,155 Lakhs for the financial year ended March 31, 2018 as compared to ₹ 16,429 Lakhs for the previous year, an increase by 11%.

The consolidated revenue for the Company for the financial year 2017-18 was ₹ 1,94,551 Lakhs as compared to ₹ 2,05,838 Lakhs in the previous year, a decrease of 5% on year-on-year basis. Earnings before Depreciation, Interest, Tax and Amortization (EBITDA) marginally decreased from ₹ 60,860 Lakhs in the previous year to ₹ 60,277 lakhs, for the financial year 2017-18. Total Comprehensive income was at ₹ 13,401 Lakhs for the financial year ended March 31, 2018 as compared to ₹ 16,751 Lakhs for the previous year, a decrease by 20%.

SUBSIDIARIES/ JOINT VENTURES AND ASSOCIATES:

The Company had a total of 15 subsidiaries, 2 limited liability partnerships and 1 associate company as at March 31, 2018.

SCHEME OF ARRANGEMENT:

During the Year under review, the Scheme of Arrangement between the Company and its three wholly owned subsidiaries namely Brigade Hotel Ventures Limited, Brigade Hospitality Services Limited and Augusta Club Private Limited for transfer of the "Hotel business undertaking", Integrated Clubs and Convention Centres business undertaking and Augusta Club business undertaking respectively to the said subsidiaries were approved by the Secured Creditors, Unsecured Creditors and Shareholders of the Company in their respective meetings. The appointed date for the Scheme of Arrangement was October 01, 2016. The Hon'ble National Company Law Tribunal Bengaluru passed the Order approving the Scheme of Arrangement on March 13, 2018. The Order was filed with the Ministry of Corporate Affairs on April 01, 2018. The Scheme of Arrangement will enable focused approach for the respective business undertakings for growth and to unlock the intrinsic value at the appropriate time.

FINANCIAL STATEMENTS OF SUBSIDIARIES AND ASSOCIATE COMPANIES:

In accordance with the provisions of Section 129 (3) of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consolidated financial statements have been prepared by the Company which forms part of this Annual Report. A statement containing the salient features of the financial statements of subsidiaries/associates as required in Form AOC 1 is enclosed as **Annexure-1** to this Report.

TRANSFER TO RESERVES:

The Company has not transferred any amount to General Reserves during the financial year 2017-18.

DIVIDEND:

The Board of Directors of the Company have recommended a dividend of ₹ 2.00 (Rupees Two only) (20%) per Equity Share of ₹ 10 each which is subject to approval of the Shareholders in the ensuing Annual General Meeting of the Company.

The Dividend Distribution Policy of the Company is enclosed as **Annexure-2** to this Report and which is also hosted on the website of the Company (www.brigadegroup.com).

FIXED DEPOSITS:

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

DEBENTURES:

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

DEPOSITORY SYSTEM:

Company's equity shares are tradable only in electronic form. As on March 31, 2018, 99.99% of the Company's total paid up equity share capital representing 13,60,74,104 shares are in dematerialised form.

TRANSFER TO INVESTOR PROTECTION FUND:

During the year, the Company transferred ₹1,30,141/- to the Investor Education and Protection Fund, the amount in unpaid Dividend Account opened in 2009-10 which was due & payable and remained unclaimed & unpaid for a period of seven years as provided under Section 124(5) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016. The Company pursuant to the circulars issued by Ministry of Corporate Affair under the aforesaid rules mandated the transfer of shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more to the demat account of the Investor Education and Protection Fund Authority. The Company has accordingly transferred 10,040 shares to the demat account of the Investor Education and Protection Fund Authority. The details of the above are provided in the website of the Company at www.brigadegroup.com.

QUALIFIED INSTITUTIONAL PLACEMENT:

During the year, your Company has successfully completed a Qualified Institutional Placement (QIP) raising ₹ 499,99,99,777.50 from Qualified Institutional Buyers by issue of 2,19,78,021 equity shares of ₹ 10/- each at an issue price of ₹ 227.50 per equity share including premium of ₹ 217.50 per share. The monies raised has been utilised in line with the objects to the issue mentioned in the Placement Document.

EMPLOYEE STOCK OPTION SCHEME:

The Employee Stock Option Scheme titled "Brigade Employee Stock Option Plan 2011" was rolled out in the financial year 2014-15. Statement giving detailed information on the plan in accordance with SEBI Regulations is contained in **Annexure-3** to this Report.

During the year, the Company has obtained the approval of the Shareholders for new ESOP scheme "Brigade Employee Stock option Plan 2017" and obtained in-principle approval of the Stock Exchanges for the Scheme. The Company has not issued any grants under the Brigade Employee Stock option Plan 2017 in the financial year 2017-18.

SHARE CAPITAL:

The authorised share capital of the Company is ₹ 150,00,00,000/- divided into 15,00,00,000 equity shares of ₹10/- each. During the year, the Company has issued and allotted 4,31,850 equity shares of the Company to the eligible employees on exercise of options granted under the Brigade Enterprises Limited Employee Stock Option Scheme, 2011 and 2,19,78,021 equity shares to Qualified Institutional Buyers (QIB's) in the Qualified Institutional Placement (QIP) Issue. Consequently, the issued, subscribed and paid-up equity share capital of the Company has increased from 11,36,64,740 equity shares of ₹ 10/- each to 13,60,74,611 equity shares of ₹ 10/- each.

OPERATIONAL REVIEW:

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

1. Income from construction and development of Real Estate Projects
2. Lease Rental Income from Office and Retail Assets

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

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

A detailed information of ongoing projects as on March 31, 2018 has been given in the Management Discussion and Analysis Report which is forming part of the Annual Report.

PROPOSED PROJECTS

The Group proposes to launch 11.58 mn. sq. ft. in the financial year 2018-19. This will comprise of 8.31 mn. sq. ft. of residential space and 3.27 mn. sq. ft. of commercial space. A total 304 keys will be launched in hospitality business in the financial year 2018-19.

COMPLETED PROJECTS

During the financial year 2017-18 a total of 5.05 mn. sq ft. has been constructed.

ONGOING PROJECTS

The group is currently having ongoing real estate projects aggregating to 12.33 mn. sq. ft of saleable area, commercial projects aggregating to 6.71 mn. sq. ft. and hospitality projects aggregating to 508 keys.

BOARD OF DIRECTORS:

The Board of Directors of the Company as on March 31, 2018 comprises of 9 Directors out of which 2 are Executive Directors, 2 Non-Executive Directors and 5 Non-Executive Independent Directors. The composition of the Board of Directors is in due compliance of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD MEETINGS:

During the year under review, the Board of Directors of the Company has met 8 times on the following dates:

- April 25, 2017
- May 22, 2017
- July 31, 2017
- August 08, 2017
- September 21, 2017
- November 10, 2017
- February 08, 2018
- March 23, 2018

In accordance with the provisions of the Companies Act, 2013, a separate meetings of the Independent Directors and other Directors of the Company was held on March 23, 2018.

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

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

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

The Company has adopted the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the appointment and tenure of Independent Directors.

The Company's Remuneration Policy for Directors, Key Managerial Personnel and Senior Management Personnel is contained in **Annexure-4.**

APPOINTMENT/ RE-APPOINTMENT OF DIRECTORS :

In accordance with the Articles of Association of the Company and the provisions of Section 152(6)(e) of the Companies Act, 2013, Ms. Githa Shankar (DIN 01612882), Whole-time Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for reappointment.

In the Board Meeting of the Company held on May 16, 2018, Mr. Pradeep Kumar Panja (DIN: 03614568) and Dr. Venkatesh Panchapagesan (DIN: 07942333), have been appointed as an Independent Directors for a period of five years with effect from May 16, 2018 and Ms. Pavitra Shankar (DIN: 08133119), Ms. Nirupa Shankar (DIN: 02750342) and Mr. Amar Mysore (DIN: 03218587), have been appointed as Wholetime Directors, designated as Executive Directors of the Company for a period of five years with effect from May 16, 2018.

The Notice convening the Annual General Meeting includes the proposals for the appointment of the Directors. Brief resume of the Directors proposed to be 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been provided as an annexure to the Notice convening the Twenty Third Annual General Meeting.

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

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors of the Company have provided the declaration of Independence as required under Section 149(7) of the Companies Act, confirming that they meet the criteria of independence under Section 149(6) of the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ANNUAL PERFORMANCE EVALUATION OF THE BOARD:

The Board conducted an evaluation of itself & its Committees based on identified criteria and framework pursuant to the provisions of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board evaluated and assessed the performance and potential of each Director.

In a separate meeting of independent directors, performance of non-independent directors, performance of the Board as a whole and the performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the Board meeting that followed the meeting of independent directors, at which the performance of the Board, its committees and individual directors was also discussed. Performance evaluation of the independent directors has been done by the entire Board excluding the independent director being evaluated.

Pursuant to SEBI guidelines on Board Evaluation, Independent Directors have also reviewed the quality, content and timelines of the flow of information between the management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors hereby confirms that:

a) in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the annual financial statements have been prepared on a going concern basis;

e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

f) there are proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

KEY MANAGERIAL PERSONNEL:

During the year under review, Mr. Suresh K resigned from the position of Chief Financial Officer & Key Managerial Personnel with effect from July 31, 2017 and subsequently Mr. K. P. Pradeep has been appointed as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from August 04, 2017.

Mr. M. R. Jaishankar, Chairman & Managing Director, Mr. K. P. Pradeep, Chief Financial Officer and Mr. P. Om Prakash, Company Secretary & Compliance Officer are the Key Managerial Personnel in accordance with the provisions of Section 203 of the Companies Act, 2013.

REMUNERATION DETAILS OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES:

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

The details of employees who are in receipt of remuneration exceeding the limits prescribed under Section 134 of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure-6. In terms of Section 136(1) of the Companies Act, 2013 and the Rules made thereunder, the Annual Report is being sent to the shareholders and others entitled thereto excluding the aforesaid annexure. Any shareholder interested in obtaining the same may write to the Company Secretary.

STATUTORY AUDITORS:

Messers S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration Number 101049W/E300004 were appointed at the Nineteenth Annual General Meeting held on August 5, 2014 as the Statutory Auditors of the Company for a period of 5 years till the conclusion of Twenty Fourth Annual General Meeting of the Company. They have confirmed their eligibility for the FY 2018-19 under Section 141 of the Companies Act, 2013 and the Rules framed thereunder. The Companies Amendment Act, 2017 has omitted the requirement of ratification of the appointment of Statutory Auditors at every annual general meeting. The relevant amendment made effective on May 7, 2018. Hence the ratification of the appointment of Statutory Auditors at the ensuing 23rd AGM is not required.

SECRETARIAL STANDARDS:

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India.

SECRETARIAL AUDIT REPORT:

Pursuant to provisions of the Companies Act, 2013, the Board of Directors of the Company have appointed Mr. K Rajshekar, Practicing Company Secretary (CP No.2468) to conduct the Secretarial Audit for the financial year 2017-18 and his Report on Company's Secretarial Audit is appended as **Annexure-7** to this Report.

COST AUDITORS:

The Board of Directors of the Company have appointed Messrs Murthy & Co. LLP, Cost Accountants (LLP ID No. AAB-1402) as Cost Auditors of the Company for the financial year 2017-18 at a fee of ₹ 1.25 lakhs plus applicable taxes and out of pocket expenses subject to the ratification of the said fees by the Shareholders at the Annual General Meeting of the Company pursuant to provisions of Section 148 of the Companies Act, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management's Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is forming part of the Annual Report.

CORPORATE GOVERNANCE REPORT:

The Company is committed to maintaining the highest standards of Corporate Governance. A detailed report on Corporate Governance pursuant to Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

The certificate issued by Ms. Aarthi G. Krishna, Practicing Company Secretary (CP No.5645) affirming compliance with the various conditions of Corporate Governance is attached to the report on Corporate Governance.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The details of loans given, investments made, securities provided and guarantees given are provided in note 6 and 7 forming part of the standalone financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All the transactions entered into during the financial year 2017-2018 with related parties were in the ordinary course of business and on arm's length basis and with the prior approval of the Audit Committee.

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

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

Transactions with related parties during the year are listed out in note 33 forming part of the standalone financial statements.

INTERNAL FINANCIAL CONTROL SYSTEM:

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

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

RISK MANAGEMENT COMMITTEE:

As required under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has constituted a Risk Management Committee consisting of Executive Director, Non-Executive Director and Independent Directors to identify and assess business risks and opportunities. The Risk Management Committee identifies the risks at both enterprise level as well as at the project level.

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

CORPORATE SOCIAL RESPONSIBILITY:

A Corporate Social Responsibility (CSR) Committee has been constituted in accordance with the provisions of Section 135 of the Companies Act, 2013. The details of the constitution of the Committee, scope and functions are listed out in the Corporate Governance Report annexed to this Report.

The disclosures as required under Section 135 of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is appended as **Annexure-8** to this Report.

WHISTLE BLOWER POLICY/VIGIL MECHANISM:

The Company has established a vigil mechanism for Directors and Employees to report their genuine concerns, illegal, unethical behaviour, suspected fraud or violation of laws, rules and regulation or conduct to the Ethics Committee members and the Chairman of the Audit Committee. The details of which have been given in the Corporate Governance Report forming part of this Annual Report.

EXTRACT OF ANNUAL RETURN:

In terms of Section 92 (3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return of the Company for the financial year 2017-18 in Form No. MGT-9 is appended as **Annexure-9** to this Report.

CODE OF CONDUCT:

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the declaration signed by the Chairman and Managing Director and Chief Financial Officer affirming compliance of the Code of Conduct by the Directors and senior management personnel of the Company for the financial year 2017-18 is annexed and forms part of the Corporate Governance Report.

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

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings & outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is appended as an **Annexure-10** to this report.

HUMAN RESOURCES:

The Company has a total workforce of 678 as on March 31, 2018. The Company believes that only way it can excel is by empowering its people and consistently providing opportunities to learn and grow. Our Learning & Development process for employees is focused on supporting high performance through various approaches driven comprehensively by

HR, Business Excellence, QA/QC, Safety & Technical training teams. The Company aims to contribute to the overall development of its employees through extensive training & motivational programmes. The Board of Directors would like to express their appreciation to employees for their sincerity, hard work, dedication and commitment.

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

AWARDS AND RECOGNITIONS:

Among the significant awards Brigade Group has received in 2017-18 are:

- Brigade has been recognized for being amongst the best in the Construction and Real Estate industry, at the Great Place To Work for 2017 Awards.
- WTC Kochi won the 'Commercial Project of the Year' award at the 9th Realty Plus Excellence Awards (SOUTH) 2017.
- Brigade Palmgrove, Mysuru won in the 'Villas & Row Houses' category at the CREDAI Karnataka's CARE Awards 2017.
- Brigade was recognised as one of India's Top Builders at the Construction World Architects & Builders Award 2017.
- Brigade Palmgrove won the first prize and Brigade Symphony won the second prize for the 'Best Landscaped Gardens' at the Annual Mysuru Dasara Flower Show 2017 jointly organised by Horticulture Department, District Horticulture Association and Mysuru City Corporation (MCC), at Mysuru.
- Brigade Exotica won the Best Residential Project at the CIA World Construction & Infra Awards 2018.
- Brigade Palmgrove Mysore won the Premium Villa Project of the Year at NDTV Property Awards 2018.
- Brigade won the first runner up award for Excellence in Workplace Safety Award from CII, Institute of Quality.
- Brigade was recognised as one of Bengaluru's Hot 50 Brands at the Brand Summit & Hot Brands 2018 event organised by Paul Writer.
- Orion East won in the 'Shopping Malls' category at the CREDAI Karnataka's CARE Awards 2017.
- Orion Mall won the Images Most Admired Shopping Centre of the Year: Metro South at the Images Shopping Centre Awards 2017.
- Orion Mall won the Images Most Admired Shopping Centre of the Year: Marketing and Promotions-South at the Images Shopping Centre Awards 2017.
- Orion Mall won the Images Most Admired Shopping Centre of the Year: Best Sales Per sqft.-South at the Images Shopping Centre Awards 2017.
- Brigade has been recognised as one of the 'Companies with Great Mangers' in India. Two managers from Brigade were selected in the list 'Hunt for Great Managers'- Ms. Jayashree Venkatesh- Sr. General Manager-QS received the award in the category 'Women Leaders' and Mr. Manu R- Sr. DGM-Facilities received the award in the category 'Overall'.
- Mr. M R Jaishankar is ranked no.27th amongst the Top 100 CEO's of India and 2nd in the Real Estate and Construction Sector by Business Today & PwC.
- Mr. M R Jaishankar, CMD, Brigade Enterprises Ltd. was awarded the 'Scroll of Honour' for his contributions to the real-estate sector at 9th Realty Plus Excellence Awards (SOUTH) 2017.
- Mr. M R Jaishankar was felicitated for being one of the top 10 visionaries from South India, who have built great consumer Brands, Retail Concepts and Shopping & Leisure Spaces at Images South India Retail Award 2017.
- Mr. M R Jaishankar was conferred the 'Entrepreneur Extraordinaire Award' by Builders Association of India, Mysuru Centre.
- Ms. Nirupa Shankar, Director of Brigade Hospitality Services Limited, won the 'Woman CXO of the year' award at 9th Realty Plus Excellence Awards (SOUTH) 2017.

ADDITIONAL INFORMATION TO SHAREHOLDERS:

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

DISCLOSURES:

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

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

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

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

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

There were no sweat equity shares issued by the Company.

ACKNOWLEDGEMENTS:

Your Directors would like to thank shareholders for reposing confidence and faith in the Company and its management. Your Directors would also like to take this opportunity to thank customers, employees, suppliers, contractors, bankers, business associates, partners and statutory authorities for their continuous support, co-operation, encouragement and patronage.

By order of the Board
For **Brigade Enterprises Limited**

Place: Bangalore
Date: May 16, 2018

M. R. Jaishankar
Chairman and Managing Director

ANNEXURE-1

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART "A": SUBSIDIARIES

(Amount in ₹ Lakhs)

Particulars	Brigade Tetrarch Private Limited	Brigade Estates and Projects Private Limited	Brigade Infrastructure and Power Private Limited	Orion Mall Management Company Limited	Brigade Hospitality Services Limited
	1	2	3	4	5
Reporting period	2017-18	2017-18	2017-18	2017-18	2017-18
Reporting currency	INR	INR	INR	INR	INR
Share capital	10	5	5	100	1,000
Other Equity	7,635	4,109	23,985	502	1,600
Total Assets	9,323	4,667	24,000	1,861	10,086
Total Liabilities	9,323	4,667	24,000	1,861	10,086
Investments	--	--	558	--	143
Turnover	8	--	73	3,927	3,605
Profit/(Loss) before Taxation	(221)	(61)	31	700	433
Provision for Taxation	--	--	8	184	109
Profit/ (Loss) after Taxation	(221)	(61)	23	516	324
Other Comprehensive income	--	--	--	2	(5)
Total Comprehensive income	(221)	(61)	23	518	319
Proposed Dividend	--	--	--	--	--
% of Shareholding	100%	100%	100%	100%	100%

(Amount in ₹ Lakhs)

Particulars	SRP Prosperita Hotel Ventures Limited	WTC Trades and Projects Private Limited	Celebration Catering and Events, LLP	Brigade Properties Private Limited	Brookefields Real Estates and Projects Private Limited
	6	7	8	9	10
Reporting period	2017-18	2017-18	2017-18	2017-18	2017-18
Reporting currency	INR	INR	INR	INR	INR
Share capital	40	288	30	3,827	1,295
Other Equity	9,262	1,191	126	13,123	(894)
Total Assets	20,482	3,356	436	46,725	31,624
Total Liabilities	20,482	3,356	436	46,725	31,624
Investments	1	461	--	19,684	--
Turnover	2,088	2,178	1,404	19,038	--
Profit/(Loss) before Taxation	(4,060)	96	257	2,584	(116)
Provision for Taxation	1,012	(35)	94	983	--
Profit/ (Loss) after Taxation	(3,048)	131	163	1,601	(116)
Other Comprehensive income	3	--	--	--	--
Total Comprehensive income	(3,045)	131	163	1,601	(116)
Proposed Dividend	--	--	--	--	--
% of Shareholding	50.01%	100%	95%	51%	51%

(Amount in ₹ Lakhs)

Particulars	BCV Developers Private Limited	Brigade (Gujarat) Projects Private Limited	Perungudi Real Estates Private Limited	Mysore Projects Private Limited	Brigade Hotel Ventures Limited
	11	12	13	14	15
Reporting period	2017-18	2017-18	2017-18	2017-18	2017-18
Reporting currency	INR	INR	INR	INR	INR
Share capital	2,850	200	12,457	400	100
Other Equity	13,357	3,153	(189)	8,095	27,013
Total Assets	85,970	10,422	84,198	12,716	70,027
Total Liabilities	85,970	10,422	84,198	12,716	70,027
Investments	--	--	--	--	11,619
Turnover	19,085	3	--	--	16,947
Profit/(Loss) before Taxation	1,516	(57)	(200)	(4)	(1,583)
Provision for Taxation	900	(11)	--	1	(405)
Profit/ (Loss) after Taxation	616	(46)	(200)	(3)	(1,178)
Other Comprehensive income	--	--	--	--	11
Total Comprehensive income	616	(46)	(200)	(3)	(1,167)
Proposed Dividend	--	--	--	--	--
% of Shareholding	50.01%	100%	51%	100%	100%

(Amount in ₹ Lakhs)

Particulars	Augusta Club Private Limited	Brigade Innovation LLP
	16	17
Reporting period	2017-18	2017-18
Reporting currency	INR	INR
Share capital	5	549
Other Equity	307	(336)
Total Assets	325	230
Total Liabilities	325	230
Investments	--	50
Turnover	23	1
Profit/(Loss) before Taxation	(7)	(230)
Provision for Taxation	3	--
Profit/ (Loss) after Taxation	(10)	(230)
Other Comprehensive income	--	8
Total Comprehensive income	(10)	(222)
Proposed Dividend	--	--
% of Shareholding	**100%**	**99.80%**

Notes:

1. Names of subsidiaries which have been liquidated or sold during the year: **NA**

PART "B": ASSOCIATES

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

(Amount in ₹ Lakhs)

Name of associates	Tandem Allied Services Private Limited
1. Latest audited Balance Sheet Date	March 31, 2018
2. Shares of Associate/Joint Ventures held by the company on the year end	
(i) No.	14,80,000
(ii) Amount of Investment in Associates/Joint Venture	7
Extend of Holding %	37%
3. Description of how there is significant influence	NA
4. Reason why the associate/joint venture is not consolidated	NA
5. Net worth attributable to shareholding as per latest audited Balance Sheet	968
6. Profit/Loss for the year	
(i) Considered in Consolidation	185
(ii) Not considered in Consolidation	315

Notes:

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

ANNEXURE-2

DIVIDEND DISTRIBUTION POLICY OF BRIGADE ENTERPRISES LIMITED

1) Introduction:

Brigade Enterprises Limited (the "Company") has framed the Dividend Distribution Policy in accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016.

2) Scope of the Policy:

This policy sets out the various parameters considered by the Board of Directors of the Company for recommending final dividend / declaring interim dividend.

3) Dividend Distribution:

The Board of Directors of the Company recommends dividend distribution based on the following factors:

1. Net Profits of the Company, debt equity ratio, operating cash flows and future capital expenditure etc.
2. The track record of dividend pay outs during the last three financial years.
3. Macro economic factors and business cycle of the Company apart from Regulatory requirements.
4. Strategic growth opportunities.

The Board of Directors of the Company may declare interim dividend(s) as and when it may deem fit and recommend final dividend to be approved by the shareholders in a general meeting.

In case the Board of Directors of the Company decide not to recommend dividend then reasons for the same and the details of the utilisation of profits, if any, shall be disclosed in the Annual Report of the Company pertaining that financial year.

The dividend recommendation and distribution shall be in accordance with the Articles of Association of the Company, the provisions of the Companies Act, 2013 & the Rules framed thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

ANNEXURE-3

Disclosures as per SEBI Regulations relating to ESOP as on March 31, 2018:

Sl No	Particulars	Disclosures
1.	Options granted (outstanding as on 01/04/2017)	6,46,825
	Options granted during the year	70,000
2.	Pricing Formula	Discount to the market price on the date of issue of options
3.	Options Vested during the year	4,40,950
4.	Options Exercised	4,31,850
5.	Total number of equity shares arising as a result of exercise of Options	4,31,850
6.	Options lapsed/ forfeited	92,675
7.	Variation of terms of options	N.A
8.	Money realised by exercise of options	₹ 2,15,92,500
9.	Total number of options in force	1,92,300
10.	Employee wise details of option granted during the financial year 2017-18: a. Senior Managerial Personnel (CXOs & above). b. Any other employee who receives a grant in any one year of option amounting to 5% or more of the options granted during the year. c. Identified employees who were granted options during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of the grant.	Nil
11.	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with (Indian Accounting Standard (Ind AS) 33 ""Earnings Per Share"")	13.46
12.	Where the company calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of options and the impact of the difference on profits and EPS of the Company	Not Applicable since the Company has adopted Indian Accounting Standards from April 01, 2016
13.	Weighted average exercise price and weighted average fair value of options whose exercise price is equals or exceeds or is less than the market price of the stock	Exercise Price is ₹ 50/- per share. Weighted Average Fair value of Options for Grant 1-2 is ₹ 131.68 Weighted Average Fair value of Options for Grant 3 is ₹ 275.30
14.	Description of the method and significant assumptions used during the year to estimate the fair value of the options	The Company has used Black-Scholes Model for computation of fair valuation considering the following significant assumptions: as on March 31, 2018 :

	Grant 1-2	Grant 3
Dividend Yield (%)	1.52	1.21
Expected Life of options granted (in years) (vesting and exercise period)	7.66	7.66
Risk Free Interest Rate (%)	7.81	6.80
Volatility (%)	48.42	34.90

ANNEXURE-4

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

1) PREAMBLE:

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

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

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

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

2) DEFINITIONS:

a. Director: Director means a person who has been inducted on the Board of Brigade Enterprises Limited.

b. Executive Director means the Directors who are in wholetime employment of the Company viz. Managing Director and Wholetime Director.

c. Non- Executive Director means Directors who are not in wholetime employment of the Company.

d. Independent Directors means Directors appointed in accordance with Section 2(47), 149 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e. Key Managerial Personnel means –

- the Chief Executive Officer or Managing Director or Wholetime Director or Manager
- Chief Financial Officer
- Company Secretary
- Such other person as may be prescribed under the Companies Act, 2013.

f. Senior Management Personnel means employees who are on level below the Board of Directors apart from Key Managerial Personnel.

g. Nomination and Remuneration Committee means the Committee constituted pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3) POLICY SCOPE:

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

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

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

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

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

Basic Pay

Perquisites and Allowances

Commission (Applicable to Executive Directors)

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

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

Retiral Benefits

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

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

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

5) REMUNERATION TO NON-EXECUTIVE DIRECTORS :

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

6) REMUNERATION TO INDEPENDENT DIRECTORS :

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

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

7) REMUNERATION PAYABLE TO OTHER EMPLOYEES :

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

ANNEXURE 5

Remuneration Details of Directors, Key Managerial Personnel and Employees

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

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

Sl No.	Name of Director / KMP	Designation	Ratio of Remuneration to Median	% Increase/ Decrease in Remuneration Y-O-Y
1.	Mr. M. R. Jaishankar	Chairman & Managing Director	123.90 : 1	12.47%
2.	Ms. Githa Shankar	Wholetime Director	34.24 : 1	18.96%
3.	Mr. M. R. Gurumurthy	Non- Executive Director	---	---
4.	Mr. M. R. Shivram	Non- Executive Director	---	---
5.	Mr. P. V. Maiya	Non-Executive Independent Director	---	---
6.	Dr. Srinivasa Murthy	Non-Executive Independent Director	---	---
7.	Mr. Aroon Raman	Non-Executive Independent Director	---	---
8.	Mr. Bijou Kurien	Non-Executive Independent Director	---	---
9.	Ms. Lakshmi Venkatachalam	Non-Executive Independent Director	---	---
11.	Mr. K. P. Pradeep	Chief Financial Officer	N. A. (since the compensation paid pertains to part of the year)	N. A.
12.	Mr. P. Om Prakash	Company Secretary	7.47 : 1	35.82%

II. The Non-Executive Directors were paid sitting fees for attending the Board / Committee Meetings.

III. The Non- Executive Independent Directors were paid remuneration by way of commission apart from sitting fees for attending the Board/ Committee Meetings.

IV. The median remuneration of employees during the financial year 2017-18 was ₹ 8.00 Lakhs.

V. The percentage increase/(decrease) in the median remuneration of employees in the financial year 2017-18 was 10.50% vis-à-vis (9.50)% in the financial year 2016 -17.

VI. The number of permanent employees on the rolls of Company as on March 31, 2018 was 678.

VII. Average percentage increase in the salaries of employees other than the managerial personnel during 2017-18 was 7%.

VIII. Justification including any exceptional circumstances for increase in managerial remuneration: N. A.

IX. The remuneration is as per the Nomination and Remuneration Policy formulated by the Nomination, Remuneration and Governance Committee and approved by the Board of Directors of the Company.

ANNEXURE-7

Form No. MR-3
SECRETARIAL AUDIT REPORT*
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

The Members,

Brigade Enterprises Limited

Bengaluru

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

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Brigade Enterprises Limited ("the Company") for the financial year ended on March 31, 2018 according to the provisions of:

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

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

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

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

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

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

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;[1]

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;[2]

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;[3]

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;[3]

and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.[3,4]

(vi) Other Laws as applicable to Real Estate Company carrying on Real Estate Activities such purchase, sale, mortgage, lease, development of immovable property, viz:-

1. Real Estate (Regulation & Development) Act, 2016 read with Karnataka Real Estate (Regulation & Development) Rules, 2017
2. Indian Contracts Act, 1872, Transfer of Property Act, 1882, Registration Act, 1908, Specific Relief Act, 1963
3. State Laws such as Stamp Act, Rent Control Act, Municipal Laws, Rules and Procedures

4. Environment (Protection) Act, 1986, Water (Prevention and Control of Pollution) Act,1974
5. Energy Conservation Act, 2001 and other related State laws such as The Karnataka Lifts, Escalators and Passenger Conveyors Act, 2012

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India;

(ii) The listing Agreement entered into by the Company with the National Stock Exchange of India Limited and BSE Limited;[5]

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

My opinion is based on audit evidence, explanations and information given to me during the audit and the Management Representation Letter in support of compliances in respect of the Act, Rules, Regulations, Guidelines, Standards, etc, mentioned above.

I further report that

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

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

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

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

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

a. Allotted 21,978,021 equity shares of ₹ 10/- each to Qualified Institutional Buyer at a premium of ₹ 217.50 per share in terms of the Qualified Institutional Placement.

b. Allotted equity shares 4,31,850 of ₹ 10/- each to employees who exercised their option under the Employee Stock Option Plan, 2011 at a price of ₹ 50/- per share.

c. Transferred 10,040 Unclaimed Equity Shares to Investor Education & Protection Fund

c. Approval of the National Company Law Tribunal, Bengaluru Bench was obtained for the Scheme of Arrangement amongst the Company, Brigade Hospitality Services Limited, Brigade Hotel Ventures Limited and Augusta Club Private Limited for demerger of the hotels business, integrated clubs and convention centres business and the 'Augusta Club' business of the Company.

Place : Bengaluru
Date : May 16, 2018

Signature:
Name of Company Secretary in practice: **K RAJSHEKAR**
FCS No.: 4078
C P No.: 2468

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

[1] Replaced with SEBI(Prohibition of Insider Trading) Regulations, 2015

[2] Replaced with SEBI (Share Based Employee Benefits) Regulations, 2014

[3] There were no actions necessitating compliance under these Regulations

[4] Including SEBI (Buy-back of Securities) (Amendment) Regulations, 2015

[5] Read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

[6] Effective Date is 1st April, 2018 and Appointed date in 1st October, 2016.

ANNEXURE

To

The Members

Brigade Enterprises Limited

Bengaluru

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

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

Place : Bengaluru
Date : May 16, 2018

Signature:
Name of Company Secretary in practice: **K RAJSHEKAR**
FCS No.: 4078
C P No.: 2468

Annexure 8

CSR Initiatives undertaken by the Company during the financial year 2017-18

1. **Brief outline of Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:**

   As a part of Corporate Governance Report, the Company has in place Corporate Social Responsibility Policy in accordance with Section 135 of the Companies Act, 2013 and Corporate Social Responsibility (CSR) Rules, 2014 together with Schedule VII of the Companies Act, 2013.

   Activities of CSR Committee includes the following:

   i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;

   ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;

   iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

   iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;

   v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries: promotion and development of traditional arts and handicrafts;

   vi) Measures for the benefit of armed forces veterans, war widows and their dependents;

   vii) Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;

   viii) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

   ix) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;

   x) Rural development projects.

2. **The composition of the CSR Committee:**

   The Composition of the CSR Committee is as follows:

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

3. **Average Net Profit of the company for last three financial years:**

Financial Year	Net Profit Before Tax (in ₹)
2016-17	2,50,87,71,441
2015-16	2,21,07,76,368
2014-15	1,16,60,15,017
Average Profit of 3 years	**1,96,18,54,275**

4. **Prescribed CSR Expenditure (two percent of the amount as in item No.3 above):**

   2% of the average Net Profit is ₹ 3,92,37,086/-

5. Details of CSR spent during the financial year:

a. total amount to be spent for the financial year: ₹ 3,92,37,086/-. Total amount spent for the financials year is ₹ 3,04,00,000/-

b. amount unspent: ₹ 88,37,086/-

c. manner in which the amount spent during the financial year is detailed below:

(1) SI No.	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads:	(7) Cumulative expenditure upto to the reporting period.	(8) Amount spent: Direct or through implementing agency
1	Jeevarathi Foundation	NA	(1) Local area (2) Project was undertaken in Bangalore, Karnataka State	₹ 4,00,000/-	Direct expenditure	₹ 4,00,000/-	Direct
2	Donation to Indian Music Experience Trust	NA	(1) Local area (2) Project was undertaken in Bangalore, Karnataka State	₹ 3,00,00,000/-	Direct expenditure	₹ 3,00,00,000/-	Direct
	Total			**₹ 3,04,00,000/-**		**₹3,04,00,000/-**	

6. In case the Company fails to spend the 2% of the Average Net Profit (INR) of the last 3 financial years, the reasons for not spending the amount shall be stated in the Board report.

The philosophy of the Company relating to CSR is to make a social impact of the Communities where the projects of the Company are being developed to improve the quality of living . The core CSR activities which is being taken up is to ensure environmental sustainability, ecological balance and protection of flora and fauna. This will be undertaken on an ongoing basis which is long term and sustainable. The amounts which have not been spent this financial year will be utilised in the near future.

7. Responsibility statement, of the CSR Committee, that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company duly signed by Director and Chairperson of the CSR Committee.

The CSR Committee ensures that the implementation and monitoring of CSR policy is in compliance with the CSR objectives and Policy of the Company.

Sd/-
Chairman & Managing Director
and Chairman of CSR Committee

Place: Bangalore
Date: May 16, 2018

ANNEXURE-9

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

Financial year ended as on 31.03.2018

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	**L85110KA1995PLC019126**
2	Registration Date	**November 08, 1995**
3	Name of the Company	**Brigade Enterprises Limited**
4	Category/Sub-category of the Company	**Company Limited by Shares**
		Indian Non Government Company
5	Address of the Registered office & contact details	**29th & 30th Floors, World Trade Center, 26/1, Brigade Gateway Campus, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bangalore - 560 055**
6	Whether listed company	**Yes**
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	**Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot no.31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032, Tel no.040 - 67161500**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Real Estate	45201	73%
2	Hospitality	55101	12%
2	Leasing	70106	15%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and Address of the company	CIN/GLN	Holding /Subsidiary/ Associate	% of Shares held	Applicable Section
Brigade Tetrarch Private Limited	U92412KA1995PTC018247	Subsidiary Company	100%	2(87)
Brigade Estates & Projects Private Limited	U70101KA2006PTC041132	Subsidiary Company	100%	2(87)
Brigade Infrastructure & Power Private Limited	U70109KA2007PTC044008	Subsidiary Company	100%	2(87)
Orion Mall Management Company Limited	U70109KA2011PLC060288	Subsidiary Company	100%	2(87)
Brigade Hospitality Services Limited	U55101KA2004PLC034060	Subsidiary Company	100%	2(87)
SRP Prosperita Hotel Ventures Limited	U55101KA2012PLC099437	Subsidiary Company	50.01%	2(87)
WTC Trades & Projects Private Limited	U74900KA2010PTC056191	Subsidiary Company	100%	2(87)
Brigade Properties Private Limited	U70200KA2007PTC042824	Subsidiary Company	51%	2(87)
Brookefields Real Estates and Projects Private Limited	U70100KA2007PTC085237	Subsidiary Company	51%	2(87)
BCV Developers Private Limited	U45201KA2008PTC045861	Subsidiary Company	50.01%	2(87)
Brigade (Gujarat) Projects Private Limited	U70100KA2015PTC079490	Subsidiary Company	100%	2(87)
Perungudi Real Estates Private Limited	U70200TN2015PTC102278	Subsidiary Company	51%	2(87)
Mysore Projects Private Limited	U70102KA2010PTC054771	Subsidiary Company	100%	2(87)
Brigade Hotel Ventures Limited	U74999KA2016PLC095986	Subsidiary Company	100%	2(87)
Augusta Club Private Limited	U74999KA2016PTC096214	Subsidiary Company	100%	2(87)
Tandem Allied Services Private Limited	U70102KA2000PTC027302	Associate Company	37%	2(6)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	63,482,739		63,482,739	55.85%	63,468,801		63,468,801	46.64%	-0.02%
b) Central Govt	-		-	0.00%	-		-	0.00%	0.00%
c) State Govt(s)	-		-	0.00%	-		-	0.00%	0.00%
d) Bodies Corp.	131,517		131,517	0.12%	131,517		131,517	0.10%	0.00%
e) Banks / FI	-		-	0.00%	-		-	0.00%	0.00%
f) Any other	-		-	0.00%	-		-	0.00%	0.00%
Sub Total (A) (1)	**63,614,256**	**-**	**63,614,256**	**55.97%**	**63,600,318**	**-**	**63,600,318**	**46.74%**	**-0.02%**
(2) Foreign									
a) NRI Individuals	-		-	0.00%	-		-	0.00%	0.00%
b) Other Individuals	-		-	0.00%	-		-	0.00%	0.00%
c) Bodies Corp.	-		-	0.00%	-		-	0.00%	0.00%
d) Any other	-		-	0.00%	-		-	0.00%	0.00%
Sub Total (A) (2)	**-**	**-**	**-**	**0.00%**	**-**	**-**	**-**	**0.00%**	**0.00%**
TOTAL (A)	**63,614,256**	**-**	**63,614,256**	**55.97%**	**63,600,318**	**-**	**63,600,318**	**46.74%**	**-0.02%**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	10,214,019		10,214,019	8.99%	16,943,627	-	16,943,627	12.45%	65.89%
b) Banks / FI	920,923		920,923	0.81%	832,771		832,771	0.61%	-9.57%
c) Central Govt	-		-	0.00%	-		-	0.00%	0.00%
d) State Govt(s)	-		-	0.00%	-		-	0.00%	0.00%
e) Venture Capital Funds	-		-	0.00%	-		-	0.00%	0.00%
f) Insurance Companies	-		-	0.00%	2,700,309		2,700,309	1.98%	1.98%
g) FIIs	3,454,923		3,454,923	3.04%	17,692,927		17,692,927	13.00%	412.11%
h) Foreign Venture Capital Funds	-		-	0.00%	-		-	0.00%	0.00%
i) Others (specify)	-		-	0.00%	-		-	0.00%	0.00%
Sub-total (B)(1):-	**14,589,865**	**-**	**14,589,865**	**12.84%**	**38,169,634**	**-**	**38,169,634**	**28.05%**	**161.62%**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3,374,072		3,374,072	2.97%	3,338,738		3,338,738	2.45%	-1.05%
ii) Overseas	-		-	0.00%	-		-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3,905,664	507	3,906,171	3.44%	4,458,420	507	4,458,927	3.28%	14.15%
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	24,444,453	3,144,306	27,588,759	24.27%	26,160,755	-	26,160,755	19.23%	-5.18%
c) Others (specify)									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
NBFC Registered with RBI	21,840		21,840	0.02%	5,362	-	5,362	0.00%	-75.45%
Directors	57		57	0.00%	-		-	0.00%	0.00%
IEPF	-		-	0.00%	10,040		10,040	0.01%	0.01%
Non Resident Indians	272,733		272,733	0.24%	313,573		313,573	0.23%	14.97%
Overseas Corporate Bodies	-		-	0.00%	-		-	0.00%	0.00%
Foreign Nationals	-		-	0.00%	-		-	0.00%	0.00%
Clearing Members	296,816		296,816	0.26%	17,125		17,125	0.01%	-94.23%
Employees	-		-	0.00%	-	-	-	-	-
HUF	-		-	0.00%	-	-	-	-	-
Trusts	171		171	0.00%	139		139	0.00%	0.00%
Foreign Bodies - D R	-		-	0.00%	-		-	0.00%	0.00%
Sub-total (B)(2):-	**32,315,806**	**3,144,813**	**35,460,619**	**31.20%**	**34,304,152**	**507**	**34,304,659**	**25.21%**	**-3.26%**
Total Public (B)	**46,905,671**	**3,144,813**	**50,050,484**	**44.03%**	**72,473,786**	**507**	**72,474,293**	**53.26%**	**44.80%**
C. Shares held by Custodian for GDRs & ADRs			**-**	**0.00%**				**0.00%**	**0.00%**
Grand Total (A+B+C)	**110,519,927**	**3,144,813**	**113,664,740**	**100.00%**	**136,074,104**	**507**	**136,074,611**	**100.00%**	**19.72%**

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	M R JAISHANKAR	23045064	20.27%	-	23045064	16.94%	-	-3.33%
2	GITHA SHANKAR	18700500	16.45%	-	18700500	13.74%	-	-2.71%
3	NIRUPA SHANKAR	9326625	8.21%	-	9326625	6.85%	-	-1.36%
4	M R JAISHANKAR - HUF	2764125	2.43%	-	2764125	2.03%	-	-0.40%
5	MYSORE RAMACHANDRA SETTY KRISHNAKUMAR	2024069	1.78%	-	2024069	1.49%	-	-0.29%
6	M R SHIVRAM - HUF	2035847	1.79%	-	2035847	1.50%	-	-0.29%
7	M R KRISHNA KUMAR	1927618	1.70%	-	1927618	1.41%	-	-0.29%
8	M R SHIVRAM	1741243	1.53%	-	1741243	1.28%	-	-0.25%
9	GURUMURTHY M. R.**	1137722	1.00%	-	1128784	0.83%	-	-0.17%
10	G R ARUNDHATI**	540393	0.48%	-	535393	0.39%	-	-0.09%
11	A R RUKMINI	239533	0.21%	-	239533	0.18%	-	-0.03%
12	MYSORE HOLDINGS PRIVATE LIMITED	131517	0.12%	-	131517	0.10%	-	-0.02%

* Reason for change in % of shareholders is due to ESOP and QIP allotment done during the year 2017-18

**Reason for change in % of Shareholding is due to sale of shares

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	**GURUMURTHY M R**						
	At the beginning of the year	01.04.2017		1,137,722	1.00%		
	Changes during the year		**Sale**	(8,938)	-0.17%		
	At the end of the year	31.03.2018		1,128,784	0.83%	1,128,784	0.83%
2	**G R ARUNDHATI**						
	At the beginning of the year	01.04.2017		540,393	0.48%		
	Changes during the year		**Sale**	5,000	-0.09%		
	At the end of the year	31.03.2018		535,393	0.39%	535,393	0.39%

(iv) Shareholding Pattern of top ten Shareholders

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

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	**THE NOMURA TRUST AND BANKING CO., LTD AS THE TRUST**						
	At the beginning of the year	01.04.2017		-	0.00%		
	Changes during the year		QIP Allotment & Purchase	5,377,139	3.95%		
	At the end of the year	31.03.2018		5,377,139	3.95%	5,377,139	3.95%
2	**ICICI PRUDENTIAL VALUE FUND SERIES 8**						
	At the beginning of the year	01.04.2017		3,843,702	3.38%		
	Changes during the year		QIP Allotment & Purchase/Sale	82,620	-0.49%		
	At the end of the year	31.03.2018		3,926,322	2.89%	3,926,322	2.89%
3	**M K MANJULA**						
	At the beginning of the year	01.04.2017		3,547,687	3.12%		
	Changes during the year			-	0.00%		
	At the end of the year	31.03.2018		3,547,687	2.61%	3,547,687	2.61%
4	**KOTAK FUNDS - INDIA MIDCAP FUND**						
	At the beginning of the year	01.04.2017		-	0.00%		
	Changes during the year		Purchase	3,533,158	2.60%		
	At the end of the year	31.03.2018		3,533,158	2.60%	3,533,158	2.60%
5	**L&T MUTUAL FUND TRUSTEE LIMITED - L&T EMERGING OPP**						
	At the beginning of the year	01.04.2017		966,400	0.85%		
	Changes during the year		QIP Allotment & Purchase/Sale	2,447,384	1.66%		
	At the end of the year	31.03.2018		3,413,784	2.51%	3,413,784	2.51%

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
6	**FRANKLIN INDIA SMALLER COMPANIES FUND**						
	At the beginning of the year	01.04.2017		3,404,534	3.00%		
	Changes during the year		QIP Allotment & Purchase/Sale	1,803,353	0.83%		0.00%
	At the end of the year	31.03.2018		5,207,887	3.83%	5,207,887	3.83%
7	**M G SURAJ**						
	At the beginning of the year	01.04.2017		2,703,432	2.38%		
	Changes during the year		Sale	(57,127)	-0.44%		
	At the end of the year	31.03.2018		2,646,305	1.94%	2,646,305	1.94%
8	**M G SURAJ HUF**						
	At the beginning of the year	01.04.2017		-	0.00%		
	Changes during the year		Purchase	2,465,053	1.81%		
	At the end of the year	31.03.2018		2,465,053	1.81%	2,465,053	1.81%
9	**KOTAK MAHINDRA LIFE INSURANCE COMPANY LTD.**						
	At the beginning of the year	01.04.2017		-	0.00%		
	Changes during the year		QIP Allotment & Purchase/Sale	2,260,749	1.66%		
	At the end of the year	31.03.2018		2,260,749	1.66%	2,260,749	1.66%
10	**M S RAVINDRA**						
	At the beginning of the year	01.04.2017		2,205,000	1.94%		
	Changes during the year		Sale	(299,096)	-0.54%		0.00%
	At the end of the year	31.03.2018		1,905,904	1.40%	1,905,904	1.40%

* Reason for change in % of Shareholding is due to ESOP & QIP allotment done during the year 2017-18

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	**M. R. Jaishankar**						
	At the beginning of the year	01.04.2017		23045064	20.27%		
	Changes during the year						
	At the end of the year	31.03.2018		23045064	16.94%	23045064	16.94%
2	**Githa Shankar**						
	At the beginning of the year	01.04.2017		18700500	16.45%		
	Changes during the year						
	At the end of the year	31.03.2018		18700500	13.74%	18700500	13.74%
3	**M. R. Gurumurthy**						
	At the beginning of the year	01.04.2017		1,137,722	1.00%		
	Changes during the year		Sale	(8,938)	-0.17%		
	At the end of the year	31.03.2018		1,128,784	0.83%	1,128,784	0.83%
4	**M. R. Shivram**						
	At the beginning of the year	01.04.2017		1,741,243	1.53%		
	Changes during the year						
	At the end of the year	31.03.2018		1,741,243	1.28%	1,741,243	1.28%
5	**P V Maiya**						
	At the beginning of the year	01.04.2017		1,000	0.00%		
	Changes during the year						
	At the end of the year	31.03.2018		1,000	0.00%	1,000	0.00%

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
6	**Srinivasa Murthy**						
	At the beginning of the year	01.04.2017		57	0.00%		0.00%
	Changes during the year						0.00%
	At the end of the year	31.03.2018		57	0.00%	57	0.00%
7	**Suresh K**						
	At the beginning of the year	01.04.2017		41,000	0.04%		0.00%
	Changes during the year		**Sale**	40,700	0.04%		0.00%
	At the end of the year	31.03.2018		300	0.00%	300	0.00%
8	**P. Om Prakash**						
	At the beginning of the year	01.04.2017		17,475	0.02%		0.00%
	Changes during the year		**Allot**	5,825	0.00%		0.00%
	At the end of the year	31.03.2018		23,300	0.02%	23,300	0.02%

V. INDEBTEDNESS

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

(Amount in ₹ Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	164,813.00	-	-	164,813.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**164,813.00**	**-**	**-**	**164,813.00**
Change in Indebtedness during the financial year				
* Addition	164,315.00	-	-	164,315.00
* Reduction	133,234.00	-	-	133,234.00
Net Change	**31,081.00**	**-**	**-**	**31,081.00**
Indebtedness at the end of the financial year				
i) Principal Amount	195,894.00	-	-	195,894.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**195,894.00**	**-**	**-**	**195,894.00**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Name	M.R.Jaishankar	Githa Shankar	(₹/Lac)
	Designation	Chairman and Managing Director	Wholetime Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	162.44	118.84	281.28
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			-
	- as % of profit	622.41	77.37	699.78
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	784.85	196.21	981.06
	Ceiling as per the Act	**1,308.09**	**1,308.09**	**2,616.18**

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		P. V. Maiya (1)	Dr. Srinivasa Murthy (2)	Aroon Raman (3)	(₹/Lac)
1	**Independent Directors**				
	Fee for attending board committee meetings	3.10	1.50	0.90	5.50
	Commission	12.00	12.00	12.00	36.00
	Others, please specify	-	-	-	-
	Total (1)	**15.10**	**13.50**	**12.90**	**41.50**
2	**Other Non-Executive Directors**				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**
	Total (B)=(1+2)	**15.10**	**13.50**	**12.90**	**41.50**
	Total Managerial Remuneration				41.50
	Overall Ceiling as per the Act				**261.62**

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Biju Kurien (4)	Lakshmi Venkatachalam (5)	M.R.Shivram (6)	(₹/Lac)
1	**Independent Directors**				
	Fee for attending board committee meetings	2.20	1.30		3.50
	Commission	12.00	12.00	-	24.00
	Others, please specify	-	-		-
	Total (1)	**14.20**	**13.30**	**-**	**27.50**
2	**Other Non-Executive Directors**	**-**	**-**	**-**	**-**
	Fee for attending board committee meetings	-	-	1.50	1.50
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	**-**	**-**	**1.50**	**1.50**
	Total (B)=(1+2)	**14.20**	**13.30**	**1.50**	**29.00**
	Total Managerial Remuneration				70.50
	Overall Ceiling as per the Act				**261.62**

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		M. R. Gurumurthy (7)			(₹/Lac)
1	**Independent Directors**				
	Fee for attending board committee meetings	-			-
	Commission	-			-
	Others, please specify	-			-
	Total (1)	**-**			**-**
2	**Other Non-Executive Directors**				
	Fee for attending board committee meetings	1.41			1.41
	Commission	-			-
	Others, please specify	-			-
	Total (2)	**1.41**			**1.41**
	Total (B)=(1+2)	**1.41**			**1.41**
	Total Managerial Remuneration				71.91
	Overall Ceiling as per the Act				**261.62**

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

SN.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
	Name	**Pradeep K P**	**Om Prakash P**	(₹/Lac)
	Designation	****CFO**	**CS**	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	85.11	46.92	132.03
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.26	12.87	13.13
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	**85.37**	**59.79**	**145.16**

** Mr. K. P. Pradeep appointed as the Chief Financial Officer and Key Managerial Personnel with effect from August 04, 2017

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURE-10

I. Conservation of Energy:

(a) Energy conservation measures taken:

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

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

- Deign of Energy Efficient Buildings by carrying out Energy, Fresh Air and Day Lighting Simulation.
- All light fixtures installed in the projects are energy efficient and Smart LED lights
- Sensors are used to optimize the use of energy efficient lighting systems
- Use of occupancy sensors in sparingly used area in the buildings, viz., Rest Rooms, Change Rooms, Corridors, Staircase, Car Parking / Basement Area, etc.
- The Window to Wall ratio in the buildings are optimized to reduce the Air conditioning demand at the same time does not increase the need for artificial lighting within the projects.
- The glazed glass façade used in the construction of the buildings are scientifically selected after many iterations of building material simulation to maximize the use of Day-light in offices and projects of the company and at the same time not increasing the air conditioning load by suitably shading the building.
- Non-air conditioned buildings are designed with cross ventilation to minimize the dependency on fans, coolers, split air conditioners, etc.
- Utilization of solar energy wherever possible for water heating and lighting in all the projects of the company
- Solar PV Panels are installed in all commercial projects of the company to harness renewable energy sources
- Green Power is purchased by getting into a long term agreement with Green Energy Developers, thus encouraging installation of renewable energy systems.
- Bureau of Energy Efficiency (BEE) certified electro-mechanical equipments (Viz., Pumps, Drives, Compressors, etc.) are used in the project.
- Use of Energy efficient Water Cooled Air Conditioning System with high coefficient of performance in all Commercial Buildings developed by the company
- Use of low flow water fixtures to reduce the water demand and energy requirement for pumping water in all the projects of the company
- Design and Implementation of Green Building norms in all our future projects
- 100% of the sewage effluent generated from the all the projects of the company is treated in scientifically designed Sewage Treatment Plant and is made fit for reuse for toilet flushing and landscaping. This reduces the dependency on municipal water supply which is pumped from far off location; indirectly saving energy and fresh water.
- Treated sewage effluent is also used for cooling towers in all the commercial buildings of the company
- Efficient Rainwater harvesting systems are implemented in all company projects to conserve water & energy
- Modern construction technologies (Viz., Precast / Prefabricated, Aluminum Form Work, etc) are adopted to minimize construction and demolition wastes. This also reduces the time taken for construction.
- Use of Manufactured Sand (M-Sand) instead of natural river sand in all our projects to avoid negative impacts of sand mining.
- Use of treated water (Sewage) for construction purpose to conserve water.
- Use of ready mix concrete (RMC) along with curing agents for construction reduces the negative impact of Ambient Air and also conserves water respectively.

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

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

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

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

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

Not Applicable.

II. Technology absorption. :

Company works on a mechanized process to reduce cost and increase the efficiency of the operations. Company has from time to time engaged international architects and consultants in its integrated enclave projects for using the latest designs and technology.

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

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

III. Research and Development :

More standardized building elements which adheres to quality standards

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

Benefits derived from R & D

The buildings constructed adhere to highest standard of quality.

Expenditure on R & D

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

I. Foreign Exchange Earnings & Outgo :

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

Particulars	2017-18	2016-17
Earnings:		
Income from property development	71	119
Income from hospitality services*	-	7,226
Total	**71**	**7,345**
Expenditure:		
i. Legal & Professional fees	-	827
ii. Advertisement & Sales Promotion	70	275
iii. Brokerage & Discounts	-	236
iv. Employee benefits expense	141	134
v. Others	52	129
Total	**263**	**1,601**

* Pursuant to scheme of arrangement, the Hospitality Business is transferred to a 100% subsidiary. Hence the earnings in foreign currency from hospitality business have not been considered in the above table.

CORPORATE GOVERNANCE REPORT

PHILOSOPHY ON CORPORATE GOVERNANCE AT BRIGADE ENTERPRISES LIMITED

The Philosophy on Corporate Governance at Brigade Enterprises Limited is:

a) To ensure highest levels of integrity and quality.

b) To ensure strong legacy of fair, transparent and ethical governance practice.

c) To ensure observance of highest standards & levels of transparency, accuracy, accountability and reliability on the organisation.

d) To ensure protection of wealth and other resources of the Company for maximising the benefits to the stakeholders of the Company.

The vision, mission and values of the Company enshrine the aforesaid philosophy.

The Corporate Governance Report of the Company for the year ended March 31, 2018 is as follows:

BOARD OF DIRECTORS

The Board of Directors of the Company comprises of 9 Directors as on March 31, 2018. The Board is primarily responsible for the overall management of the Company's business. The Directors on the Board are from varied fields with wide range of skills and expertise. The composition of Board is in due compliance of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The composition and category of the Directors are as follows:

Category	Name of Director	Designation	No. of Directors	% to total number of Directors
Executive Promoter Directors	Mr. M. R. Jaishankar	Chairman & Managing Director	2	22.22%
	Ms. Githa Shankar	Whole-time Director		
Non-Executive Directors	Mr. M. R. Gurumurthy	Director	2	22.22%
	Mr. M. R. Shivram	Director		
Independent Non-Executive Directors	Mr. P. V. Maiya	Director	5	55.56%
	Mr. Aroon Raman	Director		
	Dr. Srinivasa Murthy	Director		
	Mr. Bijou Kurien	Director		
	Ms. Lakshmi Venkatachalam	Director		
		Total	**9**	**100**

Ms. Githa Shankar is the spouse of Mr. M. R. Jaishankar. Mr. M. R. Gurumurthy and Mr. M. R. Shivram are the brothers of Mr. M. R. Jaishankar. None of the other directors are related to any other director on the Board.

BOARD MEETINGS

The details of the Board Meetings held during the financial year 2017-18 are as follows:

Sl. No.	Date
1	Tuesday, April 25, 2017
2	Monday, May 22, 2017
3	Monday, July 31, 2017
4	Tuesday, August 08, 2017
5	Thursday, September 21, 2017
6	Friday, November 10, 2017
7	Thursday, February 08, 2018
8	Friday, March 23, 2018

The necessary quorum was present in all the Board Meetings. The maximum gap between any two meetings did not exceed 120 days. The attendance of Directors in Board Meetings, previous Annual General Meeting, Directorships and Committee Chairmanships / Memberships held by them in other Companies are as follows:

Name of the Director	Date of joining the Board	No. of shares held and percentage to paid up share capital	Board meetings attended in the financial year 2017-2018	Attendance in the 22nd Annual General Meeting held on September 21, 2017	No. of other Directorships	No. of Committee positions held in other Companies	
						Chairman	Member
Mr. M. R. Jaishankar	08/11/1995	23045064 16.94%	8	Yes	13	Nil	Nil
Ms. Githa Shankar	08/11/1995	18700500 13.74%	8	Yes	7	Nil	Nil
Mr. M. R. Gurumurthy	08/11/1995	1128784 0.83%	7	Yes	1	Nil	Nil
Mr. M. R. Shivram	08/11/1995	3777090 2.78%	8	Yes	1	Nil	Nil
Mr. P. V. Maiya	06/03/2000	1000	7	Yes	3	2	1
Dr. Srinivasa Murthy	28/10/2009	57	8	Yes	4	1	1
Mr. Aroon Raman	29/10/2013	Nil	3	Yes	6	Nil	1
Mr. Bijou Kurien	31/01/2015	Nil	7	Yes	8	1	3
Ms. Lakshmi Venkatachalam	01/02/2016	Nil	8	Yes	1	Nil	1

- Ms. Githa Shankar is the spouse of Mr. M. R. Jaishankar. Mr. M. R. Gurumurthy and Mr. M. R. Shivram are the brothers of Mr. M. R. Jaishankar. None of the other directors are related to any other director on the Board.
- The number of directorships, committee membership(s), Chairmanship(s) of all directors are within the limits prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Directorships in public companies, private companies and Section 8 companies have been considered. Directorships in Foreign companies has been excluded.
- The Committee positions specified in the table above relates to only Audit Committee and Stakeholders' Relationship Committee of the Board in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CODE OF CONDUCT FOR BOARD 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 March 31, 2018. A declaration to this effect by the Chairman & Managing Director of the Company is annexed to this report. The Code of Conduct has also been posted on your Company's website www.brigadegroup.com/investor.

The Company has complied with the Policy called "Code of Internal Procedures and Conduct for prevention of Insider Trading in the Securities of Brigade Enterprises Limited" as applicable to all the Designated Persons of the Company and its subsidiaries. This Code aims at preserving and preventing misuse of unpublished price sensitive information.

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 gives a declaration that they meet the criteria of independence as provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

FAMILIARISATION PROGRAMME FOR DIRECTORS

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

Quarterly updates on important changes in the regulatory environment is presented to the Board by the functional heads. Apart from this, the statutory auditors as well as the internal auditors present to the Audit Committee / Board on regular intervals on important regulatory changes. The Company's policy on Familiarisation of Board of Directors is disclosed on its website www.brigadegroup.com/investor.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors is being held every financial year. None of the non-independent directors, Members of the management or Key Managerial Personnel are present for this meeting. During the financial year 2017-18 the meeting of the Independent Directors was held on March 23, 2018 to review the performance of the Non-Independent directors (including the Chairman & Managing Director) and the Board as a whole. Based on the guidance note issued by SEBI on January 05, 2017 on the Board Evaluation, Independent Directors also reviewed the quality, content and timelines of the flow of information between the management and the Board and its Committees which is necessary to perform and discharge their duties effectively and reasonably.

AUDIT COMMITTEE

The Audit Committee of the Company comprises of 4 Non-Executive Directors out of which three are Independent Directors. All of them possess accounting knowledge, financial expertise and exposure. The Audit Committee complies with the requirements of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013 and the Rules made thereunder.

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

Sl. No.	Name	Position	Number of Meetings	
			Held	Attended
1.	Mr. P. V. Maiya	Chairman	4	4
2.	Mr. M. R. Gurumurthy	Member	4	4
3.	Mr. Aroon Raman	Member	4	2
4.	Mr. Bijou Kurien	Member	4	4

Company Secretary is the Secretary of the Committee.

During the year under review Four Audit Committee Meetings were held and gap between two meetings did not exceed one hundred and twenty days. Audit Committee meetings were held on May 22, 2017, August 07, 2017, November 10, 2017 and February 08, 2018.

The necessary quorum was present for all the meetings.

The terms of reference of the Audit Committee inter-alia includes the following:

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. The recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by them;
4. Reviewing, with the Management, the annual financial statements auditor's report thereon 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 (c) of Section 134 (3) of the Companies Act, 2013;
   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. Modified opinion
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 statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the Auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the Management, the performance of statutory and internal auditors, and adequacy of the internal financial control and risk management systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal Audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with Internal Auditors on any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the Internal

Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
18. Reviewing the functioning of the Whistle Blower Mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

The powers of the Audit Committee shall include the power:

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

NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of three Independent Directors. The Nomination & Remuneration Committee complies with the requirements of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013 and the Rules made thereunder.

The composition of the Nomination & Remuneration Committee & attendance in the meetings for the financial year 2017-18 were as follows:

Sl. No.	Name	Position	Number of meetings	
			Held	Attended
1.	Mr. Aroon Raman	Chairman	6	3
2.	Mr. P. V. Maiya	Member	6	6
3.	Mr. Bijou Kurien	Member	6	6

Company Secretary is the Secretary of the Committee.

During the year six meetings of the Nomination & Remuneration Committee were held on May 22, 2017, June 22, 2017, August 07, 2017, November 10, 2017, February 08, 2018 and March 23, 2018.

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

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

The Nomination & Remuneration Committee has laid down the Performance Evaluation criteria of Independent Directors in terms of Regulation 19 read with Part D of the Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

The details of remuneration paid /payable to the Directors for the year ended on March 31, 2018 are as follows:

Name of the Director	Salary & Perquisites (₹)	Sitting Fees (₹)	Commission (₹)	Total (₹)
Mr. M.R. Jaishankar	162,43,800	Nil	622,41,829	784,85,629
Ms. Githa Shankar	118,83,800	Nil	77,37,607	196,21,407
Mr. M.R. Gurumurthy	Nil	1,41,000	Nil	1,41,000
Mr. P. V. Maiya	Nil	3,10,000	12,00,000	15,10,000
Mr. M.R. Shivram	Nil	1,50,000	Nil	1,50,000
Dr. Srinivasa Murthy	Nil	1,50,000	12,00,000	13,50,000
Mr. Aroon Raman	Nil	90,000	12,00,000	12,90,000
Mr. Bijou Kurien	Nil	2,20,000	12,00,000	14,20,000
Ms. Lakshmi Venkatachalam	Nil	1,30,000	12,00,000	13,30,000

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee comprises of 3 Non Executive Directors out of which two are Independent Directors. The Stakeholders' Relationship Committee is in due compliance of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013 and the Rules made therunder.

The terms of reference of the Stakeholders' Relationship Committee inter-alia includes the following:

1. Investor relations and redressal of Shareholders' grievances in general and relating to transfer of shares, non-receipt of annual reports, non-receipt of dividends, interest and 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.

During the year 4 meetings were held on May 22, 2017, August 07, 2017, November 10, 2017 and February 08, 2018.

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

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

Mr. P Om Prakash, Company Secretary & Compliance Officer is the Secretary to the Committee.

Details of investor complaints received and redressed during the year 2017-18 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing balance
0	28	28	**0**

COMMITTEE OF DIRECTORS:

The Board of Directors constituted the Committee of Directors and delegated powers relating to certain regular business activities. The Committee of Directors comprises of three Directors out of which two are Independent Directors and one Executive Director.

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

Sl. No.	Name	Position	No of meetings	
			Held	Attended
1.	Mr. M. R. Jaishankar	Chairman	5	5
2.	Mr. P. V. Maiya	Member	5	5
3.	Mr. Bijou Kurien	Member	5	4

Company Secretary is the Secretary of the Committee.

During the year five meetings were held on April 25, 2017, April 28, 2017, May 03, 2017, June 22, 2017 and December 13, 2017.

RISK MANAGEMENT COMMITTEE

The Board of Directors of the Company has formed the risk management committee to frame, implement and monitor the risk management plan for the Company. The Risk Management Committee is responsible for reviewing the risk management plan and ensure its effectiveness. Major risk identified by the business and functions are systematically addressed through mitigating actions on continuing basis. The constitution of the Risk Management Committee is in line with Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

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

1. To establish a risk policy for the Company.
2. To oversee and review the implementation of risk management and internal control systems.
3. To establish policies to monitor and evaluate the risk management systems in the Company from time to time.
4. To identify, assess and mitigate the existing as well as potential risks to the Company and to recommend strategies to the Audit Committee/ Board to overcome them.
5. To review the internal control systems based on internal audit exercise done by the external internal auditors and the internal auditors in the Company from time to time.
6. To review the reports, develop and implement action plans to mitigate risks.
7. To perform such other tasks as may be requested by the Audit Committee / Board.

During the Year two meetings of the Risk Management Committee were held on May 22, 2017 & March 23, 2018.

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

Sl. No.	Name	Position	No of meetings	
			Held	Attended
1.	Mr. M. R. Jaishankar	Chairman	2	2
2.	Mr. P. V. Maiya	Member	2	2
3.	Mr. M. R. Shivram	Member	2	2
4.	Ms. Lakshmi Venkatachalam	Member	2	2

Company Secretary is the Secretary of the Committee.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Corporate Social Responsibility Committee comprises of four Directors out of which three are Independent Directors and one Executive Director. The Constitution of Corporate Social Responsibility Committee is in accordance with the provisions of the Section 135 of the Companies Act, 2013 and Corporate Social Responsibility (CSR) Rules, 2014 together with Schedule VII of the Companies Act, 2013.

The scope and functions of the CSR Committee are as follows:

1. Formulate and recommend to the Board for approval the CSR Policy and any amendments thereto;
2. Advise the Board on the activities to be undertaken by the company as specified in the Act.
3. Review and recommend the annual CSR plan and the concomitant budgetary outlays to the Board for approval;
4. Monitor the CSR activities and compliance with the CSR Policy at regular intervals;
5. Review and implement, as needed, any other matter related to CSR initiatives.

In terms of Schedule VII of the Act the Company's primary focus of CSR Activities are:

1. ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
2. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries: promotion and development of traditional arts and handicrafts;
3. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
4. promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

Apart from the above the other CSR activities which may be taken up are as follows:

1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
2. Measures for the benefit of armed forces veterans, war widows and their dependents;
3. Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
4. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
5. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
6. Rural development projects.
7. Such other activities as may be notified by Ministry of Corporate Affairs from time to time.

During the Year two meetings of the CSR Committee were held on May 22, 2017 & March 23, 2018.

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

Sl. No.	Name	Position	No of meetings	
			Held	Attended
1.	Mr. M. R. Jaishankar	Chairman	2	2
2.	Mr. P. V. Maiya	Member	2	2
3.	Dr. Srinivasa Murthy	Member	2	2
4.	Ms. Lakshmi Venkatachalam	Member	2	2

Company Secretary is the Secretary of the Committee.

The CSR activities undertaken by the Company during the financial year 2017-18 forms part of the Board's Report Annexure – 8.

SUBSIDIARY COMPANIES

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

In terms of Regulation 16 (1) (C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the policy on determining material subsidiary has been formulated as a part of Related Party Transaction Policy and is available on the Company's website www.brigadegroup.com.

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

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

GENERAL MEETINGS

ANNAUL GENERAL MEEING:

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
2016-17	22	Thursday, September 21, 2017 at 10:30 a.m.	The Sheraton Grand Bangalore Hotel, Brigade Gateway Campus, 26/1, Dr.Rajkumar Road, Malleswaram-Rajajinagar, Bangalore - 560055
2015-16	21	Wednesday, August 31, 2016 at 11.00 a.m.	The Lalit Ashok Bangalore, Kumara Krupa High Grounds, Bangalore – 560 001
2014-15	20	Friday, September 25, 2015 at 11.00 a.m.	The Atria Hotel, P.B.No.5089, No.1, Palace Road, Bangalore- 560 001

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

AGM	AGM date	Special Resolutions passed through / show of hands
22	September 21, 2017	i) Re-appointment of Mr. M.R. Jaishankar, as Chairman & Managing Director of the Company. ii) Re-appointment Ms. Githa Shankar, as Whole Time Director of the Company. iii) Approval to introduce & implement a Brigade Employee Stock Option Plan 2017 (ESOP 2017) upto 56,83,237 equity shares of ₹ 10 each to the benefit of such permanent employees and Directors (excluding Independent Directors, Promoters/ Promoter Group Directors) of the Company. iv) Approval to introduce & implement a Brigade Employee Stock Option Plan 2017 (ESOP 2017) upto 56,83,237 equity shares of ₹ 10 each to the benefit of such permanent employees and Directors of Subsidiaries of the Company (excluding Independent Directors, Promoters/ Promoter Group Directors) of the Company.
21	August 31, 2016	v) Approval for Issue of Securities upto ₹ 500 Crores vi) Appointment of and remuneration payable to Ms. Pavitra Shankar, Relative of Director/Key Managerial Personnel.
20	September 25, 2015	vii) Approval for Issue of Securities for an amount not exceeding ₹ 500,00,00,000/-. viii) Approval for Increase in remuneration payable to Ms. Nirupa Shankar, relative of Director / Key Managerial personnel

EXTRAORDINARY GENERAL MEETING & PASSING OF RESOLUTIONS BY POSTAL BALLOT:

During the year the Company made a petition to the Bengaluru Bench of the Honourable National Company Law Tribunal (NCLT) for a scheme of arrangement between the Company and its three wholly owned subsidiaries. Based on this NCLT convened Extraordinary General Meeting was held on September 21, 2017. Postal Ballot notice was also issued for the meeting. The meeting of the secured creditors and unsecured creditors was also convened on the same date by NCLT.

Mr. K Rajshekar, Practising Company Secretary (CP No.: 2468) was appointed as the Scrutinizer for all the meetings and the results of the Postal Ballot, Remote E-voting and Instapoll were declared on September 22, 2017. The details of the resolution passed and the voting pattern is as follows:

ITEM	Votes Cast in Favour		Votes Cast Against		Total Votes Polled	
	No. of Votes	%	No. of Votes	%	No of Votes	%
Approval of the Shareholders to the Scheme of Arrangement for the transfer of three Business Undertakings of the Company, namely the Hotel Business Undertaking, Integrated Clubs & Convention Centre Business Undertaking and Augusta Club Business Undertaking on a going concern basis to Brigade Hotel Ventures Limited, Brigade Hospitality Services Limited and Augusta Club Private Limited respectively	10,70,18,937	100	30	-	10,70,18,967	100

1) RELATED PARTY TRANSACTIONS

There are no materially significant related party transactions entered by the Company with related parties that may have a potential conflict with the interests of the Company. Transactions with related parties during the year were done with the prior approval of the Audit Committee and are listed out in note no 33 forming part of the standalone financial statements. The Company has formulated a policy on Related Party Transactions under Regulation 23 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 and which is available on the website of the Company www.brigadegroup.com.

2) COMPLIANCE

The Company has duly complied with the requirements of the regulatory authorities on capital market. There are no penalties imposed nor any strictures have been passed against the Company during the last three years.

3) DISCLOSURE OF ACCOUNTING TREATMENT

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

4) WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company has adopted Whistle Blower Policy and established necessary vigil mechanism in line with Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for directors, employees to report concerns about unethical behaviour. No personnel has been denied access to Ethics Committee Members/ Chairman of the Audit Committee.

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

5) The mandatory requirements laid down under SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 has been duly complied by the Company and the Company has duly fulfilled the following discretionary requirements as prescribed in Part E of schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

(i) The Board

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

(ii) Shareholder Rights

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

(iii) Audit Qualifications

During the year, there was no audit qualification on financial statements of the Company

(iv) Separate Post of Chairperson & CEO

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

(v) Internal Auditor

The internal auditor reports to the Audit Committee

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 "Business Standard"- English Newspaper and "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.

GENERAL SHAREHOLDER INFORMATION

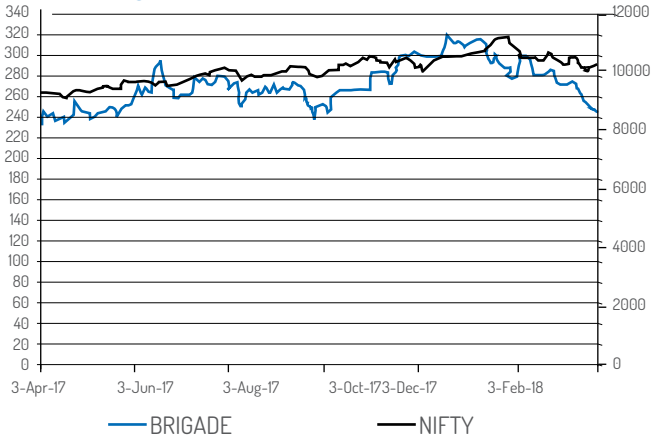
1	Registration Details	Company is registered in the State of Karnataka and the Corporate Identity Number allotted by Ministry of Corporate Affairs (MCA) is L85110KA1995PLC019126
2	Registered Office	29th & 30th Floors, World Trade Center, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bangalore – 560055
3	Compliance Officer	P. Om Prakash
4	Date, time & venue of the 23rd AGM :	Thursday, August 16, 2018 at 11.00 a.m. at The Sheraton Grand Bangalore Hotel, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bangalore – 560055
5	Financial Year	2017-2018
6	Record Date for Dividend	Friday, August 03, 2018
7	Dividend	The Board of Directors of the Company have recommended a dividend of ₹ 2.00/- (20%) per equity share. Dividend, if approved in the ensuing Annual General Meeting will be paid to those Shareholders, whose name appear in the Register of Members as on Friday, August 03, 2018
8	Listing in Stock Exchanges:	The Equity Shares of the Company are listed in the following Stock Exchanges: • The National Stock Exchange of India Limited • BSE Limited
9	Stock Code	• National Stock Exchange of India Limited – BRIGADE, series - EQ BE • BSE Limited – 532929
10	Listing Fees:	Listing Fees as prescribed has been paid fully to all the Stock Exchanges where the shares of the Company are listed.

11 Stock Performance

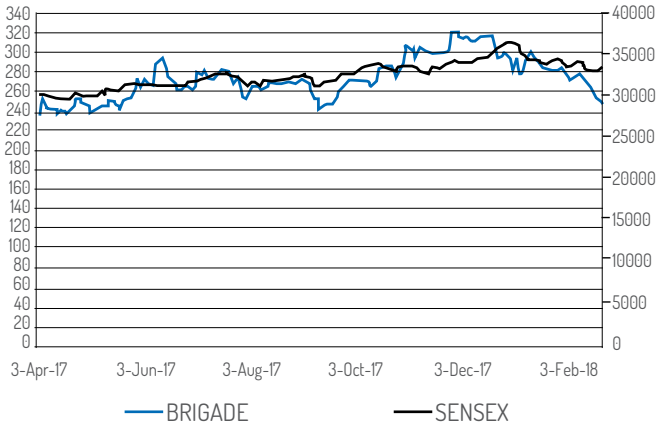
Month	National Stock Exchange of India Limited (NSE)			BSE Limited (BSE)		
	High	Low	Total Turnover	High	Low	Total Turnover
April	260.00	228.10	67,98,67,374	260.00	221.10	8,74,74,764
May	260.00	236.90	63,29,67,712	260.00	235.90	12,39,15,986
June	303.50	251.60	131,50,63,238	303.70	252.00	43,69,10,888
July	295.00	258.00	56,24,91,434	295.00	259.25	7,62,53,814
August	285.00	239.00	27,71,56,508	285.00	236.50	5,40,15,505
September	276.00	238.00	70,14,65,762	276.00	231.10	4,10,59,610
October	277.80	241.10	52,84,21,392	297.00	242.60	10,90,24,364
November	324.30	260.60	124,15,50,361	322.00	260.25	35,07,45,764
December	323.75	290.00	96,54,97,917	324.65	290.00	7,41,41,509
January	324.90	275.00	44,85,71,290	324.05	275.25	3,90,73,773
February	302.00	261.65	32,45,89,964	310.00	260.00	9,16,58,062
March	287.25	245.00	24,95,36,216	288.00	245.00	89,62,699

The performance of the stock in National Stock Exchange of India Limited and BSE Limited for the period from April 01, 2017 to March 31, 2018 was as follows:

Exchange: NSE Date: 01-04-2017 End date: 31-03-2018



Exchange: BSE Date: 01-04-2017 End date: 31-03-2018



12 Dematerialisation of shares

The ISIN for the Equity Shares of the Company is INE791I01019. A total of 13,60,74,104 Equity Shares aggregating to 99.99% of the total shares of the Company are in dematerialised form as on March 31, 2018.

13 Registrars and Share Transfer Agents

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

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

14 Share Transfer System

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

15 Distribution of Shareholding as on March 31, 2018

Category (Amount)	No. of Shareholders	%	Amount	%
1-5000	53675	97.55	28837220	2.12
5001- 10000	620	1.13	4789860	0.35
10001- 20000	289	0.53	4141100	0.31
20001- 30000	84	0.15	2102810	0.15
30001- 40000	45	0.08	1625300	0.12
40001- 50000	25	0.05	1150500	0.09
50001- 100000	85	0.15	6314140	0.46
100001 & Above	198	0.36	1311785180	96.40
Total	**55021**	**100.00**	**1360746110**	**100.00**

16 Categories of Shareholders as on March 31 2018

Category	No. of Shares	% to Total Shares
Promoters & their Relatives	63600318	46.75
Mutual Funds	16943627	12.45
Foreign Portfolio Investors	17692927	13.00
Financial Institutions / Banks	832771	0.61
NBFC Registered with RBI	5362	0.00
Non Resident Indians	280169	0.21
Non Resident Indian Non Repatriable	33404	0.02
Indian Public	33319991	24.49
Trusts	139	0.00
Clearing Members	17125	0.01
Body Corporates	3338738	2.45
IEPF	10040	0.01
Total	**13,60,74,611**	**100.00**

Promoters / Promoter group haven't pledged any equity shares of the Company held by them in the Company during the financial year 2017-18.

17. Transfer of Unclaimed/Unpaid Dividend

Pursuant to applicable provisions of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after completion of 7 (seven) years. Further, according to the Rules, shares in respect of which dividend has not been paid or claimed by the shareholders for 7 (seven) consecutive years or more shall also be transferred to the Demat account created by the IEPF Authority.

The Shares Transferred to the IEPF can be claimed by the concerned members from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The Details of the unclaimed dividends are available on the Company's Website at www.brigadegroup.com.

During the year under review, the Company has transferred ₹ 1,30,141/- to Investor Education and Protection Fund Account which was pertaining to Unpaid Dividend Account Brigade Enterprises Limited 2009-10 and remained as unclaimed for a period of 7 years from the date of transfer to refund account (i.e. August 24, 2010).

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

Sl No.	Financial Year	AGM Date at which the Dividend declared	Dividend per Share (in ₹)	Due date for transfer of unclaimed Dividend to IEPF
1	2010-11	16th AGM – August 11, 2011	1.50	September 11, 2018
2	2011-12	17th AGM – August 07, 2012	1.50	September 07, 2019
3	2012-13	18th AGM – July 31, 2013	1.50	September 01, 2020
4	2013-14	19th AGM - August 05, 2014	2.00	September 07, 2021
5	2014-15	20th AGM – September 25, 2015	2.00	October 30, 2022
6	2015-16	Declared Interim Dividend by Board at its meeting held on March 14, 2016	2.00	April 18, 2023
7	2016-17	22nd AGM – September 21, 2017	2.50	October 27, 2024

18. Equity Shares in the Suspense Account

In terms of Schedule V (F) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company reports that the Aggregate number of 47 shareholders and 1771 outstanding shares lying in the suspense account were transferred to IEPF Account as per notification dated October 13, 2017 and Investor Education and Protection Fund demat circular dated October 16, 2017 issued by Ministry of Corporate Affairs. Hence, the balance of equity shares in the suspense account is nil.

19. Financials Release Dates for 2018-19

Quarter	Release Date (tentative & subject to change)
1st Quarter ending June 30, 2018	Second week of August 2018
2nd Quarter ending September 30, 2018	First week of November 2018
3rd Quarter ending December 31, 2018	First week of February 2019
4th Quarter ending March 31, 2019	Second week of May 2019

Internet access: www.brigadegroup.com

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

Email Id for Investor Grievances

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

Place: Bangalore
Date : May 16, 2018

COMPLIANCE CERTIFICATE PURSUANT TO REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

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

This is to certify that:

a. We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2018 and that to the best of our knowledge and belief:

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2018, which are fraudulent, illegal or violative of the Company's Code of Conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

d. We have indicated to the Auditors and the Audit Committee:

   (i) that there are no significant changes in internal control over financial reporting during the year;

   (ii) that there are no significant changes in accounting policies during the year; and

   (iii) that there are no instances of significant fraud of which we have become aware.

e. We further declare that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year 2017-2018.

For **BRIGADE ENTERPRISES LIMITED**

M.R. Jaishankar
Chairman & Managing Director

Pradeep K.P
Chief Financial Officer

Bangalore
Date: May 16, 2018

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
The Members of
Brigade Enterprises Limited

I have examined all the relevant records of Brigade Enterprises Limited ('the Company') for the purpose of certifying compliance of conditions of Corporate Governance as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Obligations) for the period from April 01, 2017 to March 31, 2018. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

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

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in;

- Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E Schedule V of the Listing Regulations.
- paragraphs C and E of Discretionary requirements specified Part E of Schedule II of the Listing Regulations.

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

Place: Bengaluru
Date: May 16, 2018

AARTHI G KRISHNA
Practicing Company Secretary
FCS 5706, CP No.5645

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company : L85110KA1995PLC019126
2. Name of the Company : Brigade Enterprises Limited
3. Registered address : 29th & 30th Floors, World Trade Center, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bangalore - 560055
4. Website : www.brigadegroup.com
5. E-mail id : investors@brigadegroup.com
6. Financial Year reported : 2017-18
7. Sector(s) that the Company is engaged in (industrial activity code-wise) :

   Real Estate Development
8. List three key products/services that the Company manufactures/ provides (as in balance sheet)

   a) Real Estate – Development Residential Space & Commercial space meant for sale

   b) Leasing – Office & Retail Space
9. Total number of locations where business activity is undertaken by the Company

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

   (b) Number of National Locations

   The Company is focussed in its operations in Karnataka apart from many cities in South India and GIFT city, Gujarat.
10. Markets served by the Company – Local, State & National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR) : 13,607 lakhs
2. Total Turnover (INR) : 136,827 lakhs
3. Total profit after taxes (INR) :18,051 lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): 1.68%
5. List of activities in which expenditure in 4 above has been incurred:-

   a) Social Welfare

   b) Environmental Sustainability

   c) Arts & Culture

SECTION C: OTHER DETAILS

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

   15 subsidiary Companies, 2 limited liability partnerships and 1 associate Company
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

   Yes. Brigade undertakes various Business Responsibility (BR) initiatives and encourages operational subsidiaries to actively participate in the same.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]

   No.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

   No director has been specifically nominated. The Corporate Social Responsibility (CSR) Committee of the Board comprising of Mr. M. R. Jaishankar, Mr P.V. Maiya, Dr. Srinivasa Murthy and Ms. Lakshmi Venkatachalam, Directors drive the social responsibility initiatives.

   (a) Details of the BR head

   No directors / employees have been nominated as BR Head. The Corporate Social Responsibility (CSR) Committee of the Board comprising of Mr. M. R. Jaishankar, Mr P. V. Maiya Director, Dr. Srinivasa Murthy and Ms. Lakshmi Venkatachalam drive the social responsibility initiatives.

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

Sl. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies on the BR principles?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policies being formulated is in consultation with the relevant stakeholders?	The Company has formulated the policies in accordance with applicable regulations and adopted the best practices. All the policies are formulated taking in to account the interest of all stakeholders by engaging external consultant wherever necessary.								
3	Does the policies conform to any national / international standards? If yes, specify? (50 words)	The policies are in due compliance of the applicable Indian Laws. The policies/ practices broadly confirms to the National Voluntary Guidelines issued by Ministry of Corporate Affairs.								
4	Has the policies being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	All policies are not required to approved by the Board of Directors. The approval of the Board has been taken on mandatory policies which are signed by the Chairman & Managing Director.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	www.brigadegroup.com								
7	Has the policies been formally communicated to all relevant internal and external stakeholders?	Formal communication is sent to internal stakeholders and the external stakeholders are communicated to the extent as may be applicable								
8	Does the company have in-house structure to implement the policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of these policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

3. Governance related to BR

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

The Company views business responsibility as a part and parcel of its business. Lot of time, efforts and investments are continuously being made in this area especially in and around the projects we develop. Frequent review is done by the Management Committee of the Company. The Corporate Social Responsibility Committee recommends, reviews and monitors the CSR activities of the Company.

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

The Company does not publish a Business Responsibility Report. However, our newsletter "Insight" is published on a quarterly basis which captures the welfare initiatives taken by the Company.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

No. The Brigade Code of Conduct covers employees of the Company, its subsidiaries, Associates, Joint Ventures and other external stakeholders as well.

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

The Stakeholders' Relationship Committee reviews the shareholders complaints and the redressal measures taken by the Registrar & Transfer Agents/ Company relating to their resolutions. During the financial year 2017-18, a total of 28 complaints were

received and redressed. The Customer Relationship Management (CRM) handles the complaints of our Customers in the normal course of business.

Principle 2

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

   a) Efficient design to retain as much of existing trees in our projects as possible and replanting trees to conserve natural resources.

   b) The window (glazing/ façade) to Wall Ratio (WWR) is optimized to reduce energy consumption for Air Conditioning/ Cooling and to increase use of Day-lighting in all Commercial projects of the company

      Use of high performance energy efficient double glazed / low e-glass which reflects heat and allows light into the building to maximize the use of Day-light in offices and projects of the Company and at the same time ensuring that this does not increase the energy demand for our air conditioning.

   c) Water conservation measures by adopting wastewater treatment and reuse for toilet flushing, to meet water for landscaping and for water cooled air conditioning.

   d) Low flow water fixers are used for all projects of the company to conserve water resource.

   e) Rejunevation/ Restoration of lakes, parks & play grounds which have also won us awards.

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

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

      Efficient sourcing of materials locally available is part of our procurement process.

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

      Our designs incorporate the use of solar water heaters and lighting. The water fixtures used by us in our projects are efficient and we encourage waterless urinals in our commercial projects. It is difficult to quantify the reduction achieved.

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

   (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

      Yes. It is difficult to specify a percentage. Major sustainable sourcing relates to steel, cement, electrical and mechanical equipment's.

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

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

      Yes. The Company and its Contractors continuously provide training to workers and take steps to provide hygiene, healthy working environment including implementing strict use of safety equipment/ safety measures to be followed by the workers.

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

   Yes. The Company installs sewage treatment plants in almost all its projects to recycle water to be used for toilet flushing and landscaping. Some construction waste are disposed off as scrap to get them recycled and used again in construction works. The percentage of recycling of products and waste is greater than 10%.

Principle 3

1. Please indicate the Total number of employees.

   678 employees as on March 31, 2018.

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

   34 contractual employees as on March 31, 2018.

3. Please indicate the Number of permanent women employees.

   118 women employees as on March 31, 2018.

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

   3 employees as on March 31, 2018

5. Do you have an employee association that is recognized by management.

   There is no employee association in the Company.

6. What percentage of your permanent employees is members of this recognized employee association?

   Not Applicable

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

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

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

(a) Permanent Employees = Around 90%

(b) Permanent Women Employees = Around 98%

(c) Casual/Temporary/Contractual Employees = Around 79%

(d) Employees with Disabilities = 100%

Principle 4

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

Yes. The major ones being employees, suppliers, contractors, customers, lessees, investors, lending institutions, regulatory and statutory authorities.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

All stakeholders are equal to the Company.

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

All stakeholders are equal due to which there are no special initiatives for any category of stakeholders.

Principle 5

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

The Company's policy and practices relating to protection of human rights viz. non-engagement of child labour, personal hygiene, safety and welfare measures of workers etc., are applicable to the Company and its subsidiaries, joint ventures, associates and contractors.

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

The Company has not received any complaints pertaining human rights from any stakeholder for the financial year ended on March 31, 2018.

Principle 6

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

The policy and practices covers the Company and its subsidiaries, associates, joint ventures and associates.

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

Yes. The practices followed by the Company in its projects are listed out in Annexure 10 to the Board's Report forming part of this Annual Report.

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

Yes

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

No specific project

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

Yes. Our projects are developed incorporating measures to conserve energy, usage of solar technology for lighting & heating purposes etc. Conservation of water is an integral objective in our projects and the planning for the same is done at the time of conceiving the project.

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

Yes.

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

Nil.

Principle 7

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

   Yes. The major trade bodies are:

   (a) The Confederation of Real Estate Developers' Associations of India (CREDAI)

   (b) Confederation of Indian Industry (CII)

   (c) Federation of Indian Chamber of Commerce and Industry (FICCI)

   (d) Bangalore Chamber of Industry and Commerce (BCIC) World Trade Centers Association, New York, USA

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   Yes. The Company does work for public good on its own and along with trade bodies and industry colleagues for Urban Development and inclusive development in the Real Estate Sector.

Principle 8

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

   Yes. The details are contained Annexure 8 to the Board's Report forming part of this Annual Report.

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

   The programmes are a combination of internal as well as external organisation.

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

   Impact assessments are done.

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

   The details of the same are contained Annexure 8 to the Board's Report forming part of this Annual Report.

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

   Community Development is one of the important aspect which we take in to consideration. The Company makes conscious efforts to develop the communities in and around the projects developed.

Principle 9

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

   The company has about 17 customer complaints/ consumer cases pending in various fora as on March 31, 2018 and the total percentage of cases pending as against the cases against the Company is 81%.

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

   The Company has two business segments i.e. Residential and Lease Rental. Based on this the products of the Company will be mainly residential space, office space & retail space. The advertisements, agreements, application forms and other relevant documents depicts them.

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

   No.

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

   Yes, We are a customer centric organisation and customer satisfaction is of utmost importance. Customer feedback is taken right from the stage when a prospective customer walks in to the Company or project site for an enquiry till the time of handover of the apartment at the time of possession. Similarly feedback on a regular basis is taken from lessees for office and retail space.

Independent Auditor's Report

To the Members of Brigade Enterprises Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Brigade Enterprises Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (i) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

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

Other Matters

i. We did not audit the financial statements and the other financial information as regards Company's share in losses of 2 limited liability partnership firms amounting to ₹ 222 lakhs for the year ended March 31, 2018, which have been audited by other auditors and whose reports have been furnished to us by the management. Our opinion, in so far as it relates to the affairs of such partnership firms, is based solely on the report of other auditors. Our opinion is not modified in respect of this matter.

ii. We draw attention to Note 47 of the audited standalone Ind AS financial statements, relating to the Scheme of Arrangement between Brigade Enterprises Limited ('the Company') and its wholly owned subsidiaries - Brigade Hotel Ventures Limited, Brigade Hospitality Services Limited and Augusta Club Private Limited and their respective shareholders and creditors in terms of the provisions of Sections 230 to 233 of the Companies Act, 2013 to transfer the hotels business, integrated clubs and convention centre business and 'Augusta Club' business, to its wholly owned subsidiaries (hereinafter referred to as "the Scheme"). The Scheme was approved by National Company Law Tribunal ('NCLT') in March 2018 with an appointed date of October 01, 2016 and consequently, the Company has accounted for the Scheme using the pooling of interests method from the said appointed date. However, the aforesaid accounting from the appointed date is not in accordance with Ind AS 103 specified under Section 133 of the Companies Act

2013, read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The previously published Ind AS financial information of the Company, included in these standalone Ind AS financial statements, have been restated for the reasons more fully described in Note 47 of the audited standalone Ind AS financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;

   (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts;

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 32(c) to the standalone Ind AS financial statements;

      ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Adarsh Ranka**
Partner
Membership Number: 209567

Place: Bengaluru
Date: May 16, 2018

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF BRIGADE ENTERPRISES LIMITED

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and investment property.

(b) All property, plant and equipment and investment property have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management and based on the examination of the registered sale deed/transfer deed/registered joint development agreements provided to us, we report that, the title deeds of immovable properties included in property, plant and equipment and investment property are held in the name of the Company. Immovable properties of land and buildings whose title deeds have been pledged as security for loans, are held in the name of the Company based on confirmations received by us from lenders.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) (a) The Company has granted loans to six parties (including interest-free loans) covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the loans are not prejudicial to the Company's interest, having regard to management's representation that the loans are given to such parties considering the Company's economic interest and long-term trade relationship with such parties.

(b) In respect of the loans granted to parties covered in the register maintained under Section 189 of the Companies Act, 2013, the loans are repayable as per the contractual terms. As per the contractual terms, the loans have not fallen due for repayment. Accordingly, there has been no default on the part of the parties to whom the money has been lent.

(c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the construction activities and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, goods and service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, goods and service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statue	Nature of dues	Disputed Amount (₹ lakhs)	Amount Paid under protest (₹ lakhs)	Financial Year to which it relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	37	37	2007-14	Income Tax Appellate Tribunal
		973	-	2006-10	The High Court of Karnataka
		298	-	2010-11	Commissioner Of Income Tax (Appeals)
		2	2	2011-12	
		499	-	2012-13	
		29	-	2013-14	
Finance Act, 1994	Service Tax	97	-	2006-08	Custom Excise & Service Tax Appellate Tribunal
		376	-	2008-12	
		699	-	2009-12	
Karnataka Value Added Tax, 2003	Value added tax	222	222	2006-07	Joint Commissioner of Commercial Taxes (Appeals)
		80	80	2008-09	
		48	48	2009-10	
		435	237*	2010-11	
		115	115	2011-12	
		250	250	2010-11	The High Court of Karnataka
		1290	400**	2012-13	Karnataka Appellate Tribunal
		246	100	2013-14	Deputy Commissioner of Commercial Taxes
Karnataka Tax On Entry Of Goods Act, 1979	Entry tax	84	84	2008-09	Joint Commissioner of Commercial Taxes (Appeals)

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

** Excluding bank guarantee of ₹ 890 lakhs provided by the Company under protest.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a bank or financial institution. The Company did not have any loans or borrowing from government or dues to debenture holders.

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans (representing loans with a repayment period beyond 36 months) for the purposes for which they were raised. The Company has not raised any monies by way of initial public offer/further public offer (including debt instruments).

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given by the management, the Company has complied with provisions of Section 42 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares (representing offering of its equity shares through a qualified institutions placement). According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised, though idle/surplus funds which were not required for immediate utilization have been gainfully invested in liquid investments payable on demand. The Company has not made any preferential allotment or private placement of fully or partly convertible debentures during the year.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Adarsh Ranka**
Partner
Membership Number: 209567

Place : Bengaluru
Date: May 16, 2018

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF BRIGADE ENTERPRISES LIMITED

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

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

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

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

Opinion

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

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Adarsh Ranka**
Partner
Membership Number: 209567

Place : Bengaluru
Date: May 16, 2018

Standalone Balance Sheet as at March 31, 2018

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

	Notes	March 31, 2018 ₹	March 31, 2017 ₹
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	3,051	2,717
Capital work-in-progress	3.2	43,227	24,979
Investment property	4	98,345	94,691
Intangible assets	5	103	134
Financial assets			
Investments	6	118,683	82,707
Loans	7	36,871	25,158
Other non-current financial assets	8	36,003	34,930
Other non-current assets	9	19,334	16,770
Assets for current tax (net)		768	768
		356,385	**282,854**
Current assets			
Inventories	10	147,593	152,574
Financial assets			
Investments	6	16,569	-
Loans	7	2,187	876
Trade receivables	11	14,807	5,555
Cash and cash equivalents	12.1	4,432	4,260
Bank balances other than cash and cash equivalents	12.2	14	11
Other current financial assets	8	23,702	21,141
Other current assets	9	9,960	4,874
		219,264	**189,291**
Total assets		**575,649**	**472,145**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13	13,607	11,366
Other equity	14	219,203	158,061
		232,810	**169,427**

Standalone Balance Sheet as at March 31, 2018

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

	Notes	March 31, 2018 ₹	March 31, 2017 ₹
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	15	131,882	85,862
Other non current financial liabilities	16	2,851	2,734
Deferred tax liabilities (net)	18	10,166	8,668
Other non-current liabilities	19	1,651	1,449
		146,550	**98,713**
Current liabilities			
Financial liabilities			
Borrowings	15	23,791	8,824
Trade payables	20	40,336	35,879
Other current financial liabilities	16	61,141	87,691
Other current liabilities	19	68,636	70,594
Short term provisions	17	504	518
Liabilities for current tax (net)		1,881	499
		196,289	**204,005**
Total equity and liabilities		**575,649**	**472,145**
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the Standalone Ind AS financial statements.

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

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

Place: Bengaluru
Date: May 16, 2018

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K.P. Pradeep
Chief Financial Officer

P. Om Prakash
Company Secretary &
Compliance Officer

Place: Bengaluru
Date: May 16, 2018

Standalone Statement of Profit and Loss for the year ended March 31, 2018

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

	Notes	March 31, 2018	March 31, 2017
		₹	₹
CONTINUING OPERATIONS			
Income			
Revenue from operations	21	126,512	149,855
Other income	22	10,315	9,144
Total income		**136,827**	**158,999**
Expenses			
Sub-contractor cost		51,696	59,154
Cost of raw materials, components and stores consumed	23	7,704	6,306
Purchase of land stock		9,748	5,687
(Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress	24	(8,069)	13,290
Employee benefits expense	25	8,975	8,969
Depreciation and amortization expense	26	6,905	7,604
Finance costs	27	18,329	17,953
Other expenses	28	16,358	16,593
Total expenses		**111,646**	**135,556**
Profit before tax from continuing operations		**25,181**	**23,443**
Tax expense	18		
Current tax		6,755	6,111
Deferred tax		375	797
Total tax expense		**7,130**	**6,908**
Profit for the year from continuing operations (i)		**18,051**	**16,535**
DISCONTINUED OPERATIONS			
Profit/(loss) before tax from discontinued operations		-	(211)
Tax expense/(credit) relating to discontinued operations		-	(73)
Profit/(loss) for the year from discontinuing operations (ii)		**-**	**(138)**
Profit for the year (iii) = (i) + (ii)		**18,051**	**16,397**
Other comprehensive income			
Items that will not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plans		160	49
Income tax relating to above		(56)	(17)
Other comprehensive income ('OCI')		**104**	**32**
Total comprehensive income for the year (comprising profit for the year and OCI)		**18,155**	**16,429**

Standalone Statement of Profit and Loss for the year ended March 31, 2018

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

	Notes	March 31, 2018	March 31, 2017
		₹	₹
Earnings/(loss) per share	29		
Earnings per equity share (for continuing operations) [nominal value of share ₹ 10 (March 31, 2017: ₹ 10)]			
Basic (₹)		13.48	14.58
Diluted (₹)		13.46	14.53
Earnings per equity share (for discontinued operations) [nominal value of share ₹ 10 (March 31, 2017: ₹ 10)]			
Basic (₹)		-	(0.12)
Diluted (₹)		-	(0.12)
Earnings per equity share (for continuing and discontinued operations) [nominal value of share ₹ 10 (March 31, 2017: ₹ 10)]			
Basic (₹)		13.48	14.46
Diluted (₹)		13.46	14.41
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the Standalone Ind AS financial statements.

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

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

Place: Bengaluru
Date: May 16, 2018

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K.P. Pradeep
Chief Financial Officer

P. Om Prakash
Company Secretary &
Compliance Officer

Place: Bengaluru
Date: May 16, 2018

Standalone Statement of Changes in Equity for the year ended March 31, 2018

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

A. Equity share capital*:

	No. in Lakhs	₹
Issued, subscribed and fully paid-up share capital		
Equity shares of ₹ 10 each:		
As at April 1, 2016	**1,132**	**11,318**
Issued during the year pursuant to exercise of stock options	4	48
As at March 31, 2017	**1,136**	**11,366**
Issued during the year pursuant to exercise of stock options	4	43
Issued during the year pursuant to Qualified Institutional Placement ('QIP') (refer note 46)	220	2,198
As at March 31, 2018	**1,360**	**13,607**

* Also refer note 13

B. Other equity*

₹

	Reserves and surplus				Total
	General reserve	Securities premium	Share based payments	Retained earnings	
As at April 01, 2016	**9,570**	**69,099**	**121**	**62,513**	**141,303**
Profit for the year	-	-	-	16,397	16,397
Other comprehensive income**	-	-	-	32	32
Total comprehensive income for the year	**-**	**-**	**-**	**16,429**	**16,429**
Transfer (from)/to retained earnings	579	-	-	(579)	-
Compensation expense for options granted during the year (including amount cross charged to subsidiaries)	-	-	122	-	122
Issue of equity shares pursuant to exercise of stock options	-	347	(140)	-	207
As at March 31, 2017	**10,149**	**69,446**	**103**	**78,363**	**158,061**
Profit for the year	-	-	-	18,051	18,051
Other comprehensive income**	-	-	-	104	104
Total comprehensive income for the year	**-**	**-**	**-**	**18,155**	**18,155**
Dividend (including dividend distribution tax) - refer note 30	-	-	-	(4,083)	(4,083)
Compensation expense for options granted during the year (including amount cross charged to subsidiaries)	-	-	54	-	54
Issue of equity shares pursuant to exercise of stock option	-	277	(103)	-	174
Issue of equity shares pursuant to QIP	-	47,802	-	-	47,802
Adjustment of share issue expenses on QIP	-	(960)	-	-	(960)
As at March 31, 2018	**10,149**	**116,565**	**54**	**92,435**	**219,203**

* Also refer note 14

** As required under Ind AS compliant Schedule III, the Company has recognised remeasurement gains/(losses) of defined benefit plans (net of tax) of ₹ 104 Lakhs [March 31, 2017: ₹ 32 lakhs] as part of retained earnings.

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the Standalone Ind AS financial statements.

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

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

Place: Bengaluru
Date: May 16, 2018

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K.P. Pradeep
Chief Financial Officer

P. Om Prakash
Company Secretary & Compliance Officer

Place: Bengaluru
Date: May 16, 2018

Standalone Cash Flow Statement for the year ended March 31, 2018

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

	March 31, 2018 ₹	March 31, 2017 ₹
Cash flows from operating activities		
Profit before tax from continuing and discontinuing operations	25,181	23,232
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment	181	3,231
Amortization of intangible assets	65	146
Depreciation of investment property	6,659	7,494
Finance costs	18,329	20,050
Interest income from financial assets at amortized cost	(7,987)	(8,788)
Profit on sale of investments	(859)	-
Fair value gain on financial instruments at fair value through profit and loss	(941)	-
Provisions no longer required written back	-	(6)
Loans and advances written off	-	57
Bad debts written off	43	32
Loss/(Profit) on sale of property, plant and equipment and investment property	-	523
Non Cash Expenditure - Loss from BILLP	337	-
Share based payments to employees	49	114
Operating profit before working capital changes	**41,057**	**46,085**
Movements in working capital:		
Increase in trade payables	4,457	5,257
Increase/(decrease) in other financial liabilities	3,977	(8)
(Decrease) in other liabilities	(1,759)	(25,380)
(Increase) in trade receivables	(9,209)	(1,724)
(Increase)/decrease in inventories	(8,349)	9,580
(Increase)/decrease in loans	(12,997)	5,703
Decrease /(increase) in other financial assets	2,054	(1,245)
(Increase)/decrease in other assets	(8,150)	7,194
Increase/(decrease) in provisions	146	(14)
Cash generated from operations	11,227	45,448
Direct taxes paid, net	(4,306)	(4,069)
Net cash flow from operating activities (A)	**6,921**	**41,379**
Cash flows from investing activities		
Purchase of property, plant and equipment, investment property and intangible assets (including capital work in progress and capital advances)	(13,631)	(15,588)
Proceeds from sale of property, plant and equipment and investment property	-	24
Purchase of investments	(50,019)	(30,619)
Redemption of investments	-	10,051
Investments in bank deposits	(1,252)	(324)
Interest received	1,096	3,237
Net cash flow (used in) investing activities (B)	**(63,806)**	**(33,219)**

Standalone Cash Flow Statement for the year ended March 31, 2018

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

	March 31, 2018 ₹	March 31, 2017 ₹
Cash flows from financing activities		
Proceeds from issuance of share capital (including securities premium and net of expenses)	49,360	255
Proceeds from non-current borrowings	123,738	68,618
Repayment of non-current borrowings	(107,624)	(63,234)
Increase/(decrease) of current borrowings (excluding cash credit facilities from banks), net	13,645	5,064
Interest paid	(19,301)	(19,847)
Dividends paid (including tax on dividend)	(4,083)	(8)
Net cash flow from/(used in) financing activities (C)	**55,735**	**(9,152)**
Net (decrease) in cash and cash equivalents (A + B + C)	(1,150)	(992)
Cash and cash equivalents at the beginning of the year	500	2,425
Less: Net cash transferred on account of scheme of arrangement (refer note 47)	-	(933)
Cash and cash equivalents at the end of the year (note 12.1)	**(650)**	**500**

Components of cash and cash equivalents	March 31, 2018 ₹	March 31, 2017 ₹
Balances with banks:		
– On current accounts	4,320	4,038
– Deposits with maturity less than 3 months		
Cash on hand	112	222
Cash and cash equivalents reported in balance sheet	4,432	4,260
Less: Cash credit facilities from banks (note 15)	(5,082)	(3,760)
Cash and cash equivalents reported in cash flow statement	**(650)**	**500**

Summary of significant accounting policies	2.2

The accompanying notes are an integral part of the Standalone Ind AS financial statements.

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

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

Place: Bengaluru
Date: May 16, 2018

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K.P. Pradeep
Chief Financial Officer

P. Om Prakash
Company Secretary &
Compliance Officer

Place: Bengaluru
Date: May 16, 2018

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

1. CORPORATE INFORMATION

Brigade Enterprises Limited ('BEL' or the 'Company') is a public company domiciled in India and is incorporated on November 8, 1995 under the provisions of the Companies Act applicable in India. Its shares are listed on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The registered office of the Company is located at 29th & 30th Floors, World Trade Center, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram - Rajajinagar, Bangalore 560 055.

The Company is carrying on the business of real estate development, leasing and hospitality and related services.

The standalone Ind AS financial statements were authorized for issue in accordance with a resolution of the directors on May 16, 2018.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ('Ind AS') Specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended. The standalone financial statements of the Company are prepared and presented in accordance with Ind AS.

The standalone financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.2 Summary of significant accounting policies

(a) Use of estimates

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

(b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has evaluated and considered its operating cycle as below and accordingly has reclassified its assets and liabilities into current and non-current:

- Residential/ commercial/mixed use projects for real estate development – 3-5 years
- Hospitality/ leasing business/ others – 1 year Also refer note 45

Deferred tax assets/ liabilities are classified as non-current assets/ liabilities.

(c) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

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

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

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

(d) Depreciation on property, plant and equipment and investment property.

Depreciation is calculated on written down value basis using the following useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013:

Category of Asset	Useful lives (in years)
Buildings	60
Plant and machinery	15
Electrical Installation and equipment	10
Furniture and fixtures	
i. General Furniture and fixtures	10
ii. Furniture and fixtures used in hotels*	8
Computer hardware	
i. Computer equipment	3
ii. Servers and network equipment	6
Office equipment	5
Motor Vehicles	8

* Also refer note 45

Leasehold land is amortized on a straight line basis over the balance period of lease

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

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

The residual values, useful lives and methods of depreciation of property, plant and equipment and investment property are reviewed at each financial year end and adjusted prospectively, if appropriate.

(e) Intangible assets

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

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

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

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

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

(f) Investment property

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

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

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

Investment properties are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

(g) Impairment

A. Financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

B. Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

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

(h) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

Where the Company is lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included under Investment property.

Lease income from operating lease is recognized on a straight-line basis over the term of the relevant lease including lease income on fair value of refundable security deposits, unless the lease agreement explicitly states that increase is on account of inflation. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

(i) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

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

(j) Inventories

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

i. Work-in-progress: Represents cost incurred in respect of unsold area (including land) of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Work-in-progress is valued at lower of cost and net realizable value.

ii. Finished goods - Stock of Flats: Valued at lower of cost and net realizable value.

iii. Raw materials, components and stores: Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis.

iv. Land stock: Valued at lower of cost and net realizable value.

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

(k) Land

Advances paid by the Company to the seller/ intermediary toward outright purchase of land is recognized as land advance under other assets during the course of obtaining clear and marketable title, free

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

from all encumbrances and transfer of legal title to the Company, whereupon it is transferred to land stock under inventories/capital work in progress.

Land/development rights received under joint development arrangements ('JDA') is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. The amount of non-refundable deposit paid by the Company under JDA is recognized as land advance under other assets and on the launch of the project, the non-refundable amount is transferred as land cost to work-in-progress/capital work in progress. Further, the amount of refundable deposit paid by the Company under JDA is recognized as deposits under loans.

(l) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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

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

Recognition of revenue from real estate development

Revenue from real estate projects is recognized when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from real estate projects is recognized upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards, revenue in such cases is recognized by applying the percentage of completion method only if the following thresholds have been met:

(a) all critical approvals necessary for the commencement of the project have been obtained;

(b) the expenditure incurred on construction and development costs (excluding land cost) is not less than 25 % of the total estimated construction and development costs;

(c) at least 25 % of the saleable project area is secured by contracts/agreements with buyers; and

(d) at least 10 % of the contracts/agreements value are realized at the reporting date in respect of such contracts/agreements.

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

Further, for projects executed through joint development arrangements, wherein the land owner/possessor provides land and the Company undertakes to develop properties on such land and in lieu of land owner providing land, the Company has agreed to transfer certain percentage of constructed area or certain percentage of the revenue proceeds, the revenue from the development and transfer of constructed area/ revenue sharing arrangement in exchange of such development rights/ land is being accounted on gross basis on launch of the project.

The revenue is measured at the fair value of the land received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the land received cannot be measured reliably, the revenue is measured at the fair value of the estimated construction service rendered to the land owner, adjusted by the amount of any cash or cash equivalents transferred. The fair value so estimated is considered as the cost of land in the computation of percentage of completion for the purpose of revenue recognition as discussed above.

Revenue from hospitality services

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

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

rendered and is disclosed net of allowances. Also refer note 45.

Income from leasing

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

Income from other services

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

Interest income

Interest income, including income arising from other financial instruments measured at amortized cost, is recognized using the effective interest rate method.

Dividend income

Dividend income is recognized when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.

Share in profits/losses of Limited Liability Partnership ("LLP") investments

The Company's share in profits from an LLP where the Company is a partner, is recognized as income in the statement of profit and loss as and when the right to receive its profit/loss share is established by the Company in accordance with the terms of contract between the Company and the partnership entity.

(m) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions and balances

i) Initial recognition - Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

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

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

(n) Retirement and other employee benefits

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

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

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

(o) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

i. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

ii. Deferred income tax

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

(p) Share based payment

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

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model and the cost is recognized, together with a corresponding increase in share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(q) Segment reporting

i. Identification of segments - The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

ii. Inter-segment transfers - The Company generally accounts for intersegment sales and transfers at appropriate margins.

iii. Unallocated items - Unallocated items include general corporate asset, liability, income and expense items which are not allocated to any business segment.

iv. Segment accounting policies - The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(r) Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

(s) Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

i. Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

iii. Debt instruments at amortized cost

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

a) The asset is held within a business model

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

iv. Investment in subsidiaries, joint ventures and associates

Investment in subsidiaries and associate are carried at cost. Impairment recognized, if any, is reduced from the carrying value.

v. De-recognition of financial asset

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

vi. Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The subsequent measurement of financial liabilities depends on their classification, which is described below.

vii. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

viii. Financial liabilities at amortized cost

Financial liabilities are subsequently carried at amortized cost using the effective interest ('EIR') method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Interest-bearing loans and borrowings are subsequently measured at amortized cost using EIR method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ix. De-recognition of financial liability

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

x. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(t) Cash dividend to equity holders of the Company

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(u) Earnings Per Share

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

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

(v) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(w) Discontinued operations

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations.
- Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations or
- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Additional disclosures are provided in Note 45. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

2.2 Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, management makes judgement, estimates and assumptions which have the most significant effect on the amounts recognized in the financial statements.

(a) Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

Classification of property

The Company determines whether a property is classified as investment property or inventory as below.

Investment property comprises land and buildings (principally office and retail properties) that are not

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

Inventory comprises property that is held for sale in the ordinary course of business. Principally, this is residential and commercial property that the Company develops and intends to sell before or during the course of construction or upon completion of construction.

(b) *Estimates and assumptions*

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Revenue recognition and valuation of unbilled revenue

The Company uses the percentage-of-completion method for recognition of revenue, accounting for unbilled revenue and contract cost thereon for its real estate and contractual projects. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred, the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

Accounting for revenue and land cost for projects executed through joint development arrangements ('JDA')

For projects executed through joint development arrangements, the revenue from the development and transfer of constructed area/revenue sharing arrangement and the corresponding land/ development rights received under JDA is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. The fair value is estimated with reference to the terms of the JDA (whether revenue share or area share) and the related cost that is allocated to discharge the obligation of the Company under the JDA. Fair value of the construction is considered to be the representative fair value of the revenue transaction and land so obtained. Such assessment is carried out at the launch of the real estate project and is not reassessed at each reporting period. The Management is of the view that the fair value method and estimates are reflective of the current market condition.

Estimation of net realizable value for inventory (including land advance)

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to disclosure of fair value of investment property recorded by the Company.

Defined benefit plans - Gratuity

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates and expected salary increase thereon.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and market risk. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Measurement of financial instruments at amortized cost

Financial instrument are subsequently measured at amortized cost using the effective interest ('EIR') method. The computation of amortized cost is sensitive to the inputs to EIR including effective rate of interest, contractual cash flows and the expected life of the financial instrument. Changes in assumptions about these inputs could affect the reported value of financial instruments.

Evaluation of control, joint control or significant influence by the Company over its investee entities for disclosure:

Judgment is involved in determining whether the Company has control over an investee entity by assessing the Company's exposure/rights to Variable returns from its involvement with the investee and its ability to affect those returns through its power over the investee entity. The Company considers all facts and circumstances when assessing whether it controls an investee entity and reassess whether it controls an investee entity if facts and circumstances indicate that there are changes to one or more elements of control. In assessing whether the Company has joint control over an investee the Company assesses whether decisions about the relevant activities require the unanimous consent of the parties sharing control. Further, in assessing whether Company has significant influence over an investee, the Company assesses whether it has the power to participate in the financial and operating policy decisions of the investee, but is not in control or joint control of those policies.

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

The useful life and residual value of property, plant and equipment, investment property and intangible assets are determined based on evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgments involved in such estimates the useful life and residual value are sensitive to the actual usage in future period.

Provision for litigations and contingencies

Provision for litigations and contingencies is determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgments around estimates the ultimate outcome of such past events and measurement of the obligation amount. Due to judgments involved in such estimation the provision is sensitive to the actual outcome in future periods.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

3.1 PROPERTY, PLANT AND EQUIPMENT

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	Freehold Land	Leasehold Land	Building	Electrical Installation and Equipment	Furniture & Fixtures	Plant & Machinery	Office Equipment	Computer Hardware	Vehicles	Total
At April 01, 2016	**1,613**	**638**	**17,218**	**278**	**2,577**	**1,383**	**453**	**279**	**152**	**24,591**
Additions	1,312	–	5,094	857	984	1,330	667	42	–	10,286
Disposals	–	–	–	–	–	–	–	10	3	13
Less: Transfer on account of scheme of arrangement*	2,485	–	21,079	883	3,373	2,560	926	138	46	31,490
At March 31, 2017	**440**	**638**	**1,233**	**252**	**188**	**153**	**194**	**173**	**103**	**3,374**
Additions	–	–	–	–	128	–	28	58	301	515
Disposals	–	–	–	–	–	–	–	–	–	–
At March 31, 2018	**440**	**638**	**1,233**	**252**	**316**	**1t53**	**222**	**231**	**404**	**3,889**
Depreciation										
At April 01, 2016	**–**	**21**	**366**	**49**	**893**	**736**	**196**	**85**	**31**	**2,377**
Charge for the year	–	7	312	348	498	385	112	79	30	1,771
Disposals	–	–	–	–	–	–	–	3	1	4
Less: Transfer on account of scheme of arrangement*	–	–	678	145	1,296	1,023	282	51	12	3,487
At March 31, 2017	**–**	**28**	**–**	**252**	**95**	**98**	**26**	**110**	**48**	**657**
Charge for the year	–	7	25	–	7	11	12	44	75	181
Disposals	–	–	–	–	–	–	–	–	–	–
At March 31, 2018	**–**	**35**	**25**	**252**	**102**	**109**	**38**	**154**	**122**	**838**
Net book value										
As at March 31, 2017	**440**	**610**	**1,233**	**–**	**93**	**55**	**168**	**63**	**55**	**2,717**
As at March 31, 2018	**440**	**603**	**1,208**	**–**	**214**	**44**	**184**	**77**	**282**	**3,051**

* Refer note 47

Capitalised borrowing costs

The amount of borrowing costs capitalised during the year ended March 31, 2018 was ₹ 1,476 lakhs (March 31, 2017: ` 52 lakhs). The rate used to determine the amount of borrowing costs eligible for capitalisation was 8-12%, which is the effective interest rate of the specific borrowing.

Land and buildings

Refer Note 15 for details of property, plant and equipment pledged as security for borrowings.

3.2 CAPITAL WORK IN PROGRESS

₹

	Investment property under construction	Property, plant and equipment	Total
As at April 01, 2016	**27,811**	**15,672**	**43,483**
-Additions (subsequent expenditure)	11,154	2,035	13,189
-Capitalised during the year	(13,986)	(10,592)	(24,578)
-(Less:)Transfer on account of scheme of arrangement*	–	(7,323)	(7,323)
-Transferred from inventory during the year	–	208	208
As at March 31, 2017	**24,979**	**-**	**24,979**
-Additions (subsequent expenditure)	15,949	–	15,949
-Capitalised during the year	(10,405)	–	(10,405)
-Transferred from inventory during the year	12,704	–	12,704
As at March 31, 2018	**43,227**	**-**	**43,227**

* Refer note 47

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

4. INVESTMENT PROPERTY

₹

				Other assets forming part of Building				
	Freehold Land	Leasehold Land	Building	Electrical Installation and Equipment	Furniture & Fixtures	Plant & Machinery	Office Equipment	Total
At April 01, 2016	**6,403**	**2,810**	**72,782**	**8,400**	**2,263**	**5,830**	**468**	**98,956**
Additions	5,061	-	5,898	1,359	72	1,638	-	14,028
Disposals	-	t -	255	-	175	289	85	804
Less: Transfer on account of scheme of arrangement*	436	-	2,927	-	184	84	6	3,637
At March 31, 2017	**11,028**	**2,810**	**75,498**	**9,759**	**1,976**	**7,095**	**377**	**108,543**
Additions	5,390	-	3,606	431	117	546	223	10,313
Disposals	-	-	-	-	-	-	-	-
At March 31, 2018	**16,418**	**2,810**	**79,104**	**10,190**	**2,093**	**7,641**	**600**	**118,856**
Depreciation								
At April 01, 2016	**-**	**8**	**3,936**	**1,689**	**717**	**627**	**234**	**7,211**
Charge for the year	-	35	4,220	1,839	402	823	98	7,417
Disposals	-	-	89	-	47	101	29	266
Less: Transfer on account of scheme of arrangement*	-	-	240	-	181	84	5	510
At March 31, 2017	**-**	**43**	**7,827**	**3,528**	**891**	**1,265**	**298**	**13,852**
Charge for the year	-	35	3,691	1,528	307	1,009	89	6,659
Disposals	-	-	-	-	-	-	-	-
At March 31, 2018	**-**	**78**	**11,518**	**5,056**	**1,198**	**2,274**	**387**	**20,511**
Net book value								
As at March 31, 2017	**11,028**	**2,767**	**67,671**	**6,231**	**1,085**	**5,830**	**79**	**94,691**
As at March 31, 2018	**16,418**	**2,732**	**67,586**	**5,134**	**895**	**5,367**	**213**	**98,345**

* Refer note 47

₹

Information regarding income and expenditure of Investment property	March 31, 2018	March 31, 2017
Rental income derived from investment properties (including other operating income)	**23,950**	**20,867**
Direct operating expenses (including repairs and maintenance) generating rental income	(3,640)	(4,270)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(49)	(268)
Profit arising from investment properties before depreciation and indirect expenses	**20,261**	**16,329**
Less:- Depreciation & Amortisation Expense	(6,479)	(6,826)
Profit arising from investment properties before indirect expenses	**13,782**	**9,503**

The management has determined that the investment properties consist of two classes of assets – office and retail – based on the nature, characteristics and risks of each property. The valuations are based on valuations performed by an accredited independent valuer.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements, except as disclosed in note 32(b).

Fair value of Investment Properties:

₹

	Office properties	Retail Properties	Total
As at March 31, 2017	104,717	126,910	**231,627**
As at March 31, 2018	123,183	140,205	**263,388**

The fair value of investment properties is based on discounted cash flows and classified as level 3 fair value in the fair value hierarchy due to the use

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

of unobservable inputs. There has been no change in valuation techniques used since prior years.

Description of valuation techniques used and key inputs to valuation on investment properties:

Investment properties	Valuation technique	Significant observable inputs	Range (weighted average)	
			March 31, 2018	March 31, 2017
Office properties	DCF method	- Estimated rental value per sq. ft. per month	₹ 32 - ₹ 99	₹ 34 - ₹ 90
		- Rent growth p.a.	5%	5%
		- Discount rate	8%	8%
Retail properties	DCF method	- Estimated rental value per sq. ft. per month	₹ 50 - ₹ 282	₹ 50 - ₹ 250
		- Rent growth p.a.	5%	5%
		- Discount rate	8%	8%

Under the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real estate property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream associated with the asset. The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real estate property. Periodic cash flow is typically estimated as gross income, non-recoverable expenses, collection losses, lease incentives, maintenance cost and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

5. INTANGIBLE ASSETS

₹

	Computer Software	Total
At April 01, 2016	**333**	**333**
Additions	127	127
Less: Transfer on account of scheme of arrangement*	113	113
Disposals	-	-
At March 31, 2017	**347**	**347**
Additions	34	34
Disposals	-	-
At March 31, 2018	**381**	**381**
Amortization	160	160
At April 01, 2016	119	119
Charge for the year	66	66
Less: Transfer on account of scheme of arrangement*	-	-
Disposals	**213**	**213**
At March 31, 2017	65	65
Charge for the year	-	-
Disposals	**278**	**278**
At March 31, 2018		
Net book value		
As at March 31, 2017	**134**	**134**
As at March 31, 2018	**103**	**103**

*Refer note 47

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

6. INVESTMENTS*

	March 31, 2018	March 31, 2017
	₹	₹
Unquoted		
A. Investments carried at cost		
Investment in equity instruments of subsidiaries		
100 lakhs (March 31, 2017: 100 lakhs) Equity shares of ₹ 10/- each fully paid up in Brigade Hospitality Services Limited	1,000	1,000
0.51 lakhs (March 31, 2017: 0.51 lakhs) Class A Equity shares of ₹ 10/- each fully paid up in Brigade Properties Private Limited	5	5
190.86 lakhs (March 31, 2017: 190.86 lakhs) Class C Equity shares of ₹ 10/- each fully paid up in Brigade Properties Private Limited	1,909	1,909
0.50 lakhs (March 31, 2017: 0.50 lakhs) Equity shares of ₹ 10/- each fully paid up in Brigade Infrastructure and Power Private Limited	5	5
0.50 lakhs (March 31, 2017: 0.50 lakhs) Equity shares of ₹ 10/- each fully paid up in Brigade Estates and Projects Private Limited	5	5
1.002 lakhs (March 31, 2017: 1.002 lakhs) Equity shares of ₹ 10/- each fully paid up in Brigade Tetrarch Private Limited	38	38
28.75 lakhs (March 31, 2017: 28.75 lakhs) Equity shares of ₹ 10/- each fully paid up in WTC Trades and Projects Private Limited	841	841
10 lakhs (March 31, 2017: 10 lakhs) Equity shares of ₹ 10/- each fully paid up in Orion Mall Management Company Limited	100	100
142.51 lakhs (March 31, 2017: 142.51 lakhs) Equity shares of ₹ 10/- each fully paid up in BCV Developers Private Limited	1,425	1,425
20 lakhs (March 31, 2017: 20 lakhs) Equity Shares of ₹ 10/- each fully paid up in Brigade (Gujarat) Projects Private Limited	200	200
0.51 lakhs (March 31, 2017: 0.51 lakhs) Class A Equity shares of ₹ 10/- each fully paid up in Perungudi Real Estates Private Limited	5	5
623.01 lakhs (March 31, 2017: 623.01 lakhs) Class B Equity shares of ₹ 10/- each fully paid up in Perungudi Real Estates Private Limited	6,230	6,230
40 lakhs (March 31, 2017: 40 Lakhs) Equity Shares of ₹ 10/- each fully paid up in Mysore Projects Private Limited	400	400
10 lakhs (March 31, 2017: 10 lakhs) Equity shares of ₹ 10/- each fully paid in Brigade Hotel Ventures Limited	100	100
0.50 lakhs (March 31, 2017: 0.50 lakhs) Equity shares of ₹ 10/- each fully paid up in Augusta Club Private Limited	5	5
	12,268	**12,268**
Investment in partnership firms (including limited liability partnership firms)		
Brigade Innovations LLP		
- Capital account	549	499
- Current account	(337)	-
	212	**499**
Investment in equity instruments of associate companies		
14.8 lakhs (March 31, 2017: 14.8 lakhs) Equity shares of ₹ 10/- each fully paid up in Tandem Allied Services Private Limited	7	7
	7	**7**
Investment in debentures (in the nature of equity) of subsidiaries		
51 lakhs (March 31, 2017: 51 lakhs) Series C Fully Convertible Debentures of ₹ 100/- each fully paid in Brigade Properties Private Limited	5,100	5,100
	5,100	**5,100**
Total Investments carried at cost (A)	**17,587**	**17,874**

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

	March 31, 2018	March 31, 2017
	₹	₹
B. Investments at fair value through profit or loss		
Investment in Mutual Fund	16,569	-
SBI Treasury Advantage Fund - Regular Plan - Growth		
7,39,115 units of ₹ 2,241.75 each (March 31, 2017: Nil)		
Investment in equity instruments of other companies		
1.56 lakhs (March 31, 2017: 1.56 lakhs) Equity shares of ₹ 10/- each full paid up in Mangalore Energies Private Limited	16	16
0.05 lakhs (March 31, 2017: 0.05 lakhs) Equity shares of ₹ 10/- each fully paid up in Diagnostic Research Private Limited	-	-
2.39 lakhs (March 31, 2017: 2.39 lakhs) Equity shares of ₹ 10/- each fully paid up in AEC Promag Private Limited	-	-
Total Investments carried at fair value through profit or loss (B)	**16,585**	**16**
C. Investments at amortized cost		
Investment in other equity of subsidiaries		
BCV Developers Private Limited	13,266	13,266
Brigade Properties Private Limited	4,745	3,682
Brigade Tetrarch Private Limited	1,284	1,284
Brigade Estates and Projects Private Limited	613	613
WTC Trades and Projects Private Limited	416	416
	20,324	**19,261**
Investment in government or trust securities		
Government securities	2	2
	2	2
Investment in preference shares of subsidiaries		
38 lakhs (March 31, 2017: 38 lakhs) 0.01% A Series Compulsory Convertible Preference shares of ₹ 100/- each fully paid up in Brigade Estates and Projects Private Limited	3,800	3,800
33 lakhs (March 31, 2017: 33 lakhs) 0.01% A Series Compulsory Convertible Preference shares of ₹ 100/- each fully paid up in Brigade (Gujarat) Projects Private Limited	3,300	3,300
81 lakhs (March 31, 2017: 81 lakhs) 0.01% A Series Compulsory Convertible Preference shares of ₹ 100/- each fully paid up in Mysore Projects Private Limited	8,100	8,100
306.80 lakhs (March 31, 2017: 306.80 lakhs) 0.01% Redeemable Preference Shares of ₹ 10/- each fully paid up in Brigade Properties Private Limited	2,089	2,089
72 lakhs (March 31, 2017: Nil) 0.01% A Series Compulsory Convertible Preference shares of ₹ 100/- each fully paid up in Brigade Tetrarch Private Limited	7,200	-
	24,489	**17,289**
Investment in debentures of subsidiaries		
237.65 lakhs (March 31, 2017: 237.65 lakhs) A Series Optionally Convertible Debentures of ₹ 100/- each fully paid in Perungudi Real Estates Private Limited	23,765	23,765
250 (March 31, 2017: Nil) 14.10% B series Non Convertible Debentures of ₹ 10,00,000/- each fully paid up in Brigade Properties Private Limited	2,500	-
5 lakhs (March 31, 2017: 5 Lakhs) 12% A11 Series Optionally Convertible Debentures of ₹ 100/- each fully paid in Perungudi Real Estates Private Limited	500	500
15 lakhs (March 31, 2017: Nil) 12% A12 Series Optionally Convertible Debentures of ₹ 100/- each fully paid in Perungudi Real Estates Private Limited	1,500	-
240 lakhs (March 31, 2017: Nil) 0.001% Fully Convertible Debentures of ₹ 100/- each fully paid in Brigade Infrastructure and Power Private Limited	24,000	-
	52,265	**24,265**

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

	March 31, 2018	March 31, 2017
	₹	₹
Investment in bonds		
400 units (March 31, 2017: 400 units) of ₹1,000,000/- each fully paid up in Lakshmi Vilas Bank Limited	4,000	4,000
	4,000	**4,000**
Total Investments at amortized cost (C)	**101,080**	**64,817**
Total Investments	**135,252**	**82,707**
Current	16,569	-
Non-current	118,683	82,707
	135,252	**82,707**
a) Aggregate amount of quoted investments actively traded and net asset value ('NAV') thereof	16,569	-
b) Aggregate amount of other investments	118,683	82,707

* Also refer note 47

7. LOANS*

(Unsecured, considered good)

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	₹	₹	₹	₹
Security deposit	298	224	136	508
Loans to employees	-	-	13	7
Loans to related parties (refer note 33)	17,250	12,410	1,958	281
Deposits under joint development arrangements**	19,323	12,524	80	80
	36,871	**25,158**	**2,187**	**876**

*Refer note 47

** Advances paid by the Company to the landowner towards joint development of land is recognized as deposits since the advance is in the nature of refundable deposits.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

8. OTHER FINANCIAL ASSETS

(Unsecured, considered good)

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	₹	₹	₹	₹
Receivable on sale of fixed assets	1,478	1,654	-	-
Margin money deposits with banks	4,898	3,649	-	-
Interest accrued and not due on investment in deposits (refer note 33)	-	-	1,640	166
Interest accrued and not due on investment in debt instruments (refer note 33)	-	-	8,007	4,930
Investment in subsidiaries pending allotment (refer note 47)	29,627	29,627	-	-
Receivable pursuant to scheme of arrangement (refer note 47)	-	-	1,700	1,700
Deferred income receivable	-	-	35	30
Unbilled revenue	-	-	12,320	14,315
	36,003	**34,930**	**23,702**	**21,141**

Refer Note 15 for details of unbilled revenue pledged as security for borrowings.

9. OTHER ASSETS*

(Unsecured, considered good)

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	₹	₹	₹	₹
Land Advance**	13,597	12,291	-	-
Advance to suppliers	40	40	7,268	3,551
Balances with statutory / government authorities	4,714	3,267	2,374	801
Prepaid expenses	-	-	318	322
Capital advances	291	791	-	-
Other assets	692	381	-	200
	19,334	**16,770**	**9,960**	**4,874**

*Refer note 47

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

10. INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)*

	March 31, 2018	March 31, 2017
	₹	₹
Raw materials, components and stores	5,008	5,354
Work-in-progress	99,935	123,375
Land stock	7,689	10,030
Stock of flats	34,961	13,815
	147,593	**152,574**

*Refer note 47

Refer Note 15 for details of inventories pledged as security for borrowings.

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

11. TRADE RECEIVABLES*

	March 31, 2018	March 31, 2017
	₹	₹
Unsecured, considered good	12,346	2,512
Trade receivables	2,461	3,043
Receivables from related parties (refer note 33)	**14,807**	**5,555**
Unsecured, considered doubtful		
Trade receivables	1	1
Provision for doubtful trade receivables	(1)	(1)
	-	-
Total	**14,807**	**5,555**

*Refer note 47

Refer Note 15 for details of trade receivables pledged as security for borrowings.

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

	March 31, 2018	March 31, 2017
	₹	₹
Dues from M/s BCV Developers Private Limited in which Company's director is a director	1,096	641
Dues from M/s Brigade Properties Private Limited in which Company's officer is a director	243	635
Dues from M/s WTC Trades & Projects Private Limited in which Company's director is a director	4	-
Dues from M/s Brigade Hospitality Services Limited in which Company's director is a director	210	122
Dues from M/s Perungudi Real Estates Private Limited in which Company's officer is a director	193	535
Dues from M/s Brigade Innovations LLP in which Company's officer is a Partner	7	5
Dues from M/s Brookefield Real Estates and Projects Private Limited in which Company's officer is a director	399	1,026
Dues from M/s SRP Prosperita Hotel Ventures Limited in which Company's director is a director	69	79
Dues from M/s Indian Music Experience Trust in which Company's director is a director	11	-
Dues from M/s Mysore Projects Private Limited in which Company's director is a director	123	-
Dues from M/s Brigade Tetrarch Private Limited in which Company's director is a director	106	-
Total	**2,461**	**3,043**

12.1 CASH AND CASH EQUIVALENTS*

	March 31, 2018	March 31, 2017
	₹	₹
Cash on hand	112	222
Balances with banks:		
– On current accounts	4,320	4,038
	4,432	**4,260**

*Refer note 47

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	March 31, 2018 ₹	March 31, 2017 ₹
Balances with banks:		
– On current accounts	4,320	4,038
Cash on hand	112	222
Cash and cash equivalents reported in balance sheet	4,432	4,260
Less - cash credit facilities from banks (note 15)	(5,082)	(3,760)
Cash and cash equivalents reported in cash flow statement	**(650)**	**500**

12.2 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	Non-current		Current	
	March 31, 2018 ₹	March 31, 2017 ₹	March 31, 2018 ₹	March 31, 2017 ₹
Balances with banks:				
– Margin money deposits	4,898	3,649	–	–
– Unpaid dividend account*	–	–	14	11
	4,898	**3,649**	**14**	**11**
Less: Margin money deposits with banks disclosed under other non-current financial assets (note 8)	(4,898)	(3,649)	–	–
	–	**–**	**14**	**11**

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

Break up of financial assets carried at amortized cost

	Notes	March 31, 2018 ₹	March 31, 2017 ₹
Investments	6	101,080	64,817
Loans	7	39,058	26,034
Trade receivables	11	14,807	5,555
Cash and cash equivalents	12.1	4,432	4,260
Bank balances other than cash and cash equivalents	12.2	14	11
Other financial assets	8	59,705	56,071
		219,096	**156,748**

Note: Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

13 SHARE CAPITAL

	March 31, 2018 ₹	March 31, 2017 ₹
Authorised share capital		
1,500 lakhs (March 31, 2017: 1,500 lakhs) Equity shares of ₹ 10 each	15,000	15,000
Issued, subscribed and fully paid-up shares		
1,360 lakhs (March 31, 2017: 1,136 lakhs) Equity shares of ₹ 10 each	13,607	11,366
Total issued, subscribed and fully paid-up shares	**13,607**	**11,366**

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

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

Equity shares	March 31, 2018		March 31, 2017	
	No. in lakhs	₹	No. in lakhs	₹
At the beginning of the year	1,136	11,366	1,132	11,318
Issued during the year pursuant to the exercise of stock options	4	43	4	48
Issued during the year pursuant to QIP (refer note 46)	220	2,198	-	-
Balance at the end of the year	**1,360**	**13,607**	**1,136**	**11,366**

(b) Terms/ rights attached to equity shares

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

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

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

Equity shares	March 31, 2018		March 31, 2017	
	No. in lakhs	% holding	No. in lakhs	% holding
Equity shares of ₹ 10 each fully paid				
M.R. Jaishankar	230	17%	230	20%
Githa Shankar	187	14%	187	17%
Nirupa Shankar	93	7%	93	8%

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

(d) Shares issued for consideration other than cash and reserved for issue under options

The Company has issued total 17 Lakhs shares (March 31, 2017:13 Lakhs shares) during the period of 5 years immediately preceding the reporting date on exercise of options granted under Employee Stock Option Plan (ESOP) wherein part consideration was received in the form of employee services.

For details of shares reserved for issue under the ESOP of the Company, refer note 35.

14 OTHER EQUITY

	March 31, 2018	March 31, 2017
	₹	₹
Securities premium		
Balance at the beginning of the year	69,446	69,099
Issue of equity shares pursuant to exercise of stock option	277	347
Issue of equity shares pursuant to QIP (refer note 46)	47,802	-
Adjustment of share issue expenses on QIP (refer note 46)	(960)	-
Balance at the end of the year	**116,565**	**69,446**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

	March 31, 2018 ₹	March 31, 2017 ₹
Share based payments		
Balance at the beginning of the year	103	121
Add: Compensation expense for options granted during the year	49	114
Add: Amount cross charged to subsidiaries	5	8
Less: Transferred to securities premium on exercise of stock options	(103)	(140)
Balance at the end of the year	**54**	**103**

Share based payments is used to record the fair value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to securities premium upon exercise of stock options by employees. In case of lapse, corresponding balance is transferred to general reserve.

General reserve		
Balance at the beginning of the year	10,149	9,570
Add: Amount transferred from surplus in the statement of profit and loss	-	579
Balance at the end of the year	**10,149**	**10,149**

General reserve represents appropriation of profit.

Retained earnings		
Balance at the beginning of the year	78,363	62,513
Profit for the year	18,051	16,397
Other comprehensive income for the year	104	32
Dividend (including dividend distribution tax) - refer note 30	(4,083)	-
Transferred to general reserve	-	(579)
Balance at the end of the year	**92,435**	**78,363**
Total other equity	**219,203**	**158,061**

15 BORROWINGS*

	Effective interest rate	Maturity	March 31, 2018 ₹	March 31, 2017 ₹
Non-current borrowings				
Term loan				
Term loan from banks (secured)	8-12%	2021-2025	1,72,103	1,55,989
			1,72,103	**1,55,989**
Less: current maturities - term loans from banks disclosed under the head "Other current financial liabilities"*	8-12%	2019-2021	(40,221)	(70,127)
Total non-current borrowings			**1,31,882**	**85,862**
Current Borrowings**				
Loan repayable on demand				
Cash credit facilities from banks (secured)	10-12%	On demand	5,082	3,760
Working capital loan from bank (secured)	8-12%	2019-2021	18,709	5,064
Total current borrowings			**23,791**	**8,824**

Note 1: Includes term loan from banks secured by way of assignment of project receivables ₹ 54,256 lakhs (March 31, 2017: ₹ 70,918 lakhs) and further secured by collateral security of underlying land, building and movable property, plant and equipment and investment property. The loans carry interest in the range of 8-12% and are repayable within 12-60 instalments of upto ₹ 300 lakhs.

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

Note 2: Includes term loan from banks and working capital loan from bank by way of mortgage of project properties and future lease rentals ₹ 136,556 lakhs (March 31, 2017: ₹ 90,135 lakhs). The loans carry interest rate in the range of 8-12% and are repayable within 12-144 instalments of upto ₹ 300 lakhs.

Note 3: Cash credit facilities from banks are secured by way of mortgage of project properties and are personally guaranteed by the directors of the Company. The facilities carry interest rate in the range of 10-12% and are repayable on demand.

*Refer note 47

** Represent amounts repayable within the operating cycle. Amount repayable within twelve months is ₹ 57,197 lakhs (March 31, 2017: ₹ 44,587 lakhs)

16 OTHER FINANCIAL LIABILITIES

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	₹	₹	₹	₹
Lease deposits	2,851	2,734	7,734	6,196
Current maturities of non-current borrowings (note 15)	-	-	40,221	70,127
Employee benefits payable	-	-	2,190	2,706
Interest free deposits from customers	-	-	10,996	8,662
Total other financial liabilities	**2,851**	**2,734**	**61,141**	**87,691**

17 PROVISIONS

	Current	
	March 31, 2018	March 31, 2017
	₹	₹
Provision for employee benefits		
Provision for gratuity (refer note 34)	173	159
Provision for leave benefits	331	359
	504	**518**

18 INCOME TAX

a) Deferred tax

	March 31, 2018	March 31, 2017
	₹	₹
Deferred tax liabilities		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	3,135	4,283
Others	8,328	5,164
Gross deferred tax liabilities	**11,463**	**9,447**
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years	1,297	779
MAT credit entitlement*	-	-
Gross deferred tax assets	**1,297**	**779**
Net deferred tax liabilities	**10,166**	**8,668**

* Net of utilization of ₹ Nil (March 31, 2017: ₹ 2,140 Lakhs)

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

b) Tax expenses

The major components of income tax expense for the years ended March 31, 2018 and March 31, 2017 are:

Statement of profit and loss:

	March 31, 2018 ₹	March 31, 2017 ₹
Profit or loss section		
Current income tax:		
Current income tax charge (continuing operations)	6,755	6,111
Deferred tax:		
Relating to origination and reversal of temporary differences (continuing and discontinued operations)	375	724
Income tax expense reported in the statement of profit or loss	**7,130**	**6,835**
Other Comprehensive income:		
Deferred tax related to items recognised in OCI during the year:		
Income tax relating to re-measurement gains/ (losses) on defined benefit plans	(56)	(17)
Income tax charged to OCI	**(56)**	**(17)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2018 and March 31, 2017:

	March 31, 2018 ₹	March 31, 2017 ₹
Accounting profit before income tax (continuing and discontinued operations)	**25,181**	**23,232**
Tax on accounting profit at statutory income tax rate 34.61% (March 31, 2017: 34.61%)	8,715	8,040
Non-deductible expenses for tax purposes:		
Disallowance u/s 80G	55	85
Non taxable income for tax purposes:		
Loss from partnership firm	77	27
Dividend income exempted	(623)	-
Sec 80IB benefit availed	(2,598)	(860)
Tax effect of other non-deductible expenses/(non-taxable income), net (refer note 48)	1,504	(457)
Tax expense reported in the statement of profit or loss	**7,130**	**6,835**

Reconciliation of deferred tax liabilities (net):

	March 31, 2018 ₹	March 31, 2017 ₹
Opening balance	8,668	5,731
Deferred tax (credit)/charge during the period recognised in profit or loss	375	724
Deferred tax (credit)/charge during the period recognised in OCI	56	17
Utilisation of MAT credit entitlement	-	2,140
Deferred tax charge recognised through investment	1,062	-
Others	5	56
Closing balance	**10,166**	**8,668**

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

19 OTHER LIABILITIES*

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	₹	₹	₹	₹
Income received in advance	1,641	1,405	381	490
Rent equalisation	10	44	5	-
Liability under joint development arrangement**	-	-	13,753	12,681
Advance from customers	-	-	53,575	56,717
Statutory dues payable	-	-	908	695
Unclaimed dividend***	-	-	14	11
	1,651	**1,449**	**68,636**	**70,594**

*Refer Note 47

**Includes amount payable to landowners where the Company has entered into joint development arrangements with landowners for joint development of properties on land in lieu of which, the Company has agreed to transfer certain percentage of constructed area/ revenue proceeds, net of revenue recognised.

***Investor Education and Protection Fund shall be credited for unclaimed dividends when due.

20 TRADE PAYABLES*

	March 31, 2018	March 31, 2017
	₹	₹
Trade payable		
- Total outstanding dues of micro and small enterprises (refer note 31 for details of dues to micro and small enterprises)	2,546	1,467
- Total outstanding dues of creditors other than micro and small enterprises	36,438	32,854
Payable to related parties (refer note 33)	1,352	1,558
	40,336	**35,879**

*Refer note 47

Break up of financial liabilities carried at amortized cost	**Notes**	**March 31, 2018**	**March 31, 2017**
		₹	₹
Borrowings (non-current)	15	131,882	85,862
Borrowings (current)	15	23,791	8,824
Current maturities of non-current borrowings	15	40,221	70,127
Trade payables	20	40,336	35,879
Other financial liabilities (excluding current maturities of non-current borrowings)	16	23,771	20,298
		260,001	**220,990**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

21 REVENUE FROM OPERATIONS

		March 31, 2018	March 31, 2017
		₹	₹
Revenue from operations			
Income from property development		100,445	124,244
Income from leasing		22,313	19,500
	(A)	**122,758**	**143,744**
Other operating revenue			
Management fees		1,728	3,336
Revenue from parking services		1,270	980
Commission income		240	1,275
Share in profits/ (loss) of partnership firm investments (post tax)		(222)	(79)
Others		738	599
	(B)	**3,754**	**6,111**
	(A) + (B)	**126,512**	**149,855**

22 OTHER INCOME

	March 31, 2018	March 31, 2017
	₹	₹
Interest income from financial assets at amortized cost:		
Bank deposits	244	256
Debentures (from related party) (refer note 33)	5,204	5,307
Loans to related parties (including notional interest income)	2,254	1,594
Others (including unwinding of discount on financial assets)	284	1,512
Gain on sale of mutual funds	859	-
Fair Value gain on financial instruments at fair value through profit and loss	941	-
Provision no longer required, written back	-	6
Other non-operating income	529	469
	10,315	**9,144**

23 COST OF RAW MATERIALS, COMPONENTS AND STORES CONSUMED

	March 31, 2018	March 31, 2017
	₹	₹
Inventory at the beginning of the year	5,354	7,202
Add: Purchases during the year	7,358	4,458
	12,712	**11,660**
Less: Inventory at the end of the year	(5,008)	(5,354)
Cost of raw materials, components and stores consumed	**7,704**	**6,306**

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

24 (INCREASE)/DECREASE IN INVENTORIES OF STOCK OF FLATS, LAND STOCK AND WORK-IN-PROGRESS

	March 31, 2018	March 31, 2017
	₹	₹
Inventories at the end of the year		
Work-in-progress - Real estate	99,935	123,375
Stock of flats	34,961	13,815
Land stock	7,689	10,030
	142,585	147,220
Inventories at the beginning of the year		
Work-in-progress - Real estate	123,375	146,956
Stock of flats	13,815	3,181
Land stock	10,030	10,581
	147,220	160,718
Cost of project transferred from work in progress - real estate to capital work in progress	(12,704)	(208)
Total	**(8,069)**	**13,290**

25 EMPLOYEE BENEFITS EXPENSE

	March 31, 2018	March 31, 2017
	₹	₹
Salaries, wages and bonus	8,234	8,390
Contribution to provident and other funds	451	279
Share based payments to employees (refer note 35)	49	114
Staff welfare expenses	241	186
	8,975	**8,969**

26 DEPRECIATION AND AMORTIZATION EXPENSE

	March 31, 2018	March 31, 2017
	₹	₹
Depreciation of property, plant and equipment (note 3.1)	181	1,771
Depreciation of investment property (note 4)	6,659	7,417
Amortization of intangible assets (note 5)	65	119
	6,905	9,307
Less: Depreciation of property, plant and equipment on discontinued operations (note 45)	-	1,703
	6,905	**7,604**

27 FINANCE COSTS

	March 31, 2018	March 31, 2017
	₹	₹
Interest		
On borrowings	18,477	17,129
On shortfall in payment of advance income tax	-	11
Notional Interest on financial instruments	504	424
Other borrowing costs	824	441
	19,805	**18,005**
Less: Interest capitalised	(1,476)	(52)
Total*	**18,329**	**17,953**

* Gross of interest of ₹ 4,559 lakhs (March 31, 2017: ₹ 7,475 lakhs) inventorised to qualifying work in progress.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

28 OTHER EXPENSES

	March 31, 2018 ₹	March 31, 2017 ₹
Legal and professional fees	1,105	617
Payments to auditors (refer note below)	114	66
Architect & consultancy Fees	980	1,103
Property tax	1,515	1,309
Power and fuel	577	723
Rent	108	175
Repairs & maintenance		
Building	1,228	911
Plant & machinery	-	7
Others	69	85
Insurance	211	260
Rates and taxes	64	-
License fees and plan approval charges	2,472	2,270
Brokerage and discounts	1,622	1,479
Advertisement and sales promotion	3,339	3,431
Travelling and conveyance	594	590
Training and recruitment expenses	87	61
Communication costs	179	167
Property maintenance cost	364	362
Bad debts written off	43	32
Loans and advances written off	-	57
Printing and stationery	98	74
Security charges	780	854
Donation (refer note below for CSR expenditure)	336	489
Donation to Political Party	15	-
Directors' sitting fees and commission	72	86
Loss on sale of fixed assets, net	-	523
Miscellaneous expenses	386	862
	16,358	**16,593**

Payment to auditor:

	March 31, 2018 ₹	March 31, 2017 ₹
As auditor:		
Audit fees	44	40
Limited review	18	16
QIP fees	42	-
Other services	6	6
Reimbursement of expenses (excluding service tax)	4	4
	114	**67**

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

Details of CSR expenditure:

	March 31, 2018	March 31, 2017
	₹	₹
(a) Gross amount required to be spent during the year	392	311
(b) Amount spent		
Construction/acquisition of any asset	-	-
On purposes other than above	304	480
Total	**304**	**480**
(c) Balance amount unspent		
Construction/acquisition of any asset	-	-
On purposes other than above	88	-
Total	88	-

29 EARNINGS PER SHARE

Basic earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2018	March 31, 2017
	₹	₹
Profit after tax attributable to equity shareholders:		
Continuing operations	18,051	16,535
Discontinuing operations	-	(138)
	18,051	**16,397**
Weighted average number of equity shares for basic EPS (No. in lakhs)	1,339	1,134
Effect of dilution: stock options granted under ESOP (No. in lakhs)	2	5
Weighted average number of equity shares adjusted for the effect of dilution (No. in lakhs)	**1,341**	**1,139**

30 DISTRIBUTION MADE AND PROPOSED

	March 31, 2018	March 31, 2017
	₹	₹
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2017: ₹ 2.50 per share (Year ended March 31, 2016 - ₹ Nil)	3,392	-
Tax on final dividend	691	-
	4,083	**-**
Proposed dividends on equity shares*:		
Final cash dividend for the year ended on March 31, 2018: ₹ 2.00 per share (March 31, 2017: ₹ 2.50 per share)	2,721	2,842
Tax on proposed dividend	554	578
	3,275	**3,420**

* Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including tax thereon) as at the balance sheet date.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

31 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

	March 31, 2018	March 31, 2017
	₹	₹
The principal amount remaining unpaid to any supplier	2,546	1,467
The amount of interest due and remaining unpaid to any supplier	-	-
The amount of interest paid by the Company along with the amount of the payments made to the supplier beyond the appointed day.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year).	-	-
The amount of interest accrued and remaining unpaid at the end of the year.	-	-
The amount of further interest remaining due and payable for the earlier years.	-	-
	2,546	**1,467**

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

32 COMMITMENTS AND CONTINGENCIES

a. Leases

Operating lease: Company as lessee

The Company has taken office and commercial space under cancellable and non-cancellable operating leases. These leases have life of upto twenty four years with renewal option and include a clause to enable upward revision of the lease rental on periodical basis.

Particulars	March 31, 2018	March 31, 2017
	₹	₹
Lease rent payments recognised as an expense in the statement of profit and loss	108	175

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

Particulars	March 31, 2018	March 31, 2017
	₹	₹
Within one year	44	102
After one year but not more than five years	-	44
	44	**146**

Operating lease commitments – Company as lessor

The Company has entered into operating leases (cancellable and non-cancellable) on its investment property portfolio consisting of certain office and retail buildings with varying lease terms of upto eighteen years and with escalation and renewal clauses. All leases include a clause to enable upward revision of the lease rental on periodical basis and includes variable rent determined based on percentage of sales of lessee in certain cases. The Company is also required to maintain the property over the lease term.

Particulars	March 31, 2018	March 31, 2017
	₹	₹
Lease rentals recognised as an income in the statement of profit and loss*	22,313	19,500

*Includes:

(a) income from certain commercial properties, which are held as inventory and leased out during the interim period until such properties are sold.

(b) income based on percentage of sales is ₹ 1,301 lakhs (March 31, 2017: ₹ 578 lakhs).

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

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

	March 31, 2018	March 31, 2017
	₹	₹
Within one year	3,961	6,591
After one year but not more than five years	6,346	10,697
More than five years	-	508
	10,307	**17,796**

b. Other commitments

(i) As at March 31, 2018, the estimated amount of contracts (net of capital advance) remaining to be executed on capital account not provided for was ₹ 7,391 lakhs (March 31, 2017: ₹ 8,582 lakhs)

(ii) As at March 31, 2018, the Company has given ₹ 32,920 lakhs (March 31, 2017: ₹ 24,815 lakhs) as advances/deposits for purchase of land/ joint development. Under the agreements executed with the land owners, the Company is required to make further payments and/or give share in area/ revenue from such development in exchange of undivided share in land based on the agreed terms/ milestones.

(iii) In connection with Company's investments in certain subsidiaries, the Company has entered into shareholders agreement with other shareholders wherein it has certain commitments including further investment in accordance with the terms of the agreement.

(iv) The Company has entered into a power purchase agreement with a party wherein the Company has committed minimum purchase of power.

(v) The Company is committed to provide financial support to some of its subsidiaries to ensure that these entities operate on going concern basis and are able to meet their debts and liabilities as they fall due.

c. Contingent liabilities

	March 31, 2018	March 31, 2017
	₹	₹
Claims against the company not acknowledged as debts		
- Income tax (refer note 48)	1,838	1,838
- Sales tax / Value added tax/ Entry tax	3,417	3,192
- Service tax	3,057	3,160
Letter of credit and bank guarantees	2,849	2,332
	11,161	**10,522**

Other Litigations:

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

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

Further, the Company has given a letter of comfort on behalf of its subsidiary Brookefield Real Estates and Projects Private Limited ('BBREPL') for the loan availed from banks aggregating to ₹ 86,000 lakhs to indemnify the banks against any losses, damages, costs and claims that may arise on account of default by BBREPL. The Company has also received a counter letter of comfort from Brigade Properties Private Limited ('BPPL') for the aforesaid loan indemnifying the Company against any losses, damages, costs and claims incurred on behalf of BBREPL.

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

33 RELATED PARTY DISCLOSURE*

I. Names of related parties and nature of relationship with the Company

(i) Related parties where control exists		Abbreviations
Subsidiaries	Brigade Hospitality Services Limited	"BHSL"
	Brigade Tetrarch Private Limited	"BTPL"
	Brigade Estates and Projects Private Limited	"BEPPL"
	Brigade Properties Private Limited	"BPPL"
	Brigade Infrastructure and Power Private Limited	"BIPPL"
	BCV Developers Private Limited	"BDPL"
	WTC Trades and Projects Private Limited	"WTPPL"
	Orion Mall Management Company Limited	"OMMCL"
	SRP Prosperita Hotel Ventures Limited (formerly Prosperita Hotel Ventures Limited)	"PHVL"
	Celebration Catering and Events, LLP	"CCEL"
	Brigade Gujarat Projects Private Limited	"BGPPL"
	Brookefield Real Estates and Projects Private Limited (formerly Brooke Bond Real Estates Private Limited)	"BBREPL"
	Perungudi Real Estates Private Limited	"PREPL"
	Augusta Club Private Limited	"ACPL"
	Mysore Projects Private Limited	"MPPL"
	Brigade Hotel Ventures Limited	"BHVL"
	Brigade Innovations LLP	"BILLP"
(ii) Related parties under Ind AS 24 with whom transactions have taken place during the year:		
Associates	Tandem Allied Services Private Limited	"TASPL"
Key management personnel ("KMP")	Mr. M.R. Jaishankar, Chairman and Managing Director	
	Ms. Githa Shankar, Executive Director	
Relatives of KMP	Ms. Pavitra Shankar	
	Ms. Nirupa Shankar	
	Mr. M.K. Shivraj Harsha	
Enterprises owned or significantly influenced by KMP	Mysore Holdings Private Limited	"MHPL"
	Brigade Foundation Trust	"BFT"
	M.R. Jaishankar (HUF)	"MRJ"
	Indian Music Experience Trust	"IMET"
	Alta Collis LLC	"ACLLC"

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

(iii) Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year	
KMP - Chief Financial Officer	Mr.Suresh (Up to July 31, 2017)
- Chief Financial Officer	Mr. Pradeep KP (From August 04, 2017)
- Company Secretary & Compliance Officer	Mr. P. Om Prakash
Other Directors	Mr. M.R. Shivram
	Mr. M.R. Gurumurthy
	Mr. P.V. Maiya
	Dr. Srinivas Murthy
	Mr. Aroon Raman
	Mr. Bijou Kurien
	Mrs. Lakshmi Venkatachalam
Relatives of Other Directors	Mr. M.G. Suraj
	Mrs. Latha Shivram
	Mrs. M.K. Manjula
Relatives of KMP	Mrs. Latha Suresh
	Mrs. Rajani Pradeep
	Mrs. Kavita Om Prakash
	Mr. Ramakrishnan Suresh

* Also refer note 47

II. Related party transactions

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

	Year ended	Transactions during the year										Balances as at the year-end					
		Revenue from operation	Other income	Purchase of capital assets	Purchase of goods	Purchase of services	Sale of capital assets	Security deposits given	Security deposits received	Customer advances received	Advances given to/(by) /(repaid or refunded)	Trade receivable	Trade payable	Other financial liabilities	Other financial assets	Non-current loans	Current loans
Related parties where control exists																	
BHSL	31-Mar-18	23	-	-	-	60	-	-	-	-	-	210	255	-	-	-	-
	31-Mar-17	27	-	1	-	29	-	-	1	-	(1,000)	122	72	1,000	-	-	-
WTPPL	31-Mar-18	133	31	-	-	280	-	31	-	-	-	4	-	-	286	-	-
	31-Mar-17	96	27	-	-	243	-	-	-	-	-	-	-	-	256	-	-
OMMCL	31-Mar-18	37	-	-	-	596	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-17	37	-	-	-	536	-	-	-	-	-	-	-	-	-	-	-
BPPL	31-Mar-18	241	1,077	-	150	-	-	-	-	-	-	243	-	-	2,468	-	-
	31-Mar-17	744	1,625	-	-	-	-	-	-	-	-	635	-	-	1,192	-	-
BTPL*	31-Mar-18	-	4	-	-	-	-	-	-	-	-	106	-	-	-	1,287	250
	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,149	-
BEPPL*	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	550	-
	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	491	-
BIPPL	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38
CCEL	31-Mar-18	11	-	-	27	-	-	-	-	-	-	-	8	-	-	-	-
	31-Mar-17	-	-	-	72	-	-	-	-	-	-	-	1	-	-	-	-
BDPL	31-Mar-18	1,084	1,306	-	-	1	-	-	-	-	-	1,096	3	-	-	12,063	-
	31-Mar-17	1,355	1,154	-	-	7	-	-	-	-	-	641	5	-	-	10,770	-
PHVL	31-Mar-18	21	-	-	-	-	-	-	-	-	-	69	-	-	-		-
	31-Mar-17	75	108	-	-	-	-	-	-	-	-	79	-	-	-	-	-

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

	Year ended	Transactions during the year										Balances as at the year-end					
		Revenue from operation	Other income	Purchase of capital assets	Purchase of goods	Purchase of services	Sale of capital assets	Security deposits given	Security deposits received	Customer advances received	Advances given to/(by) /(repaid or refunded)	Trade receivable	Trade payable	Other financial liabilities	Other financial assets	Non-current loans	Current loans
PREPL	31-Mar-18	233	3,090	-	-	-	-	-	-	-	-	193	-	-	6,200	-	-
	31-Mar-17	1,047	3,575	-	-	-	-	-	-	-	-	535	-	-	3,421	-	-
BREPPL	31-Mar-18	794	-	-	-	-	-	-	-	-	-	399	-	-	-	-	-
	31-Mar-17	1,165	-	-	-	-	-	-	-	-	-	1,026	-	-	-	-	-
MPPL	31-Mar-18	-	234	-	-	-	-	-	-	-	-	123	-	-	430	3,350	-
	31-Mar-17	-	244	-	-	-	-	-	-	-	-	-	-	-	219	-	-
BILLP	31-Mar-18	-	2	-	-	-	-	-	-	-	-	7	-	-	-	-	-
	31-Mar-17	-	5	-	-	-	-	-	-	-	-	5	-	-	-	-	-
BGPPL	31-Mar-18	-	254	-	-	-	-	-	-	-	-	-	-	-	231	-	1,700
	31-Mar-17	-	3	-	-	-	-	-	-	-	-	-	-	-	2	-	200
BHVL	31-Mar-18	-	-	-	136	-	-	-	-	-	-	-	1,055	-	-	-	-
	31-Mar-17	-	-	-	22	-	-	-	-	-	-	-	1,478	-	-	-	-
Associates																	
TASPL	31-Mar-18	1,142	81	-	-	633	-	-	-	-	-	-	25	-	-	-	-
	31-Mar-17	39	-	-	-	414	-	-	-	-	-	15	-	-	-	-	-
Enterprises owned or significantly influenced by KMP																	
MHPL	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	6	-	-	-	-
	31-Mar-17	145	-	-	-	-	-	-	-	-	-	-	2	1	-	-	-
BFT	31-Mar-18	-	624	-	-	-	-	-	-	-	-	-	-	-	1,977	-	-
	31-Mar-17	6	304	-	-	425	-	-	-	-	(1,380)	-	-	-	1,658	-	-
IMET	31-Mar-18	-	11	-	-	-	-	-	-	-	-	11	-	-	-	-	-
	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
KMP																	
M R Jaishankar	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	752	-
	31-Mar-17	396	-	-	-	-	-	-	-	-	-	-	-	-	-	763	35
Githa Shankar	31-Mar-18	-	-	-	-	-	-	-	-	-	118	-	-	-	-	-	6
	31-Mar-17	2,572	-	-	-	-	-	-	-	770	-	-	-	-	674	-	6
P Om Prakash	31-Mar-18	-	-	-	-	-	-	-	-	6	-	-	-	-	-	-	-
	31-Mar-17	59	-	-	-	-	-	-	-	67	-	-	-	8	-	-	-

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

	Year ended	Transactions during the year									Balances as at the year-end					
		Revenue from operation	Other income	Purchase of capital assets	Purchase of goods	Purchase of services	Sale of capital assets	Security deposits given	Security deposits received	Customer advances received	Advances given to/(by) /(repaid or refunded)	Trade receivable	Trade payable	Other financial liabilities	Other financial assets	Non-current loans	Current loans
Relatives of KMP/ Other Directors																	
M.K. Shivraj Harsha	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2
	31-Mar-17	847	-	-	-	-	-	-	-	847	-	-	-	-	-	-	2
M.K. Manjula	31-Mar-18	-	-	-	-	-	-	-	-	307	-	-	-	-	-	-	-
	31-Mar-17	456	-	-	-	-	-	-	-	456	-	-	-	-	-	-	-
Latha Shivram	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-17	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nirupa Shankar	31-Mar-18	-	-	-	-	-	-	-	-	-	189	-	-	-	-	-	1
	31-Mar-17	392	-	-	-	-	-	-	-	33	-	-	-	-	271	-	-
Latha Suresh	31-Mar-18																
	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ramakrishnan Suresh	31-Mar-18	-	-	-	-	-	-	-	-	-	79	-	-	-	-	-	-
	31-Mar-17	85	-	-	-	-	-	-	-	119	-	-	-	-	10	-	-
Kavita Om Prakash	31-Mar-18	11	-	-	-	-	-	-	-	15	-	4	-	-	-	-	-
	31-Mar-17	5	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-
M.G. Suraj	31-Mar-18	90	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-17	18	-	-	-	-	-	-	-	-	-	-	-	36	-	-	-

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

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

a. Reimbursement of expenses paid/received ₹

	Year ended	Reimbursement paid	Reimbursement received
Related parties where control exists			
BHSL	31-Mar-18	73	-
	31-Mar-17	31	425
WTPPL	31-Mar-18	37	32
	31-Mar-17	16	38
BTPL	31-Mar-18	-	81
	31-Mar-17	-	1
BEPPL	31-Mar-18	-	-
	31-Mar-17	-	35
OMMCL	31-Mar-18	-	10
	31-Mar-17	38	-
PHVL	31-Mar-18	125	17
	31-Mar-17	-	9
BDPL	31-Mar-18	75	210
	31-Mar-17	3	379
BPPL	31-Mar-18	-	301
	31-Mar-17	-	388
BGPPL	31-Mar-18	-	1
	31-Mar-17	-	34
BREPPL	31-Mar-18	-	7
	31-Mar-17	-	7
BILLP	31-Mar-18	-	224
	31-Mar-17	-	79
BIPPL	31-Mar-18	-	2,250
	31-Mar-17	-	-
PREPL	31-Mar-18	89	46
	31-Mar-17	-	1
ACPL	31-Mar-18	-	-
	31-Mar-17	-	1
MPPL	31-Mar-18	-	121
	31-Mar-17	-	653
BHVL	31-Mar-18	27	52
	31-Mar-17	-	1
KMP			
M R Jaishankar	31-Mar-18	15	-
	31-Mar-17	-	-
Enterprises owned or significantly influenced by KMP			
MHPL	31-Mar-18	5	-
	31-Mar-17	1	-

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

b. Remuneration

(i) Salaries, Bonus and Contribution to PF*

₹

	March 31, 2018	March 31, 2017
KMP/ Relatives of KMP		
Mr. M.R. Jaishankar	785	922
Mrs. Githa Shankar	196	232
Mr. K. Suresh	32	138
Mr. K P Pradeep	85	-
Mr. P. Om Prakash	47	38
Ms. Pavitra Shankar	28	12
Ms. Nirupa Shankar	35	33

* The above compensation represents short-term employee benefit expenses and excludes expense towards gratuity, leave benefits and stock options as they are determined and recorded for the Company as a whole.

(ii) Directors' Sitting fees and commission

₹

	March 31, 2018	March 31, 2017
Other directors		
Mr. M.R. Shivram	2	1
Mr. M.R. Gurumurthy	1	1
Mr. P.V. Maiya	15	18
Dr. Srinivas Murthy	14	16
Mr. Aroon Raman	13	17
Mr. Bijou Kurien	14	17
Mrs. Lakshmi Venkatachalam	13	16

d. Other transactions:

1. The Company has invested ₹ Nil (March 31, 2017: ₹ 75 lakhs) in Equity shares ₹ 10/- each fully paid up in BGPPL. Also refer note 6.
2. The Company has invested ₹ Nil (March 31, 2017: 5 Lakhs) in Equity shares ₹ 10/- each fully paid up in ACPL. Also refer note 6.
3. The Company has contributed ₹ 50 lakhs (March 31, 2017: 499 Lakhs) as Capital Contribution in BILLP. Also refer note 6.
4. The Company has invested ₹ Nil (March 31, 2017: 400 Lakhs) in Equity shares ₹ 10/- each fully paid up in MPPL. Also refer note 6.
5. The Company has invested ₹ Nil (March 31, 2017: 100 Lakhs) in Equity Shares of ₹ 10/- each fully paid up in BHVL. Also refer note 6.
6. The Company has invested ₹ Nil (March 31, 2017: 50 Lakhs) in Equity Shares of ₹ 10/- each fully paid up in OMMCL. Also refer note 6.
7. The Company has invested ₹ Nil (March 31, 2017: 8,100 Lakhs) in 0.01% A series Compulsory Convertible Preference Shares of ₹ 100/- each fully paid up in MPPL. Also refer note 6.
8. The Company has invested ₹ Nil (March 31, 2017: ₹ 3,300 Lakhs) in 0.01% A series Compulsory Convertible Preference Shares of ₹ 100/- each fully paid up in BGPPL. Also refer note 6.
9. The Company has invested ₹ Nil (March 31, 2017: ₹ 3,800 Lakhs) in 0.01% A series Compulsory Convertible Preference Shares of ₹ 100/- each fully paid up in BEPPL. Also refer note 6.
10. The Company has invested ₹ Nil in (March 31, 2017: ₹ 500 Lakhs) 11% Fully Convertible Debentures (FCD) ₹ 100/- each of Perungudi Real Estates Private Limited.
11. The Company has converted Nil (March 31, 2017: 59.41 Lakh Shares) of A series Optionally Convertible Debentures (OCDs) of ₹ 100 each into 594.12 lakhs no. of Class B Equity shares of ₹ 10 each fully paid up in PREPL.
12. The Company has converted Nil (March 31, 2017: 7.33 Lakhs No) of A series Optionally Convertible Debentures (OCDs) of ₹ 100 each into 73.28 lakhs no. of Class C Equity shares of ₹ 10 each fully paid up in BPPL.
13. The Company has converted Nil (March 31, 2017: 10.74 Lakhs No) of B series Optionally Convertible Debentures (OCDs) of ₹ 100 each into 107.41 lakhs no. of Class C Equity shares of ₹ 10 each fully paid up in BPPL.

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

14. The Company has converted (March 31, 2017: 21.09 Lakhs no.) of B series Optionally Convertible Debentures (OCDs) of ₹ 100 each into 210.89 lakhs no. of Redeemable preference shares of ₹ 10 each fully paid up in BPPL.
15. The Company has converted (March 31, 2017: 95.90 Lakhs No) of Optionally Convertible Preference Shares (OCPs) of ₹ 10 each into 95.90 lakhs no. of Redeemable preference shares of ₹ 10 each fully paid up in BPPL.
16. The Company has made donation to IMET of ₹ 300 lakhs (March 31, 2017: ₹ 50 lakhs) and BFT of ₹ Nil (March 31, 2017: ₹ 430 lakhs).
17. The Company has invested ₹ 7,200 Lakhs (March 31, 2017: Nil) in 0.01% A Series Compulsory Convertible Preference shares of ₹ 100/- each fully paid up in BTPL. Also refer note 6.
18. The Company has invested ₹ 2,500 Lakhs (March 31, 2017: Nil) in 14.10% B series Non Convertible Debentures of ₹ 10,00,000/- each fully paid up in BPPL. Also refer note 6.
19. The Company has invested ₹ 1,500 Lakhs (March 31, 2017: Nil) in 12% A12 Series Optionally Convertible Debentures of ₹ 100/- each fully paid in PREPL. Also refer note 6.
20. The Company has invested ₹ 24,000 Lakhs (March 31, 2017: Nil) in 0.001% Fully convertible debentures of ₹ 100/- each paid up in BIPPL. Also refer note 6.
21. Pursuant to scheme of amalgamation, the Company has following amounts as below.

Particulars	Subsidiary's Name	March 31, 2018	March 31, 2017
Investment in subsidiaries pending allotment (refer note 8 and 47)			
	BHVL	28,043	28,043
	BHSL	1,259	1,259
	ACPL	325	325
		29,627	29,627
Receivable pursuant to Scheme of arrangement (refer note 8 and 47)	BHSL	1,700	1,700

22. Also refer note 6 as regards to investments held as at year-end.
23. The company has invested ₹ Nil (March 31, 2017 : 21.50 Lakhs no.) of ₹ 100 each in 12% Fully Convertible Debentures (FCDs) in PHVL. Also refer note 47)
24. The company has given ₹ Nil (March 31, 2017: 1085 Lakhs) to PHVL as share application money and the same has been refunded to the company by PHVL . Also refer note 47)

e. Other information:

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables, other than those disclosed above. The Company has not recorded any provision/ write-off of receivables relating to amounts owed by related parties.

Note: In respect of the transactions with the related parties, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013 where applicable, and the details have been disclosed above, as required by the applicable accounting standards.

34 DEFINED BENEFIT PLAN - GRATUITY

The Company operates defined gratuity plan for its employees. Under the plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service.

The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarise the components of net benefit expenses recognised in the statement of profit and loss and the funded status and amount recognised in the balance sheet.

Changes in the defined benefit obligation and fair value of plan assets - Year ended March 31, 2018

		Expense charged to profit or loss				Remeasurement (gains)/losses in other comprehensive income							
Gratuity	April 01, 2017	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Transferred pursuant to scheme of amalgamation	Contributions by employer	March 31, 2018
Defined benefit obligation	668	226	45	272	(42)	-	(71)	(49)	(39)	(159)	-	-	739
Fair value of plan assets	509	-	33	33	(42)	1	-	-	-	1	-	65	566
Net liability - Gratuity	**159**			**239**						**(160)**			**173**

Changes in the defined benefit obligation and fair value of plan assets - Year ended March 31, 2017

		Expense charged to profit or loss				Remeasurement (gains)/losses in other comprehensive income							
Gratuity	April 01, 2016	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Transferred pursuant to scheme of amalgamation	Contributions by employer	March 31, 2017
Defined benefit obligation	650	92	43	135	(12)	-	-	24	(67)	(43)	(62)	-	668
Fair value of plan assets	434	-	32	32	(12)	6	-	-	-	6	-	49	509
Net liability - Gratuity	**216**			**103**						**(49)**			**159**

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	March 31, 2018	March 31, 2017
Fund Managed by Insurer	100%	100%

The principal assumptions used in determining pension and post-employment benefit obligations for the company's plans are shown below:

Particulars	March 31, 2018	March 31, 2017
Discount rate	8%	7%
Future salary benefit levels	12%	12%
Expected rate of return on assets	8%	8%

A quantitative sensitivity analysis for significant assumption for Gratuity plan is as shown below:

Particulars	March 31, 2018				March 31, 2017			
Assumptions	Discount Rate		Further Salary Increase		Discount Rate		Further Salary Increase	
Sensitivity Level	-1%	1%	-1%	1%	-1%	1%	-1%	1%
	INR (lakhs)	INR (lakhs)	INR (lakhs)	INR (lakhs)	INR (lakhs)	INR (lakhs)	INR (lakhs)	INR (lakhs)
Impact on defined benefit obligation - Gratuity	783	696	702	774	731	615	632	706
% change compared to base due to sensitivity	6%	(6%)	(5%)	5%	9%	(8%)	(5%)	6%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan - gratuity in future years:

Particulars	March 31, 2018	March 31, 2017
Within the next 12 months	173	159
Total expected payments	**173**	**159**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

35 SHARE BASED PAYMENT

The Company provides share-based payment schemes to its employees. During the year ended March 31, 2018, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below.

The Company instituted an Employees Stock Option Scheme ('ESOP 2011') pursuant to the Board of Directors and Shareholders' resolution dated May 04, 2011 and August 11, 2011, respectively. As per ESOP 2011, the Company granted 2,494,300 (till March 31, 2017: 2,424,300) options comprising equal number of equity shares in one or more tranches to the eligible employees of the Company and its subsidiaries. The options under this grant would vest to the employees equally as 25% of the total grant every year at the end of first, second, third and fourth year from the date of the grant respectively, with an exercise period of five years from the date of respective vesting. The contractual life (comprising the vesting period and the exercise period) of options granted is 9 years from date of such grant. The other relevant terms of the grant are as below:

The fair value of the share options is estimated at the grant date using Black Scholes Model taking into account the terms and conditions upon which the share options are granted and there are no cash settled alternatives for employees.

Expense recognised for employee services received during the year is shown in the following table:

Particulars	March 31, 2018	March 31, 2017
	₹	₹
Expense arising from equity settled share based payment transactions	54	122
Less: Cross charged to subsidiaries towards stock options to subsidiaries' employees	(5)	(8)
	49	114

* There were no cancellations or modifications to the plan during the year ended March 31, 2018 and March 31, 2017.

Movements during the year

The following table illustrates the number and weighted average exercise price of share options during the year.

The details of activity under the Scheme are summarized below:

	March 31, 2018		March 31, 2017	
	No. of options (lakhs)	WAEP* ₹	No. of options (lakhs)	WAEP* ₹
Outstanding at the beginning of the year	8	50	12	50
Granted during the year	1	50	-	50
Forfeited during the year	2	50	-	50
Exercised during the year	4	50	4	50
Outstanding at the end of the year	3	50	8	50
Exercisable at the end of the year	1	50	1	50

*Weighted Average Exercise Price

For options exercised during the period, the weighted average share price at the exercise date was ₹ 282.10 per share (March 31, 2017: ₹ 159.96 per share). The weighted average remaining contractual life for the stock options outstanding as at March 31, 2018 is 3.90 years (March 31, 2017: 5.68 years)

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

	Grant 1-2	Grant 3
Dividend yield (%)	1.52%	1.21%
Expected volatility (%)	48.42%	34.90%
Risk-free interest rate (%)	7.81%	6.80%
Weighted average share price (₹)	131.68	275.30
Exercise price (₹)	50.00	50.00
Expected life of the options granted (in years) [vesting and exercise period]	7.66	7.66

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

36 SEGMENT REPORTING

For management purposes, the Company is organised into 2 Strategic Business Units (SBUs) based on risks and rates of return of the products and services offered by those SBUs as per Ind AS 108 as follows: Real Estate and Leasing. The management reviews operating results of SBUs separately for the purpose of making decisions about resource allocation and performance assessment. Also, the companies' financing activities (including finance costs and finance income) and income taxes are managed at corporate level and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Particulars	For the year ended March 31, 2018			For the year ended March 31, 2017		
	Real Estate	Leasing	Total	Real Estate	Leasing	Total
Revenue						
External customers	102,784	23,950	126,734	129,112	20,867	149,979
Less: Inter-segment			-			(45)
Add: Share of Profit/ (Losses) in subsidiary Partnership Firm			(222)			(79)
Total Revenue from Continuing Operations	**102,784**	**23,950**	**126,512**	**129,112**	**20,867**	**149,855**
Expenses						
Depreciation and amortization expense	53	6,479	6,531	30	6,826	6,856
Add: Unallocable depreciation and amortization expense			374			748
			6,905			7,604
Segment profit	29,379	13,782	43,161	33,218	9,503	42,721
Less: Finance costs			(18,329)			(17,953)
Less: Other unallocable expenditure			(9,744)			(10,390)
Add: Share of Profit/ (Losses) in subsidiary Partnership Firm			(222)			(79)
Add: Other income (including interest income)			10,315			9,144
Profit before tax from Continuing Operations			25,181			23,443
Segment assets	209,060	150,933	359,993	201,135	126,448	327,583
Add: Investments			135,252			82,707
Add: Loans to related parties			19,208			12,691
Add: Cash and cash equivalents, bank balances other than cash and cash equivalents and margin money deposits with banks			9,344			7,920
Add: Other unallocable assets			51,852			41,246
			575,649			472,146
Segment Liabilities	111,577	17,211	128,788	103,249	18,808	122,057
Add: non-current and current borrowings (including current maturities of non-current borrowings)			195,894			164,813
Add: Deferred tax liabilities (net)			10,166			8,668
Add: Other unallocable liabilities			7,991			7,181
			342,839			302,719
Other disclosures						
Capital expenditure	549	28,561	29,110	127	25,182	25,309

Capital expenditure consists of additions of property, plant and equipment, investment property, intangible assets and capital work-in-progress.

Other income (including finance income) and finance costs and fair value gains and losses on financial assets pertaining to individual segments are allocated to respective segments.

Current taxes, deferred taxes and certain financial assets and liabilities are considered as unallocated as they are also managed on a Company basis.

The Company is domiciled in India. The Company's revenue from operations from external customers primarily relate to operations in India and all the non-current assets of the Company are located in India.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

37 FAIR VALUE MEASUREMENTS

The details of fair value measurement of Company's financial assets/liabilities are as below:

Particulars	Level	March 31, 2018 ₹	March 31, 2017 ₹
Financial assets/liabilities measured at fair value through profit/loss:			
Investment in quoted investments - mutual funds	Level 1	16,569	-
Investment in equity instruments of Other companies	Level 3	16	16

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. There have been no transfers between levels during the period.

The management assessed that the carrying values of cash and cash equivalents, trade receivables, investments, loans, trade payables, borrowings and other financial assets and liabilities approximate their fair values largely due to the short-term maturities.

The following methods and assumptions were used to estimate the fair values:

- The quoted investments (mutual funds) are valued using the quoted market prices in active markets.

- The fair values of the unquoted equity shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

38 CAPITAL MANAGEMENT

The Company's objectives of capital management is to maximize the shareholder value. In order to maintain or adjust the capital structure, the Company may adjust the return to shareholders, issue/ buyback shares or sell assets to reduce debt. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt as below.

- Equity includes equity share capital and all other equity components attributable to the equity holders

- Net debt includes borrowings (non-current and current), trade payables and other financial liabilities, less cash and cash equivalents (including bank balances other than cash and cash equivalents and margin money deposits with banks).

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
Borrowings (non-current and current, including current maturities of non-current borrowings)	195,894	164,813
Trade payables	40,336	35,879
Other financial liabilities (current and non-current excluding current maturities of non-current borrowings)	23,771	20,298
Less: Cash and cash equivalents (including balances at bank other than cash and cash equivalents and margin money deposits with banks)	(9,344)	(7,920)
Net Debt (A)	**250,657**	**213,070**
Equity share capital	13,607	11,366
Other equity	219,203	158,061
Equity (B)	**232,810**	**169,427**
Equity plus net debt (C = A + B)	**483,467**	**382,497**
Gearing ratio (D = A / C)	**52%**	**56%**

In order to achieve the objective of maximize shareholders value, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. Any significant breach in meeting the financial covenants would allow the bank to call borrowings. There have been no breaches in the financial covenants of above-mentioned interest-bearing borrowing.

No changes were made in the objectives, policies or processes for managing capital during the current and previous years.

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

39 DETAILS OF INVESTMENTS MADE IN THE CAPITAL OF PARTNERSHIP FIRM

Name of the firm	Name of the partner	March 31, 2018		March 31, 2017	
		Partner's Capital (₹)	Profit Sharing Ratio (%)	Partner's Capital (₹)	Profit Sharing Ratio (%)
Brigade Innovations LLP	Brigade Enterprises Limited (the Company)	549	100%	499	100%
	Nirupa Shankar	1	0%	1	0%
Total Capital		550	100%	500	100%

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade, other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks and ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision and are used exclusively for hedging purposes and not as trading or speculative instruments.

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real-estate risk.

The sensitivity analysis in the following sections relate to the position as at March 31, 2018 and March 31, 2017. The sensitivity analysis has been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt. The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations/provisions.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2018 and March 31, 2017.

Interest rate risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in Interest rate. The entity's exposure to the risk of changes in Interest rates relates primarily to the entity's operating activities (when receivables or payables are subject to different interest rates) and the entity's net receivables or payables.

The Company is affected by the price volatility of certain commodities/ real estate. Its operating activities require the ongoing development of real estate. The Company's management has developed and enacted a risk management strategy regarding commodity/ real estate price risk and its mitigation. The Company is subject to the price risk variables, which are expected to vary in line with the prevailing market conditions.

Interest rate sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in interest rates, with all other variables held constant. The impact on the entity's profit before tax is due to changes in the fair value of financial assets and liabilities.

Particulars	Change in interest rate	Effect of profit before tax
March 31, 2018	+1%	(2,086)
	-1%	2,086
March 31, 2017	+1%	(1,689)
	-1%	1,689

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

ii. Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade receivables/ unbilled revenue and other financial assets.

Other financial assets like security deposits, loans and bank deposits are mostly with employees, government bodies and banks and hence, the Company does not expect any credit risk with respect to these financial assets.

With respect to trade receivables/ unbilled revenue, the Company has constituted teams to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company creates allowance for all unsecured receivables based on lifetime expected credit loss.

The following table summarizes the change in the loss allowance measured using ECL

	March 31, 2018	March 31, 2017
	₹	₹
Opening balance	1	9
Amount provided/(reversed) during the year	-	3
Less: Transferred pursuant to the scheme of arrangement	-	11
Closing provision	1	1

iii. Liquidity risk

"The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the cash and cash equivalents is sufficient to meet its current requirements. Accordingly no liquidity risk is perceived.

The break-up of cash and cash equivalents, deposits and investments is as below.

Particulars	March 31, 2018	March 31, 2017
	₹	₹
Cash and cash equivalents	4,432	4,260
Bank balances other than cash and cash equivalents	14	11
Investments	135,252	82,707

The table below summarises the maturity profile of the Company's financial liabilities at the reporting date. The amounts are based on contractual undiscounted payments.

Particulars	Maturity period	March 31, 2018	March 31, 2017
		₹	₹
Financial liabilities - current			
Borrowings (includes current maturities of non-current borrowings and working capital loan from bank)	Within operating cycle	58,930	75,191
Borrowings (includes cash credit facilities from banks)	On demand	5,082	3,760
Trade payables	Within 1 year	40,336	35,879
Other financial liabilities (excluding current maturities of non-current borrowings)	Within 1 year	20,920	17,564
Financial liabilities - non-current			
Borrowings (includes non-current borrowings)	Between 1-5 years	131,882	85,862
Other financial liabilities	Between 1-5 years	2,851	2,734

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

41 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards issued, but not yet effective up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards when they become effective.

The Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 with effect from April 1, 2018. Companies (Indian Accounting Standards) Amendment Rules, 2018 includes Ind AS 115 Revenue from Customers, Appendix D to Ind AS 115 Service Concession Arrangements and Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration. Ind AS 11 Construction Contracts and Ind AS 18 Revenue will be omitted from April 1, 2018.

a) Ind AS 115 - Revenue from contracts with customers

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Indian Accounting Standard (Ind AS) 115, Revenue from Contracts with Customers Ind AS 115 introduces a five-step model to revenue recognition:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, revenue is recognised when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e., an asset) to a customer (i.e., when (or as) the customer obtains control of that asset) at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for accounting periods commencing on or after April 01, 2018.

The Company will adopt Ind AS 115 effective from April 01, 2018. As at the date of issuance of the Company's financial statements, the Company is in the process of evaluating the requirements of the said standard and the impact on its financial statements in the period of initial application.

b) Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

(i) The beginning of the reporting period in which the entity first applies the Appendix, or

(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after April 01, 2018.

The Company's operation primarily relate to operations in India, The directors of the Company do not anticipate that the application of the new standard in future will have significant impact on the financial statement.

c) Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after April 01, 2018.

d) Transfers of Investment Property — Amendments to Ind AS 40

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with Ind AS 8 is only permitted if it is possible without the use of hindsight.

These amendments are effective for annual periods beginning on or after 1 April 2018.

42 CONSTRUCTION CONTRACTS

	March 31, 2018	March 31, 2017
	₹	₹
(i) Amount of project revenue recognised as revenue for the year	100,445	124,244
(ii) Amounts in respect of projects in progress at the reporting date:		
Aggregate amount of costs incurred and profits recognised (less recognised losses) to date	224,400	336,482
b. Amount of advances received	53,575	56,717
c. Amount of work in progress and the value of inventories	99,935	123,375
d. Excess of revenue recognised over actual bills raised (unbilled revenue)	12,320	14,315

43 UNHEDGED FOREIGN CURRENCY EXPOSURE

	March 31, 2018	March 31, 2017
	₹	₹
Trade payable	51	244

44 Disclosure of the loans and advances to subsidiaries, joint ventures, associates and other entities in which the directors are interested:

Name of the party	March 31, 2018		March 31, 2017	
	Closing Balance	Maximum amount due	Closing Balance	Maximum amount due
	₹	₹	₹	₹
Brigade Tetrarch Private Limited	1,537	1,537	1,149	1,149
Brigade Estates and Projects Private Limited	549	549	491	491
BCV Developers Private Limited	10,770	10,770	10,770	10,770
Brigade (Gujarat) Projetcs Private Limited	1,700	3,200	-	-
Mysore Projects Private Limited	3,350	3,350	-	-

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

45 DISCONTINUED OPERATIONS

The Scheme of Arrangement between the Company and its wholly owned subsidiaries engaged in hospitality business - Brigade Hotel Ventures Limited ('BHVL'), Brigade Hospitality Services Limited ('BHSL')and Augusta Club Private Limited ('ACPL') and their respective shareholders and creditors in terms of the provisions of Sections 230 to 233 of the Companies Act, 2013 to transfer the hotels business, integrated clubs and convention centre business and 'Augusta Club' business, to its wholly owned subsidiaries (hereinafter referred to as "the Scheme") has been approved by National Company Law Tribunal ('NCLT') in March 2018 with an appointed date of October 01, 2016. The hospitality business was an operating segment until October 01, 2016. Being a discontinued operation, that segment is no longer presented in the segment note.

The results of the hospitality segment are as below:

	March 31, 2018	March 31, 2017*
	₹	₹
Revenue from operations	-	7,409
Other income	-	7
Total income	-	7,416
Expenses		
Cost of raw materials, components and stores consumed	-	711
Employee benefits expense	-	1,649
Depreciation and amortization expense	-	1,703
Finance cost	-	994
Other expenses	-	2,570
Total expenses	-	7,627
Profit before tax	**-**	**(211)**
Tax (charge)/credit:	-	73
Profit/(loss) for the year from discontinued operations	**-**	**(138)**

* Pertains for the period April 01, 2016 to September 30, 2016

46 On April 28, 2017, the Company launched the offering of its equity shares through a qualified institutions placement ("QIP") in accordance with the provisions of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI ICDR Regulations"). Pursuant to QIP, the Company has received an amount of ₹ 49,999 lakhs as on May 03, 2017 against the issue of 21,978,021 equity shares of face value of ₹ 10 each to qualified institutional buyers and the same were listed and admitted for trading on the National Stock Exchange of India Limited and BSE Limited. Further, the Company has adjusted share issue expenses of ₹ 960 lakhs against the securities premium on such issue.

The details of utilisation of proceeds raised through QIP are as below

	Objects as per prospectus	Actual utilisation
	₹	₹
Financing the construction and development costs of Ongoing Projects	48,800	33,200
QIP related fees, commissions and expenses	1,200	1,200
Total income	**50,000**	**34,400**

Pending actual utilisation, the unutilised proceeds of ₹ 15,600 lakhs at cost have been temporarily invested in mutual funds.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

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

47 SCHEME OF ARRANGEMENT

The Scheme of Arrangement between the Company and its wholly owned subsidiaries engaged in hospitality business - Brigade Hotel Ventures Limited ('BHVL'), Brigade Hospitality Services Limited ('BHSL')and Augusta Club Private Limited ('ACPL') and their respective shareholders and creditors in terms of the provisions of Sections 230 to 233 of the Companies Act, 2013 to transfer the hotels business, integrated clubs and convention centre business and 'Augusta Club' business, to its wholly owned subsidiaries (hereinafter referred to as "the Scheme") has been approved by National Company Law Tribunal ('NCLT') in March 2018 with an appointed date of October 01, 2016. The Scheme has been filed with the Registrar of Companies, Karnataka on April 01, 2018.

In accordance with the provisions of the aforesaid scheme -

a. The Scheme, being a common control business combination, has been accounted for using the pooling of interests method from the appointed date specified under the Scheme. As per Ind AS 103 - Business Combinations, common control business combination shall be accounted for using the pooling of interests method and the financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Therefore, the aforesaid accounting from the appointed date is not in accordance with Ind AS 103. However, the aforesaid accounting from the appointed date does not have an impact on the profit or loss for the current year.

b. The purchase consideration under the Scheme is being received by way of issuance of Optionally Convertible Redeemable Preference Shares ('OCRPS') of ₹ 29,827 lakhs and payment of cash of ₹ 1,700 lakhs. As the OCRPS have been allotted subsequent to March 31, 2018, the same has been disclosed as 'Investment in subsidiaries pending allotment' under Other Non Current Financial Assets and the consideration receivable in cash as at March 31, 2018 has been shown as 'Receivable pursuant to scheme of arrangement' under Other Current Financial Assets.

c. The assets and liabilities as at October 01, 2016 (the appointed date) transferred by the Company at book value are summarized below:

Particulars	BHVL	BHSL	ACPL	Total
Non-Current Assets				
Property, plant and equipment, Investment Property and Intangible Assets	27,893	2,959	325	31,177
Capital work in progress	7,323	-	-	7,323
Investments	9,210	-	-	9,210
Loans	1,673	-	-	1,673
Current Assets				
Inventories	741	-	-	741
Trade receivables	788	-	-	788
Cash and cash equivalents	933	-	-	933
Loans	1,405	-	-	1,405
Other current assets	618	-	-	618
Total Assets (A)	**50,584**	**2,959**	**325**	**53,868**
Non-Current Liabilities				
Borrowings	17,913	-	-	17,913
Other non-current liabilities	855	-	-	855
Current Liabilities				
Other current liabilities	3,773	-	-	3,773
Total Liabilities (B)	**22,541**	**-**	**-**	**22,541**
Net Assets transferred (C)=(A-B)	**28,043**	**2,959**	**325**	**31,327**
Purchase Consideration received by way of:				
a. OCRPS of ₹ 100/- each at par	28,043	1,259	325	29,627
b. Receivable in cash	-	1,700	-	1,700
Total Purchase Consideration	**28,043**	**2,959**	**325**	**31,327**

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2018**

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

The accounting of the Scheme in the current quarter from the appointed date of October 01, 2016 has resulted in restatement [increase/ (decrease)] of the previously published Ind AS financial information of the Company by the figures summarized below:

Particulars	Previous Year ended 31.03.2017*
Total income	(15,622)
Total expenses	(15,810)
Tax expense	(61)
Net profit for the period	249

* Net profit/loss from operations pertaining to the above demerged business prior to the appointed date, i.e., for the period April 01, 2016 to September 30, 2016, has been disclosed as profit/loss from discontinued operations during the year ended March 31, 2017.

The figures of previous period have been restated, wherever necessary, to give effect to aforesaid scheme of arrangement.

The aforesaid restatement is not on account of Ind AS 8 - Accounting policies and hence restated balance sheet for April 01, 2016 has not been disclosed by the management.

48 In November 2017, a search under Section 132(1) of the Income Tax Act, 1961, was conducted at various premises of the Company. The management has complied with / responded to the notices received in this regard and does not expect any additional liability beyond the amounts already provided for, on final assessment of the aforesaid matter.

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

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

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

Place: Bengaluru
Date: May 16, 2018

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K.P. Pradeep
Chief Financial Officer

P. Om Prakash
Company Secretary &
Compliance Officer

Place: Bengaluru
Date: May 16, 2018

Independent Auditor's Report

To the Members of Brigade Enterprises Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Brigade Enterprises Limited (hereinafter referred to as "the Holding Company"), its subsidiaries and associate company collectively referred to as "the Group" comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies and management of subsidiaries' limited liability partnership firms included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate company, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2018, their consolidated profit including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

We did not audit the financial statements and other financial information, in respect of 12 subsidiaries, whose Ind AS financial statements include total assets of ₹ 167,124 lakhs and net assets of ₹ 75,865 lakhs as at March 31, 2018, and total revenues of ₹ 7,367 lakhs and net cash outflows of ₹ 209 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit after tax of ₹ 153 lakhs for the year ended March 31, 2018, as considered in the consolidated financial statements, in respect of 1 associate company, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included

in respect of these subsidiaries and associate company, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate company, is based solely on the reports of such other auditors. Our report is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate company, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate company incorporated in India, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies and associate company incorporated in India, refer to our separate report in Annexure to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate company, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 32(c) to the consolidated Ind AS financial statements;

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts;

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

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Adarsh Ranka**
Partner
Membership Number: 209567

Place: Bengaluru
Date : May 16, 2018

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF BRIGADE ENTERPRISES LIMITED

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

In conjunction with our audit of the consolidated financial statements of Brigade Enterprises Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Brigade Enterprises Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and associate company which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

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

Opinion

In our opinion, the Holding Company, its subsidiary companies and associate company which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to these 10 subsidiary companies and 1 associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary companies and associate companies incorporated in India.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Adarsh Ranka**
Partner
Membership Number: 209567

Place: Bengaluru
Date : May 16, 2018

Consolidated Balance Sheet as at March 31, 2018

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

	Notes	March 31, 2018 ₹	March 31, 2017 ₹
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	80,685	46,911
Capital work in progress	3.2	212,074	155,530
Investment Property	4	98,345	94,691
Goodwill	5	430	430
Other Intangible assets	5	1,022	1,033
Intangible assets under development	5	838	838
Financial Assets			
Investments	6	5,457	5,401
Loans	7	28,228	21,341
Other non-current financial assets	8	8,466	6,061
Deferred tax asset (net)	18.2	1,213	206
Assets for current tax (net)		2,374	1,648
Other non-current assets	9	32,579	21,114
		471,711	**355,204**
Current Assets			
Inventories	10	217,947	226,391
Financial assets			
Investments	6	18,128	-
Loans	7	768	674
Trade receivables	11	17,695	3,737
Cash and cash equivalents	12.1	11,770	10,829
Bank balances other than Cash and cash equivalents	12.2	2,888	2,804
Other current financial assets	8	22,246	23,346
Other current assets	9	19,034	12,216
		310,476	**279,997**
Total assets		**7,82,187**	**6,35,201**

Consolidated Balance Sheet as at March 31, 2018

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

	Notes	March 31, 2018 ₹	March 31, 2017 ₹
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13	13,607	11,366
Other equity	14		
Attributable to Equity holders of the parent		215,095	158,125
Non-Controlling Interests		22,306	22,744
Total Equity		**251,008**	**192,235**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	15	263,308	158,847
Other non current financial liabilities	16	8,869	5,316
Provisions	17	142	73
Deferred tax liabilities (net)	18.1	3,807	6,399
Other non-current liabilities	19	8,242	5,881
		284,368	**176,516**
Current Liabilities			
Financial liabilities			
Borrowings	15	24,497	22,858
Trade payables	20	52,646	51,612
Other current financial liabilities	16	79,914	97,453
Other current liabilities	19	87,100	93,125
Provisions	17	672	701
Liabilities for current tax (net)		1,982	701
		246,811	**266,450**
Total equity and liabilities		**782,187**	**635,201**
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the Consolidated Ind AS financial statements.

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

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

Place: Bengaluru
Date: May 16, 2018

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K.P. Pradeep
Chief Financial Officer

P. Om Prakash
Company Secretary
& Compliance Officer

Place: Bengaluru
Date: May 16, 2018

Consolidated Statement of Profit and Loss for the year ended March 31, 2018

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

	Notes	March 31, 2018	March 31, 2017
		₹	₹
Income			
Revenue from operations	21	189,720	202,414
Other income	22	4,831	3,424
Total Income		**194,551**	**205,838**
Expenses			
Sub-contractor cost		64,077	74,772
Cost of raw materials, components and stores consumed	23	17,423	16,014
Purchase of land stock		9,748	8,993
(Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress	24	(6,764)	466
Employee benefits expense	25	15,450	14,332
Depreciation and amortization expense	26	13,766	12,255
Finance costs	27	25,940	24,648
Other expenses	28	34,340	30,401
Total expenses		**173,980**	**181,881**
Profit before tax and exceptional items		**20,571**	**23,957**
Exceptional items - Expense on Demerger		1,154	-
Profit before tax and after exceptional items		**19,417**	**23,957**
Tax expense	18.3		
Current tax		9,778	9,267
Deferred tax charge/(credit)		(3,496)	(1,951)
Total tax expense		**6,282**	**7,316**
Profit for the year		**13,135**	**16,641**
Share of Profit/(loss) of Associate (net of tax)		153	79
Net profit after taxes and share of profit of Associate		**13,288**	**16,720**
Other comprehensive income			
Items that will not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plans		184	47
Income tax relating to above		(71)	(16)
Other comprehensive income ('OCI')		**113**	**31**
Total comprehensive income for the year (comprising profit and OCI for the year)		**13,401**	**16,751**
Net profit after taxes and share of profit of Associate			
Attributable to :			
Equity holders of the parent		13,920	15,308
Non-Controlling interests		(632)	1,412
Other comprehensive income			
Attributable to :			
Equity holders of the parent		113	31
Non-Controlling interests		-	-

Consolidated Statement of Profit and Loss for the year ended March 31, 2018

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

	Notes	March 31, 2018	March 31, 2017
		₹	₹
Total Comprehensive income for the year			
Attributable to :			
Equity holders of the parent		14,033	15,339
Non-Controlling interests		(632)	1,412
Earnings per equity share	29		
[nominal value of share ₹ 10 (March 31, 2017: : ₹ 10]			
Basic (₹)		10.40	13.50
Diluted (₹)		10.38	13.45
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the Consolidated Ind AS financial statements.

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

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

Place: Bengaluru
Date: May 16, 2018

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K.P. Pradeep
Chief Financial Officer

P. Om Prakash
Company Secretary
& Compliance Officer

Place: Bengaluru
Date: May 16, 2018

Consolidated Statement of Changes in Equity for the year ended March 31, 2018

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

A. Equity share capital:

	No. in Lakhs	₹
Issued, subscribed and fully paid-up share capital		
Equity shares of ₹ 10 each:		
As at April 01, 2016	**1,132**	**11,318**
Issued during the year pursuant to the exercise of stock options by certain employees	4	48
As at March31, 2017	**1,136**	**11,366**
Issued during the year pursuant to the exercise of stock options by certain employees	4	43
Issued during the year pursuant to Qualified Institutional Placement ('QIP')	220	2,198
As at March 31, 2018	**1,360**	**13,607**

Refer Note 13 for details.

B. Other equity

₹

	Equity component of compound financial instruments	Attributable to the equity holders of the parent							Sub total	Non-controlling interests	Total
		Reserves and surplus									
		Capital reserve	Securities premium account	Debenture Redemption Reserve	Revaluation Reserve	Stock options outstanding account	General Reserve	Retained earnings*			
As at April 01, 2016	**4,378**	**1**	**70,014**	**368**	**829**	**122**	**10,045**	**56,706**	**1,42,463**	**12,382**	**1,54,845**
Profit for the period								15,308	15,308	1,412	16,720
Other comprehensive income*								31	31		31
Total comprehensive income for the year								**15,339**	**15,339**	**1,412**	**16,751**
Transfer to debenture redemption reserve from retained earnings				224				(224)	-		-
Transfer to general reserve from retained earnings							629	(629)	-		-
Transfer to general reserve upon conversion of debentures				(221)			221		-		-
Compensation expense for options granted during the year						122			122		122
Transferred to securities premium on account of stock options						(146)			(146)		(146)
Issue of equity shares pursuant to ESOP scheme			347						347		347
Investment in equity of group companies by non-controlling interests									-	7,802	7,802
Gain on conversion of debentures into equity shares									-	1,148	1,148

Consolidated Statement of Changes in Equity for the year ended March 31, 2018

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

As at March 31, 2017	**4,378**	**1**	**70,361**	**371**	**829**	**98**	**10,895**	**71,192**	**158,125**	**22,744**	**180,869**
Profit for the period								13,920	13,920	(632)	13,288
Other comprehensive income*								113	113	-	113
Total comprehensive income for the year								**14,033**	**14,033**	**(632)**	**13,401**
Dividend (including dividend distribution tax)								(4,083)	(4,083)		(4,083)
Transfer to debenture redemption reserve from retained earnings				307				(307)	-		-
Transfer to general reserve from retained earnings							57	(57)	-		-
Transfer to general reserve upon conversion of debentures									-		-
Compensation expense for options granted during the year						54			54		54
Transferred to securities premium on account of stock options						(103)			(103)		(103)
Issue of equity shares pursuant to ESOP scheme			277						277		277
Issue of equity shares pursuant to QIP			47,802						47,802		47,802
Adjustment of share issue expenses on QIP			(960)						(960)		(960)
Investment in equity of group companies by non-controlling interests									-	200	200
Other adjustments	(50)								(50)	(6)	(56)
As at March 31, 2018	**4,328**	**1**	**117,480**	**678**	**829**	**49**	**10,952**	**80,778**	**215,095**	**22,306**	**237,401**

Refer Note 14 for details.

* As required under Ind AS compliant Schedule III, the Company has recognised remeasurement gains/(losses) on defined benefit plans (net of tax) of ₹113 Lakhs (March 31, 2017: ₹31 lakhs) as part of retained earnings.

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the consolidated Ind AS financial statements.

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

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

Place: Bengaluru
Date: May 16, 2018

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K.P. Pradeep
Chief Financial Officer

P. Om Prakash
Company Secretary &
Compliance Officer

Place: Bengaluru
Date: May 16, 2018

Consolidated Cash Flow Statement for the year ended March 31, 2018

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

	Notes	March 31, 2018 ₹	March 31, 2017 ₹
Cash flow from operating activities			
Profit before tax		19,417	23,957
Adjustment to reconcile profit before tax to net cash flows:			
Depreciation and amortization expense		13,766	12,255
Employee stock compensation expense		54	122
Finance costs		25,940	24,648
Bad debts written off		48	64
Provision for doubtful debts		6	3
Loans and advances written off		364	57
Loss on sale of fixed assets		–	535
Profit on sale of investment		(859)	–
Fair value gain on financial instruments at fair value through profit or loss		(941)	(213)
Interest income		(2,035)	(2,673)
Dividend income		–	(71)
Operating profit before working capital changes		**55,760**	**58,684**
Movements in working capital :			
Increase / (decrease) in trade payables		1,034	9,216
Increase / (decrease) in other financial liabilities		3,274	1,353
Increase / (decrease) in other liabilities		(3,667)	(18,079)
Increase / (decrease) in provisions		224	115
Decrease / (increase) in trade receivables		(14,012)	433
Decrease / (increase) in inventories		(4,345)	(243)
Decrease / (increase) in loans		(7,345)	(7,597)
Decrease / (increase) in other financial assets		1,099	(2,153)
Decrease / (increase) in other assets		(17,671)	5,614
Direct taxes (paid)/ refund, net		(9,478)	(7,560)
Net cash flow from operating activities (A)		**4,872**	**39,783**
Cash flows from investing activities			
Purchase of fixed assets (including capital work in progress and capital advances)		(91,572)	(36,895)
Proceeds from sale of fixed assets		175	36
Purchase of non current investments		(1,182)	–
Purchase of current investments		(16,328)	–
Proceeds from sale of current investments		–	2,589
Investments in bank deposits (having original maturity of more than three months)		(1,358)	(2,200)
Redemption of bank deposits (having original maturity of more than three months)		–	1,819
Interest received		1,843	1,121
Dividends received		–	71
Net cash flow used in investing activities (B)		**(108,422)**	**(33,459)**

Consolidated Cash Flow Statement for the year ended March 31, 2018

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

	Notes	March 31, 2018 ₹	March 31, 2017 ₹
Cash flows from financing activities			
Proceeds from issuance of share capital (including securities premium)		49,360	255
Equity contribution in subsidiary companies by non-controlling interests		200	1
Drawings in subsidiary partnership firms by non-controlling interests		(6)	(5)
Proceeds from long-term borrowings		212,026	84,820
Repayment of long-term borrowings		(132,327)	(69,362)
Increase/(decrease) of short-term borrowings, net		317	2,007
Interest paid		(22,322)	(23,495)
Dividends paid on equity shares (including tax on dividend)		(4,080)	(8)
Net cash flow from financing activities (C)		**103,168**	**(5,787)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)		(382)	537
Cash and cash equivalents at the beginning of the year		7,069	6,532
Cash and cash equivalents at the end of the year		**6,687**	**7,069**
Components of cash and cash equivalent:			
Cash and cash equivalents	12.1	11,770	10,829
Less: Bank borrowings repayable on demand	15	(5,082)	(3,760)
		6,688	**7,069**
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the consolidated Ind AS financial statements.

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

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

Place: Bengaluru
Date: May 16, 2018

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K.P. Pradeep
Chief Financial Officer

P. Om Prakash
Company Secretary &
Compliance Officer

Place: Bengaluru
Date: May 16, 2018

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

1. Corporate information

The consolidated Ind AS financial statements comprise financial statements of Brigade Enterprises Limited ('BEL' or the 'Company' or the 'Holding Company') and its subsidiaries and associate (collectively, the Group) for the year ended March 31, 2018. The Holding Company is a public company domiciled in India and is incorporated on November 8, 1995 under the provisions of the Companies Act applicable in India. Its shares are listed on the National Stock Exchange of India Limited and BSE Limited. The registered office of the Holding Company is located at 29th & 30th Floors, World Trade Center, Brigade Gateway Campus, 26/1, Dr Rajkumar Road, Malleswaram-Rajajinagar, Bangalore 560 055.

The Group is carrying on the business of real estate development, leasing and hospitality and related services.

The consolidated Ind AS financial statements were authorised for issue in accordance with a resolution of the directors on May 16, 2018.

2. Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The standalone financial statements of the Company are prepared and presented in accordance with Ind AS.

The consolidated Ind AS financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.1 Summary of significant accounting policies

(a) Basis of consolidation

i. Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date that control ceases.

Consolidation procedure:

a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b. Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary. The manner of accounting for any related goodwill is explained below.

c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

d. The financial statements of all subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on March 31st and are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

e. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

f. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI. After initial recognition, goodwill is measured at cost less any accumulated impairment losses and tested for impairment annually.

When the Group ceases to consolidate for an investment because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

recognised in other comprehensive income in respect of that entity are accounted for and reclassified to profit or loss.

ii. Associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill, if any, relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit and loss.

The financial statements of associate used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on March 31st and are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit in associate' in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(b) Business combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from the date of transition, i.e., April 1, 2015. As such, Previous GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward. The same first time adoption exemption is also used for associates and joint ventures.

(c) Use of estimates

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

(d) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has evaluated and considered its operating cycle as below and accordingly has reclassified its assets and liabilities into current and non-current:

- Residential/ commercial/mixed use projects for real estate development – 3-5 years
- Hospitality/ leasing business/ others – 1 year

Deferred tax assets/ liabilities are classified as non-current assets/ liabilities.

(e) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

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

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

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

(f) Depreciation on property, plant and equipment and investment property

Depreciation is calculated on written down value basis using the following useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013:

Category of Asset	Useful lives (in years)
Buildings	60
Plant and machinery	15
Electrical Installation and equipment	10
Furniture and fixtures	
i. General Furniture and fixtures	10
ii. Furniture and fixtures used in hotels	8
Computer hardware	
i. Computer equipment	3
ii. Servers and network equipment	6
Office equipment	5
Motor Vehicles	8

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

Based on the planned usage of certain project-specific assets and technical evaluation thereon, the management has estimated the useful lives of such classes of assets as below, which are lower from

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

the useful lives as indicated in Schedule II and are depreciated on straight line basis:

i.	Buildings	-	14 – 25 years
ii.	Furniture and fixtures	-	5-10 years
iii.	Office equipment	-	5-10 years
iv.	Plant and Machinery	-	5-10 years
v.	Motor Vehicles	-	5 years
vi.	Computer hardware	-	3 years

The residual values, useful lives and methods of depreciation of property, plant and equipment and investment property are reviewed at each financial year end and adjusted prospectively, if appropriate.

(g) Intangible assets

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

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

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

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

Costs of assets not ready for use at the balance sheet date are disclosed under intangible assets under development.

(h) Investment property

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

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

(i) Impairment

A. Financial assets

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

B. Non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

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

(j) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Where the Group is lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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

Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases.

Assets subject to operating leases are included under Investment property.

Lease income from operating lease is recognized on a straight-line basis over the term of the relevant lease including lease income on fair value of refundable security deposits, unless the lease agreement explicitly states that increase is on account of inflation. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

(k) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

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

(l) Inventories

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

i. Work-in-progress: Represents cost incurred in respect of unsold area (including land) of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Work-in-progress is valued at lower of cost and net realizable value.

ii. Finished goods - Stock of Flats: Valued at lower of cost and net realizable value.

iii. Raw materials, components and stores: Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis.

iv. Land stock: Valued at lower of cost and net realizable value.

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

(m) Land

Advances paid by the Group to the seller/ intermediary toward outright purchase of land is recognised as land advance under other assets during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Group, whereupon it is transferred to land stock under inventories/ capital work in progress.

Land/ development rights received under joint development arrangements ('JDA') is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. The amount of non-refundable deposit paid by the Group under JDA is recognised as land advance under other assets and on the launch of the project, the non-refundable amount is transferred as land cost to work-in-progress/ capital work in progress. Further, the amount of refundable deposit paid by the Group under JDA is recognized as deposits under loans.

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

(n) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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

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

Recognition of revenue from real estate development

Revenue from real estate projects is recognised when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from real estate projects is recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Where the Group still has obligations to perform substantial acts even after the transfer of all significant risks and rewards, revenue in such cases is recognised by applying the percentage of completion method only if the following thresholds have been met:

(a) all critical approvals necessary for the commencement of the project have been obtained;

(b) the expenditure incurred on construction and development costs (excluding land cost) is not less than 25 % of the total estimated construction and development costs;

(c) at least 25 % of the saleable project area is secured by contracts/agreements with buyers; and

(d) at least 10 % of the contracts/agreements value are realised at the reporting date in respect of such contracts/agreements.

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

Further, for projects executed through joint development arrangements, wherein the land owner/possessor provides land and the Group undertakes to develop properties on such land and in lieu of land owner providing land, the Group has agreed to transfer certain percentage of constructed area or certain percentage of the revenue proceeds, the revenue from the development and transfer of constructed area/revenue sharing arrangement in exchange of such development rights/ land is being accounted on gross basis on launch of the project.

The revenue is measured at the fair value of the land received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the land received cannot be measured reliably, the revenue is measured at the fair value of the estimated construction service rendered to the land owner, adjusted by the amount of any cash or cash equivalents transferred. The fair value so estimated is considered as the cost of land in the computation of percentage of completion for the purpose of revenue recognition as discussed above.

Revenue from hospitality services

Revenue from hospitality operations comprise revenue from rooms, restaurants, banquets and other allied services, including membership, telecommunication, laundry, etc. Revenue is recognized as and when the services are rendered and is disclosed net of allowances. Revenue from membership fees is recognized as income on straight-line basis over the membership term.

Income from leasing

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

Income from other services

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

Interest income

Interest income, including income arising from other financial instruments measured at amortised cost, is recognized using the effective interest rate method.

Dividend income

Dividend income is recognized when the Group's right to receive dividend is established, which is generally when shareholders approve the dividend.

Share in profits of partnership firm investments

The Group's share in profits from a firm where the Group is a

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

partner, is recognized basis of such firm's audited accounts, as per terms of the partnership deed.

(o) Foreign currency translation

Functional and presentation currency

The Group's consolidated Ind AS financial statements are presented in Indian rupee (INR), which is also the Holding Company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Foreign currency transactions and balances

i) **Initial recognition** - Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

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

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

(p) Retirement and other employee benefits

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

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Group recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Group recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

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

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

(q) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

i. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

ii. Deferred income tax

Deferred income tax is recognised using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences,

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

iii. Minimum alternate tax (MAT)

MAT payable for a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available in the statement of profit and loss as deferred tax with a corresponding asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward, in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961. The said asset is shown as 'MAT Credit Entitlement' under Deferred Tax. The Group reviews the same at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

(r) Share based payment

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

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model and the cost is recognised, together with a corresponding increase in share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(s) Segment reporting

i. Identification of segments - The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

ii. Inter-segment transfers - The Group generally accounts for intersegment sales and transfers at appropriate margins. These transfers are eliminated in consolidation.

iii. Unallocated items - Unallocated items include general corporate asset, liability, income and expense items which are not allocated to any business segment.

iv. Segment accounting policies - The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

(t) Provisions and contingent liabilities

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

(u) Financial Instruments

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

i. Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

iii. Debt instruments at amortized cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

iv. Investment in subsidiaries, joint ventures and associates

Investment in subsidiaries and associate are carried at cost. Impairment recognized, if any, is reduced from the carrying value.

v. De-recognition of financial asset

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

vi. Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The subsequent measurement of financial liabilities depends on their classification, which is described below.

vii. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

viii. Financial liabilities at amortized cost

Financial liabilities are subsequently carried at amortized cost using the effective interest ('EIR') method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Interest-bearing loans and borrowings are subsequently measured at amortized cost using EIR method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ix. De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

x. Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(v) Convertible preference shares and debentures

Convertible preference shares and debentures are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares and debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares and debentures based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

(w) Cash dividend to equity holders of the Holding Company

The Holding Company recognizes a liability to make cash distributions to equity holders of the Holding Company when the distribution is authorized and the distribution is no longer at the discretion of the Holding Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Holding Company's Board of Directors.

(x) Earnings Per Share

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

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

(y) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank borrowings repayable on demand as they are considered an integral part of the Group's cash management.

2.2 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(a) Judgments

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

Classification of property

The Group determines whether a property is classified as investment property or inventory as below.

- Investment property comprises land and buildings (principally

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

office and retail properties) that are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

- Inventory comprises property that is held for sale in the ordinary course of business. Principally, this is residential and commercial property that the Group develops and intends to sell before or during the course of construction or upon completion of construction.

Basis of Consolidation

For the purpose of consolidation, judgements are involved in determining whether the Group has control over an investee entity by assessing the Group's exposure/rights to variable returns from its involvement with the investee and its ability to affect those returns through its power over the investee entity. The Group considers all facts and circumstances when assessing whether it controls an investee entity and reassess whether it controls an investee entity if facts and circumstances indicate that there are changes to one or more elements of control. Changes in judgements about these inputs could affect the reported value in the financial statements.

(b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Revenue recognition and valuation of unbilled revenue

The Group uses the percentage-of-completion method for recognition of revenue, accounting for unbilled revenue and contract cost thereon for its real estate and contractual projects. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the percentage-of-completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred, the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

Accounting for revenue and land cost for projects executed through joint development arrangements ('JDA')

For projects executed through joint development arrangements, the revenue from the development and transfer of constructed area/revenue sharing arrangement and the corresponding land/development rights received under JDA is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. The fair value is estimated with reference to the terms of the JDA (whether revenue share or area share) and the related cost that is allocated to discharge the obligation of the Group under the JDA. Fair value of the construction is considered to be the representative fair value of the revenue transaction and land so obtained. Such assessment is carried out at the launch of the real estate project and is not reassessed at each reporting period. The Management is of the view that the fair value method and estimates are reflective of the current market condition.

Estimation of net realizable value for inventory (including land advance)

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Group, based on comparable transactions identified by the Group for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

growth rate used for extrapolation purposes. These estimates are most relevant to disclosure of fair value of investment property recorded by the Group.

Defined benefit plans - Gratuity

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates and expected salary increase thereon.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and market risk. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Measurement of financial instruments at amortized cost

Financial instrument are subsequently measured at amortized cost using the effective interest ('EIR') method. The computation of amortized cost is sensitive to the inputs to EIR including effective rate of interest, contractual cash flows and the expected life of the financial instrument. Changes in assumptions about these inputs could affect the reported value of financial instruments.

Evaluation of control, joint control or significant influence by the Company over its investee entities for disclosure:

Judgment is involved in determining whether the Company has control over an investee entity by assessing the Company's exposure/rights to variable returns from its involvement with the investee and its ability to affect those returns through its power over the investee entity. The Company considers all facts and circumstances when assessing whether it controls an investee entity and reassess whether it controls an investee entity if facts and circumstances indicate that there are changes to one or more elements of control. In assessing whether the Company has joint control over an investee the Company assesses whether decisions about the relevant activities require the unanimous consent of the parties sharing control. Further, in assessing whether Company has significant influence over an investee, the Company assesses whether it has the power to participate in the financial and operating policy decisions of the investee, but is not in control or joint control of those policies.

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

The useful life and residual value of property, plant and equipment, investment property and intangible assets are determined based on evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgments involved in such estimates the useful life and residual value are sensitive to the actual usage in future period.

Provision for litigations and contingencies

Provision for litigations and contingencies is determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgments around estimates the ultimate outcome of such past events and measurement of the obligation amount. Due to judgments involved in such estimation the provision is sensitive to the actual outcome in future periods.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

3.1 PROPERTY, PLANT AND EQUIPMENT

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	Freehold Land	Leasehold Land	Building	Electrical Installation and Equipment	Furniture & Fixtures	Plant & Machinery	Office Equipment	Computer Hardware	Vehicles	Total
Cost										
At April 01, 2016	**8,139**	**638**	**23,116**	**752**	**2,919**	**2,979**	**573**	**304**	**194**	**39,614**
Additions	2,351	–	7,784	885	1,659	1,507	1,123	76	17	15,402
Disposals	–	–	15	10	–	6	–	10	3	44
At March 31, 2017	**10,490**	**638**	**30,885**	**1,627**	**4,578**	**4,480**	**1,696**	**370**	**208**	**54,972**
Additions	3,189	–	21,868	2,799	4,774	5,088	1,900	581	355	40,554
Disposals	–	–	–	–	–	–	–	–	4	4
At March 31, 2018	**13,679**	**638**	**52,753**	**4,426**	**9,352**	**9,568**	**3,596**	**951**	**559**	**95,522**
Depreciation										
At April 01,2016	**–**	**13**	**848**	**28**	**1,219**	**1,060**	**218**	**91**	**32**	**3,509**
Charge for the year	–	7	1,356	347	1,116	1,092	475	119	51	4,563
Disposals	–	–	5	–	–	2	–	3	1	11
At March 31, 2017	**–**	**20**	**2,199**	**375**	**2,335**	**2,150**	**693**	**207**	**82**	**8,061**
Charge for the year	–	7	2,045	694	1,612	1,291	819	206	102	6,776
Disposals	–	–	–	–	–	–	–	–	–	–
At March 31, 2018	**–**	**27**	**4,244**	**1,069**	**3,947**	**3,441**	**1,512**	**413**	**184**	**14,837**
Net book value										
As at March 31, 2017	**10,490**	**618**	**28,686**	**1,252**	**2,243**	**2,330**	**1,003**	**163**	**126**	**46,911**
As at March 31, 2018	**13,679**	**611**	**48,509**	**3,357**	**5,405**	**6,127**	**2,084**	**538**	**375**	**80,685**

Capitalised borrowing costs

Refer note 27 for the amount of borrowing costs capitalised during the year. The rate used to determine the amount of borrowing costs eligible for capitalisation was 8-12%, which is the effective interest rate of the borrowing.

Assets under construction

Refer note 3.2 and 5 for capital work in progress and intangible assets under development.

Land and buildings

Refer note 15 for details of assets pledged as security for borrowings.

3.2 CAPITAL WORK IN PROGRESS ('CWIP')

₹

	Investment property under construction	Property, plant and equipment	Total
As at April 01, 2016	**110,474**	**29,200**	**139,674**
-Additions (subsequent expenditure)	25,753	14,297	40,050
-Transferred from inventory during the year	–	5,153	5,153
-Capitalised during the year	(13,827)	(15,520)	(29,347)
As at March 31, 2017	**122,400**	**33,130**	**155,530**
-Additions (subsequent expenditure)	74,316	19,584	93,900
-Transferred from inventory during the year	12,704	–	12,704
-Capitalised during the year	(10,405)	(39,571)	(49,976)
-Transferred to inventory during the year	–	(84)	(84)
As at March 31, 2018	**199,015**	**13,059**	**212,074**

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

Fair value disclosure

The Group has determined that the fair value of the investment property under construction is not reliably measurable and expects the fair value of the property to be reliably measurable when construction is complete. Accordingly, the Group will measure and disclose the fair value of the investment property when the construction is complete and its fair value becomes reliably measurable.

Land and buildings

Refer note 15 for details of assets pledged as security for borrowings.

Capitalised borrowing costs

Refer note 27 for the amount of borrowing costs capitalised during the year. The rate used to determine the amount of borrowing costs eligible for capitalisation was 8-12%, which is the effective interest rate of the borrowing.

4. INVESTMENT PROPERTY

₹

				Other assets forming part of Building				
	Freehold Land	Leasehold Land	Building	Electrical Installation and Equipment	Furniture & Fixtures	Plant & Machinery	Office Equipment	Total
Cost								
Opening balance at April 01, 2016	**5,967**	**2,810**	**69,855**	**8,400**	**2,079**	**5,746**	**462**	**95,319**
Additions (subsequent expenditure)	5,061	-	5,898	1,359	72	1638	-	14,028
Disposals	-	-	255	-	175	289	85	804
Closing balance at March 31, 2017	**11,028**	**2,810**	**75,498**	**9,759**	**1,976**	**7,095**	**377**	**108,543**
Additions (subsequent expenditure)	5,390	-	3,606	431	117	546	223	10,313
Disposals	-	-	-	-	-	-	-	-
Closing balance at March 31, 2018	**16,418**	**2,810**	**79,104**	**10,190**	**2,093**	**7,641**	**600**	**118,856**
Depreciation								
Opening balance at April 01, 2016	**-**	**8**	**3,647**	**1,738**	**536**	**543**	**229**	**6,701**
Charge for the year	-	35	4,220	1,839	402	823	98	7,417
Disposals	-	-	89	-	47	101	29	266
Closing balance at March 31, 2017	**-**	**43**	**7,778**	**3,577**	**891**	**1,265**	**298**	**13,852**
Charge for the year	-	35	3,691	1,528	307	1,009	89	6,659
Disposals	-	-	-	-	-	-	-	-
Closing balance at March 31, 2018	**-**	**78**	**11,469**	**5,105**	**1,198**	**2,274**	**387**	**20,511**
Net book value								
As at March 31, 2017	**11,028**	**2,767**	**67,720**	**6,182**	**1,085**	**5,830**	**79**	**94,691**
As at March 31, 2018	**16,418**	**2,732**	**67,635**	**5,085**	**895**	**5,367**	**213**	**98,345**

Land and buildings

Refer note 15 for details of assets pledged as security for borrowings.

₹

Information regarding income and expenditure of Investment property	March 31, 2018	March 31, 2017
Income derived from investment properties	**28,997**	**25,493**
Direct operating expenses (including repairs and maintenance) generating rental income	(8,284)	(8,218)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(49)	(268)
Profit arising from investment properties before depreciation and indirect expenses	**20,664**	**17,007**
Less:- Depreciation	(6,659)	(7,417)
Profit arising from investment properties before indirect expenses	**14,005**	**9,590**

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

The management has determined that the investment properties consist of two classes of assets – office and retail – based on the nature, characteristics and risks of each property.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements, except as disclosed in note 32(b)(i). ₹

Fair value of Investment Properties:	Office properties	Retail Properties	Total
As at March 31, 2017	104,717	126,910	231,627
As at March 31, 2018	123,183	140,205	263,388

These fair values are based on valuations performed by an independent valuer, who is assessed by the Company to be an expert in valuing these types of investment properties. The fair value of investment properties is based on discounted cash flows and classified as level 3 fair value in the fair value hierarchy due to the use of unobservable inputs. There has been no change in valuation techniques used since prior years.

Description of valuation techniques used and key inputs to valuation on investment properties:

Investment properties	Valuation	Significant observable inputs	Range (weighted average)	
			March 31, 2018	March 31, 2017
Office properties	DCF method	- Estimated rental value per sq. ft. per month	₹ 32 - ₹ 99	₹ 34 - ₹ 90
		- Rent growth p.a.	5%	5%
		- Discount rate	8%	8%
Retail properties	DCF method	- Estimated rental value per sq. ft. per month	₹ 50 - ₹ 282	₹ 50 - ₹ 250
		- Rent growth p.a.	5%	5%
		- Discount rate	8%	8%

Under the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real estate property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream associated with the asset.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real estate property. Periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

5. INTANGIBLE ASSETS

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	Goodwill	Other Intangible Assets			Intangible assets under development
		Computer Software	License Fees	Total	
Cost					
At April 01, 2016	**430**	**471**	**366**	**837**	**1,409**
Additions	-	703	-	703	-
Disposals	-	-	-	-	-
Capitalised during the year	-	-	-	-	571
At March 31, 2017	**430**	**1,174**	**366**	**1,540**	**838**
Additions	-	320	-	320	-
Disposals	-	-	-	-	-
Capitalised during the year	-	-	-	-	-
At March 31, 2018	**430**	**1,494**	**366**	**1,860**	**838**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

	Goodwill	Other Intangible Assets			Intangible assets under development
		Computer Software	License Fees	Total	
Amortisation					
At April 01, 2016	**-**	**232**	**-**	**232**	**-**
Charge for the year	-	238	37	275	-
Disposals	-	-	-	**-**	**-**
At March 31, 2017	**-**	**470**	**37**	**507**	**-**
Charge for the year	-	294	37	331	-
Disposals	-	-	-	**-**	**-**
At March 31, 2018	**-**	**764**	**74**	**838**	**-**
Net book value					
As at March 31, 2017	**430**	**704**	**329**	**1,033**	**838**
As at March 31, 2018	**430**	**730**	**292**	**1,022**	**838**

6. INVESTMENTS

	Current		Non-current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	₹	₹	₹	₹
A. Investments at cost, unquoted				
Investment in equity shares (fully paid up)				
14.80 lakhs (March 31, 2017: 14.80 lakhs) Equity shares of ₹ 10/- each fully paid up in Tandem Allied Services Pvt. Ltd. (Associate Company)	-	-	7	7
Add:-Share in profit of associate [net of dividend income of ₹ 30 Lakhs (March 31, 2017: ₹Nil)]	-	-	923	800
Total Investments carried at cost	**-**	**-**	**930**	**807**
B. Investments at Fair Value through profit or loss				
Investment in mutual funds (quoted)				
7.39 lakhs (March 31, 2017 : Nil) units of ₹ 2241.75 each in SBI Ultra Short Term Debt Fund - Regular Growth Plan	16,569	-	-	-
1.09 lakhs (March 31, 2017: Nil) units of ₹ 279.31 in Aditya Birla Sun Life Cash Plus growth direct plan	304	-	-	-
0.44 lakhs (March 31, 2017 : Nil) units of ₹ 2,852.32 in Reliance Liquid fund -Cash plan- Direct Growth plan	1,255	-	-	-
Investment in Bonds (quoted)				
35,000 units (March 31, 2017: 35,000 units) of ₹ 1,000/- each fully paid up in Indian Renewable Energy Development Ltd.	-	-	460	576
Investment in equity instruments of Other Companies (unquoted)				
1.56 lakhs (March 31, 2017: 1.56 lakhs,) Equity shares of ₹ 10/- each full paid up in Mangalore Energies Pvt. Ltd.	-	-	16	16
0.05 lakhs (March 31, 2017: 0.05 lakhs) Equity shares of ₹ 10/- each fully paid up in Diagnostic Research Pvt. Ltd.	-	-	-	-
2.39 lakhs (March 31, 2017: 2.39 lakhs,) Equity shares of ₹ 10/- each fully paid up in AEC Promag Pvt. Ltd.	-	-	-	-

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

	Current		Non-current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	₹	₹	₹	₹
0.05 lakhs (March 31, 2017: Nil) Equity shares of ₹ 10/- each fully paid up in XIsys Technologies (P) Ltd	-	-	34	-
0.005 lakhs (March 31, 2017: Nil) Equity shares of ₹ 10/- each fully paid up in Snaptude Technologies Pvt Ltd	-	-	16	-
0.003 Lakhs (March 31, 2017 : Nil) Equity shares of ₹ 10/- each in Aapkapainter Solutions Pvt Ltd	-	-	-	-
Total Investments carried at FVTPL	**18,128**	**-**	**526**	**592**
C. Investments at Amortised Cost				
Investment in Bonds (unquoted)				
400 units (March 31, 2017: 400 units) of ₹ 1,000,000/- each fully paid up in Lakshmi Vilas Bank Ltd	-	-	4,000	4,000
Investment in Government or trust securities (unquoted)				
Government securities	-	-	2	2
Total Investments at amortised cost	**-**	**-**	**4,002**	**4,002**
Total Investments	**18,128**	**-**	**5,457**	**5,401**
Notes:				
a) Aggregate amount of quoted investments and net asset value	18,128	-	460	576
b) Aggregate amount of unquoted investments	-	-	4,997	4,825
c) Aggregate amount of impairment in value of investments	-	-	-	-

7. LOANS

(Unsecured, considered good)

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	₹	₹	₹	₹
Security deposits	218	173	143	543
Loans to related parties (refer note 33)	-	-	444	43
Loans to employees	-	-	101	8
Deposits under joint development arrangements*	28,010	21,168	80	80
	28,228	**21,341**	**768**	**674**

* Advances paid by the Group to the landowner toward joint development of land is recognized as deposits since the advance is in the nature of refundable deposits.

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

8. OTHER FINANCIAL ASSETS

(Unsecured, considered good)

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	₹	₹	₹	₹
Receivable on sale of fixed assets	1,478	1,654	-	-
Margin money deposits with banks	5,681	4,407	-	-
Interest accrued and not due on deposits	56	-	400	265
Unbilled revenue	-	-	21,796	23,049
Lease Deposit	1	-	4	-
Advance for Investment in Partnership firm	1,250	-	-	-
Others	-	-	46	32
	8,466	**6,061**	**22,246**	**23,346**

Refer note 15 for details of unbilled revenue pledged as security for borrowings.

9. OTHER ASSETS

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	₹	₹	₹	₹
Land advance*	22,602	14,097	-	-
Advance to suppliers	867	47	11,366	5,230
Balances with statutory / government authorities	6,202	4,923	4,804	4,073
Prepaid expenses	273	299	837	781
Capital advances	1,675	1,062	-	-
Advances recoverable in cash or kind	268	21	2,026	1,932
Others	692	665	-	200
	32,579	**21,114**	**19,034**	**12,216**

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

10. INVENTORIES

	March 31, 2018	March 31, 2017
	₹	₹
(Valued at lower of cost and net realisable value)		
Raw materials, components and stores	7,618	10,205
Work-in-progress	162,099	188,999
Land stock	10,995	13,335
Stock of flats	37,235	13,852
	217,947	**226,391**

Refer note 15 for details of inventories pledged as security for borrowings.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

11. TRADE RECEIVABLES

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	₹	₹	₹	₹
Trade receivables				
- Unsecured, considered good	-	-	17,680	3,630
- Unsecured, considered doubtful	-	-	26	47
Receivable from related parties (refer note 33)				
- Unsecured, considered good	-	-	15	107
	-	-	17,721	3,784
Less: Provision for doubtful trade receivables	-	-	(26)	(47)
	-	-	17,695	3,737

Refer note 15 for details of trade receivables pledged as security for borrowings.

12.1 CASH AND CASH EQUIVALENTS

	March 31, 2018	March 31, 2017
	₹	₹
Balances with banks:		
– On current accounts	11,587	10,539
– Deposits with original maturity of less than 3 months	37	6
Cash on hand	146	284
	11,770	10,829

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	March 31, 2018	March 31, 2017
	₹	₹
Balances with banks:		
– On current accounts	11,587	10,539
– Deposits with original maturity of less than 3 months	37	6
Cash on hand	146	284
	11,770	10,829
Less - cash credit facilities from banks (note 15)	(5,082)	(3,760)
	6,688	7,069

12.2 BALANCES AT BANK OTHER THAN CASH AND CASH EQUIVALENTS

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	₹	₹	₹	₹
Balances with banks:				
– Deposits with maturity between 3 to 12 months	-	-	2,874	1,989
– Deposits with original maturity of more than 12 months	5,681	4,407	-	804
– On unpaid dividend account*	-	-	14	11
	5,681	4,407	2,888	2,804
Amount disclosed under non-current financial assets (note 8)	(5,681)	(4,407)	-	-
	-	-	2,888	2,804

*The Group can utilize the balance only towards settlement of the respective unpaid dividend.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

Break up of financial assets carried at amortised cost

	Notes	March 31, 2018 ₹	March 31, 2017 ₹
Investments	6	4,002	4,002
Loans (current)	7	768	674
Loans (non-current)	7	28,228	21,341
Trade receivables	11	17,695	3,737
Cash and cash equivalents	12.1	11,770	10,829
Bank balances other than Cash and cash equivalents	12.2	2,888	2,804
Other financial assets (current)	8	22,246	23,346
Other financial assets (non-current)	8	8,466	6,061
		96,063	**72,794**

13 SHARE CAPITAL

	March 31, 2018 ₹	March 31, 2017 ₹
Authorised share capital (No.)		
1,500 lakhs (March 31, 2017: 1,500 lakhs) Equity shares of ₹ 10 each	15,000	15,000
Issued, subscribed and fully paid-up shares (No.)		
1,360 lakhs (March 31, 2017: 1,136 lakhs) Equity shares of ₹ 10 each	13,607	11,366
Total issued, subscribed and fully paid-up shares	**13,607**	**11,366**

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

Equity shares	March 31, 2018		March 31, 2017	
	No. in lakhs	₹	No. in lakhs	₹
At the beginning of the year	1,136	11,366	1,132	11,318
Issued during the year pursuant to the exercise of stock options by certain employees	4	43	4	48
Issued during the year pursuant to QIP (refer note 44)	220	2,198	-	-
Balance at the end of the year	**1,360**	**13,607**	**1,136**	**11,366**

(b) Terms/ rights attached to equity shares

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

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

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

	March 31, 2018		March 31, 2017	
	No. in lakhs	% holding	No. in lakhs	% holding
Equity shares of ₹ 10 each fully paid				
M.R. Jaishankar	230	17%	230	20%
Githa Shankar	187	14%	187	17%
Nirupa Shankar	93	7%	93	8%

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

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

(d) Shares issued for consideration other than cash and reserved for issue under options

The Company has issued total 17 Lakhs shares (March 31, 2017: 13 Lakhs shares) during the period of 5 years immediately preceding the reporting date on exercise of options granted under Employee Stock Option Plan ('ESOP') wherein part consideration was received in the form of employee services.

For details of shares reserved for issue under the ESOP of the Company, refer note 35.

14 OTHER EQUITY

	March 31, 2018 ₹	March 31, 2017 ₹
Capital Reserve	1	1
Balance at the beginning of the year	-	-
Movement during the year	1	1
Securities premium account		
Balance at the beginning of the year	70,361	70,014
Add: Issue of equity shares pursuant to exercise of stock options	277	347
Add: Issue of equity shares pursuant to QIP (refer note 44)	47,802	-
Less: Adjustment of share issued expenses on QIP (refer note 44)	(960)	-
Balance at the end of the year	**117,480**	**70,361**
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act.		
Debenture Redemption Reserve		
Balance at the beginning of the year	371	368
Add: Amount transferred from surplus balance in the statement of profit and loss	307	224
Less: Transfer to general reserve on redemption of debentures	-	(221)
Balance at the end of the year	**678**	**371**
Revaluation Reserve		
Balance at the beginning of the year	829	829
Movement during the year	-	-
Balance at the end of the year	**829**	**829**
Stock options outstanding account		
Balance at the beginning of the year	98	122
Add: Compensation expense for options granted during the year	54	122
Less: Transferred to securities premium on exercise of stock options	(103)	(146)
Balance at the end of the year	**49**	**98**
Stock options outstanding account is used to record the fair value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to securities premium upon exercise of stock options by employees. In case of lapse, corresponding balance is transferred to general reserve.		
Equity component of compound financial instruments - interest free loans		
Balance at the beginning of the year	4,378	4,378
Movement during the year	(50)	-
Balance at the end of the year	**4,328**	**4,378**
General reserve		
Balance at the beginning of the year	10,895	10,045
Transfer from retained earnings	57	629
Transfer from debenture redemption reserve	-	221

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

	March 31, 2018 ₹	March 31, 2017 ₹
Balance at the end of the year	**10,952**	**10,895**
General reserve represents appropriation of profit.		
Retained earnings		
Balance at the beginning of the year	71,192	56,706
Total comprehensive income for the year	14,033	15,339
Dividend (including dividend distribution tax) - refer note 30	(4,083)	-
Transfer to general reserve	(57)	(629)
Transfer to debenture redemption reserve	(307)	(224)
Balance at the end of the year	**80,778**	**71,192**
Total other equity	**215,095**	**158,125**

15 BORROWINGS

	March 31, 2018 ₹	March 31, 2017 ₹
Non-current Borrowings		
Debentures (unsecured)		
490 (March 31, 2017: 490) 16% A series Non Convertible Debentures (NCD) of ₹ 10,00,000 each	4,900	4,900
2,57,55,200 (March 31, 2017 : 2,37,55,200) 16% A series Fully Convertible Debentures (FCD) of ₹ 100 each	25,755	23,755
Nil (March 31, 2017: 500,000) 12% A11 series Fully Convertible Debentures (FCD) of ₹ 100 each	-	500
250 (March 31, 2017: Nil) 14.10% B series NCD of ₹ 1,000,000 each	2,500	-
Liability component of Compound Financial instruments (unsecured)		
Compulsorily Convertible Preference shares(CCPS)	9	9
Loans from related parties (unsecured)		
Loans from related parties (refer note 33)	10,491	9,367
Term Loans from banks (secured)		
Term loans from banks	270,817	196,242
	314,472	**234,773**
Less: Current maturities - Term loans from banks*	(51,164)	(75,926)
Total Non-current Borrowings	**263,308**	**158,847**

*Represent amounts repayable within the operating cycle. Amount repayable within twelve months is ₹ 42,014 lakhs (March 31, 2017: ₹ 49,997 lakhs).

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

	March 31, 2018 ₹	March 31, 2017 ₹
Current Borrowings		
Loans from banks repayable on demand		
Cash credit facilities from banks (secured)	5,082	3,760
Other loans from banks		
Cash credit facilities from banks (unsecured)	706	7,434
Short term loan from bank (secured)	-	6,600
Working capital facilities from banks (secured)	18,709	5,064
Total Current Borrowings	**24,497**	**22,858**

Notes:

Debentures

> A series non convertible debentures have been issued at par carrying an interest rate of 16% per annum. These are mandatorily redeemable at the expiry of 7 years from the date of its issue. The redemption of the A series non convertible debentures shall be solely in accordance with the provisions of the Investment Agreements and the NCD Agreement.

> A series fully convertible debentures have been issued at par carrying an interest rate of 12% per annum. These are mandatorily convertible to into Class C equity shares at the expiry of 20 years from the date of its issue i.e. March 09, 2016, however the subsidiary company may at any time prior to the expiry of 20 years convert the A series fully convertible debentures into Class C equity shares. 1 (one) A Series fully convertible debenture would be converted to 10 (Ten) Class C equity shares. The conversion of the A series fully convertible debentures shall be solely in accordance with the Investment Agreements and the Articles. The subsidiary company has offered to convert and/or redeem the instrument on March 31, 2024.

> A11 series fully convertible debentures have been issued at par carrying an interest rate of 12% per annum. These are mandatorily convertible to into Class C equity shares at the expiry of 20 years from the date of its issue i.e. January 27, 2017, however the subsidiary company may at any time prior to the expiry of 20 years convert the A series fully convertible debentures into Class C equity shares. 1 (one) A11 Series fully convertible debenture would be converted to 10 (Ten) Class C equity shares. The conversion of the A 11 series fully convertible debentures shall be solely in accordance with the Investment Agreements and the Articles. The subsidiary company has offered to convert and/or redeem the instrument on March 31, 2024.

> A12 series Fully convertible debentures have been issued at par carrying an interest rate of 12% per annum. These are mandatorily convertible to into Class C equity shares at the expiry of 20 years from the date of its issue i.e. April 06, 2017, however the subsidiary company may at any time prior to the expiry of 20 years convert the A12 series Fully convertible debentures into Class C equity shares.1 (one) A Series Fully convertible debenture would be converted to 10 (Ten) Class C equity shares. The conversion of the A 12 series Fully convertible debentures shall be solely in accordance with the Investment Agreements and the Articles.

> B Series NCD have been issued at par carrying interest rate of 14.10% per annum. These are mandatorily redeemable within a period of 7 years from the date of issue. The redemption of the B series NCD shall be solely in accordance with the provisions of the Investment Agreements and the Articles.

CCPS

> CCPS have been issued at par carrying a cumulative dividend rate of 0.01% per annum. The holder of CCPS may at any time prior to the expiry of 20 years exercise the option to convert CCPS to Class C equity shares. 1 (one) CCPS would be converted to 10 (ten) Class C equity share. The options (including conversion) under the CCPS shall be exercised solely in accordance with the Investors Agreements and the Articles. The subsidiary company has offered to convert the instrument on March 31, 2024. The presentation of liability and equity portions of CCPS is explained in the summary of significant accounting policy.

Loans from related parties

> Loans from related parties are unsecured, repayable over a period of 12 years with effective interest rate of 12% p.a.

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

Term Loans

> Term loan from banks of ₹ 74,099 lakhs (March 31, 2017: ₹ 80,930 lakhs) are secured by way of assignment of project receivables and further secured by collateral security of underlying land, building and movable fixed assets. The loans carry interest in the range of 8-12% and are repayable within 12-60 instalments of upto ₹ 300 lakhs.

> Term loan from banks of ₹ 1,96,718 lakhs (March 31, 2017: ₹ 115,312 lakhs) by way of mortgage of project properties, future lease rentals and Cash flows of Hotels. The loans carry interest rate in the range of 8-12% and are repayable within 60-144 instalments of upto ₹ 300 lakhs.

Loans from banks repayable on demand

> Cash credit facilities from banks (secured) are secured by way of mortgage of project properties and are personally guaranteed by the directors of the Holding Company. The facilities carry interest rate in the range of 10%-12% and are repayable on demand.

Other loans from banks

> Cash credit facilities from banks (unsecured) are repayable on demand and carry interest rate in the range of 10-12%.

> Short term loan of last year carries interest @ 9.4% p.a. payable monthly. The loan is to be repaid after 12 months from date of first drawdown. Equitable mortgage of land measuring 8 acres situated at Sy. No. 103-104, D68 Kundallahalli village, K.R. Puram Hobli, Bangalore East in the name of the subsidiary company has been given as the primary security for the loan.

> Working capital loan from banks are secured by way of mortgage of project properties. The loans carry interest rate in the range of 10-12%.

16 OTHER FINANCIAL LIABILITIES

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	₹	₹	₹	₹
Lease deposits	3,303	3,070	8,128	6,516
Interest accrued but not due	2,096	1,212	5,964	3,231
Current maturities of long-term borrowings (note 15)	-	-	51,164	75,926
Payable towards purchase of fixed assets	2,967	-	917	-
Employee benefits payable	-	-	2,546	3,051
Interest free deposits from customers	503	1,034	11,195	8,729
	8,869	**5,316**	**79,914**	**97,453**

17 PROVISIONS

	Long term		Short term	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	₹	₹	₹	₹
Provision for employee benefits				
Gratuity (refer note 34)	130	73	187	200
Leave benefits	-	-	485	501
Other benefits	12	-	-	-
	142	**73**	**672**	**701**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

18 INCOME TAX

18.1 Deferred tax liabilities, net

	March 31, 2018 ₹	March 31, 2017 ₹
Deferred tax liabilities		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	3,259	4,255
Impact of accounting for financial instruments at amortized cost	1,959	2,476
Others	28	230
Gross deferred tax liabilities	**5,246**	**6,961**
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years	1,335	562
Unused tax credit - MAT Credit entitlement	104	-
Gross deferred tax assets	**1,439**	**562**
Net deferred tax liabilities	**3,807**	**6,399**

18.2 Deferred tax assets, net

	March 31, 2018 ₹	March 31, 2017 ₹
Deferred tax liabilities		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	836	-
Others	1	-
Gross deferred tax liabilities	**837**	**-**
Deferred tax assets		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	153	6
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years	1,368	8
Unused tax losses	529	192
Gross deferred tax assets	**2,050**	**206**
Net deferred tax assets	**1,213**	**206**

18.3 Tax expense

Components of income tax expense	March 31, 2018 ₹	March 31, 2017 ₹
Statement of profit and loss:		
Current income tax:		
Current income tax charge	9,778	9,267
Deferred tax:		
Relating to origination and reversal of temporary differences	(3,496)	(1,951)
Tax effect on share of profit of Associate	81	41
Income tax expense reported in the statement of profit or loss	**6,363**	**7,357**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

	March 31, 2018	March 31, 2017
	₹	₹
Other comprehensive income		
Deferred tax related to items recognised in OCI during in the year:		
Net loss/(gain) on remeasurements of defined benefit plans	(71)	(16)
Income tax expense reported in Other comprehensive income	**(71)**	**(16)**

Notes:

1. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

	March 31, 2018	March 31, 2017
	₹	₹
Accounting profit before income tax	19,417	23,957
Tax on accounting profit at statutory income tax rate 34.61% (March 31, 2017: 34.61%)	6,720	8,292
Non-deductible expenses for tax purposes:		
Donation	130	348
Non taxable income for tax purposes:		
Dividend income	-	(25)
Sec 80IB Benefit availed	(2,598)	(860)
Tax effect of other non-deductible expenses/(non-taxable income), net (refer note 31)	2,111	(397)
Tax expense reported in the Statement of profit or loss	**6,363**	**7,357**

2. Reconciliation of deferred tax liabilities (net of deferred tax assets):

	March 31, 2018	March 31, 2017
	₹	₹
Balance at the beginning of the year	6,193	6,189
Deferred tax charge/(credit) for the year recognised in statement of profit and loss	(3,415)	(1,910)
Deferred tax charge/(credit) for the year recognised in other comprehensive income	(71)	(16)
MAT Credit utilised/(recognised)	(104)	2,357
Reversal of tax on conversion of debentures into equity shares	-	(397)
Others	(9)	(30)
Balance at the end of the year	**2,594**	**6,193**

19 OTHER LIABILITIES

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	₹	₹	₹	₹
Income received in advance	5,161	5,235	807	848
Lease equalisation reserve	2,382	646	5	-
Advance from customers	-	-	69,645	76,315
Liability under joint development arrangement*	-	-	13,753	12,681
Statutory dues payable	-	-	2,868	3,270
Payable to Investor education and protection fund when due - Unclaimed dividend**	-	-	14	11
Other liabilities	699	-	8	
	8,242	**5,881**	**87,100**	**93,125**

*Includes amount payable to landowners where the Group has entered into joint development arrangements with landowners for joint development of properties on land in lieu of which, the Group has agreed to transfer certain percentage of constructed area/ revenue proceeds, net of revenue recognised.

** Represent amounts repayable within the operating cycle. Amount repayable within twelve months is ₹ 57,197 lakhs (March 31, 2017: ₹ 44,587 lakhs)

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

20 TRADE PAYABLES

	March 31, 2018 ₹	March 31, 2017 ₹
Trade payable		
- Payable to related parties (refer note 33)	31	36
- Payable to other parties	52,615	51,576
	52,646	**51,612**

Break up of financial liabilities carried at amortised cost	Notes	March 31, 2018 ₹	March 31, 2017 ₹
Borrowings (non-current)	15	263,308	158,847
Borrowings (current)	15	24,497	22,858
Trade payable	20	52,646	51,612
Other financial liabilities (current)	16	79,914	97,453
Other financial liabilities (non-current)	16	8,869	5,316
		429,234	**336,086**

21 REVENUE FROM OPERATIONS

		March 31, 2018 ₹	March 31, 2017 ₹
Income from property development		137,620	156,877
Income from leasing		22,467	19,242
Income from hospitality services		21,431	17,589
	(A)	**181,518**	**193,708**
Other operating revenue			
Management fees		19	665
Revenue from maintenance services		4,011	3,999
Revenue from parking services		1,269	979
Commission income		186	423
Others		2,717	2,640
	(B)	**8,202**	**8,706**
	(A) + (B)	**189,720**	**202,414**

22 OTHER INCOME

	March 31, 2018 ₹	March 31, 2017 ₹
Interest income on:		
Bank deposits	497	532
Others	1,538	2,141
Gain on sale of mutual fund	859	-
Fair value gain on financial instruments at fair value through profit and loss	941	-
Dividend income on current investments	-	71
Other non-operating income	996	680
	4,831	**3,424**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

23 COST OF RAW MATERIALS, COMPONENTS AND STORES CONSUMED

	March 31, 2018	March 31, 2017
	₹	₹
Inventory at the beginning of the year	9,573	8,864
Add: Purchases	15,468	17,355
	25,041	**26,219**
Less: Inventory at the end of the year	(7,618)	(10,205)
Cost of raw materials, components and stores consumed	**17,423**	**16,014**

24 (INCREASE)/ DECREASE IN INVENTORIES OF STOCK OF FLATS, LAND STOCK AND WORK-IN-PROGRESS

	March 31, 2018	March 31, 2017
	₹	t₹
Inventories at the end of the year		
Work-in-progress - Real estate	1, 62,099	188,999
Land stock	10,995	13,335
Stock of flats	37,235	13,852
	210,329	216,186
Inventories at the beginning of the year		
Work-in-progress - Real estate	188,999	208,043
Land stock	13,335	10,581
Stock of flats	13,852	3,181
	2,16,186	2,21,805
Add: Cost of project transferred from Capital Work in Progress to Work in progress	84	-
Less: Cost of project transferred from Work in Progress to Capital Work in progress	(12,705)	(5,153)
	(6,764)	**466**

25 EMPLOYEE BENEFIT EXPENSE

	March 31, 2018	March 31, 2017
	₹	₹
Salaries and wages	13,886	12,935
Contribution to provident and other funds	816	557
Share based payments to employees (refer note 35)	54	122
Staff welfare expenses	694	718
	15,450	**14,332**

26 DEPRECIATION AND AMORTIZATION EXPENSE

	March 31, 2018	March 31, 2017
	₹	₹
Depreciation of tangible assets (note 3.1)	6,776	4,563
Depreciation on investment properties (note 4)	6,659	7,417
Amortization of intangible assets (note 5)	331	275
	13,766	**12,255**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

27 FINANCE COSTS

	March 31, 2018 ₹	March 31, 2017 ₹
Interest charges*		
On bank borrowings	25,695	22,030
On debentures	4,671	4,869
On loans from related parties	1,126	1,004
On lease deposit	520	444
On shortfall in payment of advance income tax	-	11
Other borrowing costs	1,150	674
	33,162	**29,032**
Less: Interest capitalised	(7,222)	(4,384)
Total	**25,940**	**24,648**

* Gross of interest amounting to ₹ 6,402 lakhs (March 31, 2017: ₹ 10,206 lakhs) inventorised to qualifying work in progress.

28 OTHER EXPENSES

	March 31, 2018 ₹	March 31, 2017 ₹
Legal and professional fees	2,746	2,081
Payments to auditors	172	107
Architect & Consultancy Fees	2,061	1,733
Property Tax	1,732	1,333
Power and fuel	3,209	2,618
Rent	737	280
Repairs & Maintenance:		
Building	1,365	1,188
Plant & Machinery	590	549
Others	1,140	683
Insurance	434	455
Rates and taxes	1,869	750
License fees and plan approval charges	2,489	2,399
Brokerage and discounts	1,914	1,798
Advertisement and sales promotion	5,877	6,301
Travelling and conveyance	1,095	1,029
Training and recruitment expenses	86	72
Communication costs	349	301
Loans and advances written off	364	57
Property maintenance cost	210	362
Bad debts written off	48	64
Provision for doubtful debts	6	3
Printing and stationery	228	191
Security charges	2,087	1,567
Donation	374	1,005
Directors' sitting fees and commission	82	90
Loss on sale of fixed assets	-	535
Miscellaneous expenses	3,076	2,850
	34,340	**30,401**

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

29 EARNINGS PER SHARE

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders of the holding company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2018	March 31, 2017
	₹	₹
Profit after tax	13,920	15,308
Weighted average number of equity shares for basic EPS (No. in lakhs)	1,339	1,134
Effect of dilution: Stock options granted under ESOP (No. in lakhs)	2	5
Weighted average number of equity shares adjusted for the effect of dilution (No. in lakhs)	**1,341**	**1,139**

30 DISTRIBUTION MADE AND PROPOSED

	March 31, 2018	March 31, 2017
	₹	₹
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2017: ₹ 2.50 per share (Year ended March 31, 2016 - ₹ Nil)	3,392	-
Tax on final dividend	691	-
	4,083	**-**
Proposed dividends on equity shares*:		
Final cash dividend for the year ended on March 31, 2018: ₹ 2.00 per share (March 31, 2017: ₹ 2.50 per share)	2,721	2,842
Tax on proposed dividend	554	578
	3,275	**3,420**

*Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including tax thereon) as at the balance sheet date.

31 In November 2017, a search under Section 132(1) of the Income Tax Act, 1961, was conducted at various premises of the Group. The management has complied with / responded to the notices received in this regard and does not expect any additional liability beyond the amounts already provided for, on final assessment of the aforesaid matter.

32 COMMITMENTS AND CONTINGENCIES

a. Leases

Operating lease: Group as lessee

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

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

Particulars	March 31, 2018	March 31, 2017
	₹	₹
Lease payments recognised as an expense in the statement of profit and loss	**737**	**280**

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

Particulars	March 31, 2018	March 31, 2017
	₹	₹
Within one year	556	173
After one year but not more than five years	2,250	378
More than five years	19,955	2,377
	22,761	**2,928**

Operating lease commitments – Group as lessor

The Group has entered into operating leases (cancellable and non-cancellable) on its investment property portfolio consisting of certain office and retail buildings with varying lease terms of upto eighteen years and with escalation and renewal clauses. All leases include a clause to enable upward revision of the lease rental on periodical basis and includes variable rent determined based on percentage of sales of lessee in certain cases. The Group is also required to maintain the property over the lease term.

Particulars	March 31, 2018	March 31, 2017
	₹	₹
Lease rentals recognised as an income in the statement of profit and loss*	22,467	19,242

*Includes:

(a) income from certain commercial properties, which are held as inventory and leased out during the interim period until such properties are sold.

(b) income based on percentage of sales is ₹ 1,301 lakhs (March 31, 2017: ₹ 578 lakhs).

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

	March 31, 2018	March 31, 2017
	₹	₹
Within one year	3,961	6,591
After one year but not more than five years	6,346	10,697
More than five years	-	508
	10,307	**17,796**

b. Other Commitments

(i) At March 31, 2018, the estimated amount of contract (net of advance) remaining to be executed on capital account not provided for was ₹ 15,511 lakhs (March 31, 2017: ₹ 27,455 lakhs)

(ii) At March 31, 2018, the Company has given ₹ 50,692 lakhs (March 31, 2017: ₹ 35,345 lakhs) as advances/deposits for purchase of land/ joint development. Under the agreements executed with the land owners, the Company is required to make further payments and/or give share in area/ revenue from such development in exchange of undivided share in land based on the agreed terms/milestones.

(iii) In connection with Group's investments in certain subsidiaries, the Group has entered into shareholders agreement with other shareholders wherein it has certain commitments including further investment in accordance with the terms of the agreement.

(iv) The holding company has entered into a power purchase agreement with a party wherein the Group has committed minimum purchase of power.

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

c. Contingent liabilities

	March 31, 2018	March 31, 2017
	₹	₹
Claims against the Group not acknowledged as debts		
- Income tax (refer note 31)	2,549	1,994
- Sales tax / Value added tax/ Entry tax	2,012	3,384
- Service tax	3,055	3,160
Letter of credit and bank guarantees	3,954	3,727
	11,570	**12,265**

Other Litigations:

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

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

33 RELATED PARTY DISCLOSURES

I. Names of related parties and related party relationship

(i) Related parties under IND AS 24 with whom transactions have taken place during the year:		
Associates	Tandem Allied Services Private Limited	"TASPL"
Enterprises having significant	Reco Begonia Pte. Ltd.	"RBPL"
influence over the Group	Reco Iris Pte. Ltd.	"RIPL"
	Reco Caspia Pte Ltd	"RCPL"
Key management personnel ("KMP")	Mr. M.R. Jaishankar, Chairman and Managing Director	
	Ms. Githa Shankar, Executive Director	
	Mr. Balram Menon, Executive Director	
	Mr. Vineet Verma, Executive Director	
Relatives of KMP	Ms. Pavitra Shankar (w.e.f October 01, 2016)	
	Ms. Nirupa Shankar	
	Mr. M.K. Shivraj Harsha	
Enterprises owned or	Mysore Holdings Private Limited	"MHPL"
significantly influenced	Brigade Foundation Trust	"BFT"
by KMP	M.R. Jaishankar (HUF)	"MRJ"
	Indian Music Experience Trust	"IMET"
	Alta Collis LLC	"ACLLC"

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

(ii) Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year	
KMP - Chief Financial Officer	Mr. Pradeep KP (w.e.f Aug 04, 2017)
	Mr. Suresh K (upto July 31, 2017)
	Mr. Anand Natarajan
	Mr. R. Subramaniam (w.e.f June 01, 2016, upto Oct 31, 2017)
	Mr. M Vignesh (upto Oct 24, 2017)
- Company Secretary	Mr. P. Om Prakash
	Mr. Veerabhadra M Khanure
	Mr. Nagaraj K V
	Ms. Amrutha Bhaskar (w.e.f Nov 02, 2017)
- Manager	Mr. Pradyumna
	Mr. Amar Mysore
Directors	Mr. M.R. Shivram
	Mr. M.R. Gurumurthy
	Mr. P.V. Maiya
	Dr. Srinivas Murthy
	Mr. Aroon Raman
	Mr. Bijou Kurien
	Mrs. Lakshmi Venkatachalam
	Mr. M.S.Ravindra
	Ms. Meera Krishna Kumar
	Mr. Mohan Parvatikar (upto Jan 19, 2017)
	Mr. Pradeep Kumar Panja (w.e.f Jan 18, 2017)
Relatives of KMP/Directors	Mr. M.G. Suraj
	Mr. M.R. Shivram
	Ms. Latha Suresh
	Mrs. Kavita Om Prakash
	Mr. Ramakrishnan Suresh
	Ms. Manjeet Khera
	M.K. Manjula
	Ms. Latha Shivram

II. Related party transactions and balances

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

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

	Year ended	Transactions during the year										Balances as at the year-end						
		Revenue from operation	Other income	Purchase of capital assets	Purchase of goods	Purchase of services / expenses	Sale of capital assets	Security deposits given	Security deposits received	Advance received/ (paid)	Advances given/ (repaid)	Trade Receivable	Other Financial Asset	Trade Payable	Other current financial liabilities	Other Current Assets	Long term loans	Short term loans
Enterprises owned or significantly influenced by KMP																		
MHPL	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	6	-	-	-	-
	31-Mar-17	145	-	-	-	-	-	-	-	-	-	-	-	2	1	-	-	-
BFT	31-Mar-18	-	624	-	-	-	-	-	-	-	-	-	1,977	-	-	-	-	-
	31-Mar-17	6	304	-	-	425	-	-	-	-	(1,380)	5	1,658	-	-	-	-	-
IMET	31-Mar-18	-	11	-	-	-	-	-	-	-	-	11	-	-	-	-	-	-
	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
KMP																		
M R Jaishankar	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	752	-	-	-	-	-
	31-Mar-17	396	-	-	-	-	-	-	-	-	-	-	763	-	-	-	-	35
Githa Shankar	31-Mar-18	-	-	-	-	-	-	-	-	-	118	-	-	-	-	-	-	6
	31-Mar-17	2,572	-	-	-	-	-	-	-	770	-	-	674	-	-	-	-	6
Mr. Vineet Varma	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-17	1	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-
Mr. P Om Prakash	31-Mar-18	-	-	-	-	-	-	-	-	6	-	-	-	-	-	-	-	-
	31-Mar-17	59	-	-	-	-	-	-	-	67	-	-	-	-	8	-	-	-
Mr. Amar Mysore	31-Mar-18	708	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

	Year ended	Transactions during the year									Balances as at the year-end						
		Revenue from operation	Other income	Purchase of capital assets	Purchase of goods	Purchase of services / expenses	Sale of capital assets	Security deposits given	Security deposits received	Advance received/ (paid)	Advances given/ (repaid)	Trade Receivable	Other Financial Asset	Trade Payable	Other current financial liabilities	Other Current Assets	Other Long term loans	Short term loans
Relatives of KMP																		
M.K. Shivraj Harsha	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2
	31-Mar-17	847	-	-	-	-	-	-	-	847	-	-	-	-	-	-	-	2
Nirupa Shankar	31-Mar-18	-	-	-	-	-	-	-	-	-	189	-	-	-	-	-	-	1
	31-Mar-17	391	-	-	-	-	-	-	-	33	-	-	271	-	-	-	-	-
Latha Shivram	31-Mar-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-17	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
M.G. Suraj	31-Mar-18	90	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-17	18	-	-	-	-	-	-	-	-	-	-	-	-	36	-	-	-
M.K. Manjula	31-Mar-18	-	-	-	-	-	-	-	-	307	-	-	-	-	-	-	-	-
	31-Mar-17	456	-	-	-	-	-	-	-	456	-	-	-	-	-	-	-	-
Ramakrishnan Suresh	31-Mar-18	-	-	-	-	-	-	-	-	79	-	-	-	-	-	-	-	-
	31-Mar-17	85	-	-	-	-	-	-	-	119	-	-	-	-	-	10	-	-
Kavita Om Prakash	31-Mar-18	11	-	-	-	-	-	-	-	15	-	4	-	-	-	-	-	-
	31-Mar-17	5	-	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-
Associate company																		
TASPL	31-Mar-18	1,142	81	-	-	633	-	-	-	-	-	-	-	25	-	-	-	-
	31-Mar-17	39	-	-	-	414	-	-	-	-	-	15	-	-	-	-	-	-

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

b. Reimbursement of expenses paid/received ₹

	Year ended	Reimbu-rsement paid	Reimbu-rsement received
KMP			
M R Jaishankar	31-Mar-18	15	-
	31-Mar-17	-	-
Mr. Balaram Menon	31-Mar-18	1	-
	31-Mar-17	1	-
Mr. Vineet Verma	31-Mar-18	2	-
	31-Mar-17	2	-
Mr. Anand Natrajan	31-Mar-18	1	-
	31-Mar-17	1	-
Enterprises owned or significantly influenced by KMP			
MHPL	31-Mar-18	5	-
	31-Mar-17	1	-
BFT	31-Mar-18	-	-
	31-Mar-17	-	17

c. Remuneration

(i) Salaries, Bonus and Contribution to PF* ₹

	March 31, 2018	March 31, 2017
KMP/ Relatives of KMP		
Mr. M.R. Jaishankar	785	922
Mrs. Githa Shankar	196	232
Mr. K Suresh	32	138
KP Pradeep	85	-
Mr. P. Om Prakash	47	38
Ms. Pavitra Shankar	28	12
Ms. Nirupa Shankar	35	33
Mr. Vineet Verma**	108	111
Mr. Balram Menon	35	35
Mr. Anand Natrajan	22	23
Mr. Nagaraj K V	8	5
Mr. R.Subramaniam	8	12
Mr. M Vignesh	11	12
Mr. Veerabhadra M Khanure	5	4
Ms. Amrutha Bhaskar	2	-
Mr. Amar Mysore	31	32

(ii) Directors' Sitting fees and commission ₹

	31-March-18	31-March-17
Other directors		
Mr. M.R. Shivram	2	1
Mr. M.R. Gurumurthy	1	1
Mr. P.V. Maiya	15	18
Dr. Srinivas Murthy	14	16
Mr. Aroon Raman	13	17
Mr. Bijou Kurien	14	17
Ms. Lakshmi Venkatachalam	13	16
Mr.M.S.Ravindra	-	1
Mr. Mohan Parvatikar	2	3
Mr. Pradeep Kumar Panja	2	-
Ms. Meera Krishna Kumar	3	2

* The above compensation represents short-term employee benefit expenses and excludes expense towards gratuity, leave benefits and stock options as they are determined and recorded for the Company as a whole.

** Including share of profit in partnership firm - ₹ 8 lakhs (March 31, 2017: ₹ 4 lakhs)

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

d. Borrowings made ₹

	Year ended	Transactions during the year				Balances as at the year-end				
		Shares issued	Debentures issued	Interest on debentures	Conversion of debentures	Debentures outstanding	Interest payable	Other current asset	Equity component of CCPS	Debt component of CCPS
Enterprises having significant influence over the Group										
RIPL	31-Mar-18	–	–	1,045	–	7,400	1,719	–	–	–
	31-Mar-17	–	–	784	–	4,900	831	–	–	–
RBPL	31-Mar-18	–	–	–	–	–	377	–	–	–
	31-Mar-17	–	–	473	1,807	–	381	–	–	–
RCPL	31-Mar-18	–	1,500	3,089	–	25,755	5,856	–	10	9
	31-Mar-17	–	500	3,593	5,939	24,255	3,228	–	10	9

e. Loans made by BDPL to its shareholders

BDPL's Shareholder's Name	Year ended	Loans given during the year	Equity component of interest free loan	Liability component of interest free loan	Interest on loans
Anitha Purnesh	31-Mar-18	–	2,285	1,867	819
	31-Mar-17	–	2,285	1,867	476
D M Purnesh	31-Mar-18	–	255	208	77
	31-Mar-17	–	255	208	53
D M Shankar	31-Mar-18	–	546	446	158
	31-Mar-17	–	546	446	114
D S Abhinand	31-Mar-18	–	320	261	91
	31-Mar-17	–	320	261	67
D S Shravan Thejas	31-Mar-18	–	319	261	91
	31-Mar-17	–	319	261	66
Manjula Reddy T V	31-Mar-18	–	338	276	76
	31-Mar-17	–	338	276	70
Naveen T V	31-Mar-18	–	70	58	16
	31-Mar-17	–	70	58	15
Saraswathamma	31-Mar-18	–	777	635	189
	31-Mar-17	–	777	635	162
Valmark Estates Pvt. Ltd.	31-Mar-18	–	844	690	193
	31-Mar-17	–	844	690	176
Ratan B Lath	31-Mar-18	–	2,033	1,661	541
	31-Mar-17	–	2,033	1,661	423
Tejraj Gulecha	31-Mar-18	–	2,033	1,661	773
	31-Mar-17	–	2,033	1,661	423

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

f. Other transactions

1. During the year, the Holding Company has made following donation to IMET - ₹ 300 lakhs (March 31, 2017: ₹ 50 lakhs) and BFT - ₹ Nil (March 31, 2017: ₹ 430 Lakhs)
2. The Holding Company has received dividend from TASPL of ₹ 30 Lakhs (March 31, 2017: ₹ Nil).

g. Other information

1. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables, other than those disclosed above.

   The Group has not recorded any provision/ write-off of receivables relating to amounts owed by related parties.
2. In respect of the transactions with the related parties, the Group has complied with the provisions of Section 177 and 188 of the Companies Act, 2013 where applicable, and the details have been disclosed above, as required by the applicable accounting standards.

34 DEFINED BENEFIT PLAN - GRATUITY

The Group operates defined gratuity plan for its employees. Under the plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service.

The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarise the components of net benefit expenses recognised in the statement of profit and loss and the funded status and amount recognised in the balance sheet.

Changes in the defined benefit obligation and fair value of plan assets - Year ended March 31, 2018

		Expense charged to profit or loss				Remeasurement (gains)/losses in other comprehensive income						
Gratuity	**April 01, 2017**	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts include in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2018**
Defined benefit obligation	932	271	53	324	(40)	-	(73)	(57)	(53)	(183)	-	1,033
Fair value of plan assets	659	-	35	35	(42)	1	-	-	-	1	63	716
Net liability - Gratuity	**273**			**289**						**(184)**		**317**

Changes in the defined benefit obligation and fair value of plan assets - Year ended March 31, 2017

		Expense charged to profit or loss				Remeasurement (gains)/losses in other comprehensive income						
Gratuity	**April 01, 2016**	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**Contributions by employer**	**March 31, 2017**
Defined benefit obligation	818	136	37	173	(19)	-	(5)	44	(79)	(40)		932
Fair value of plan assets	570		40	40	(14)	6	1			7	56	659
Net liability - Gratuity	**248**			**133**						**(47)**		**273**

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	March 31, 2018	March 31, 2017
Fund Managed by Insurer	100%	100%

The principal assumptions used in determining pension and post-employment benefit obligations for the company's plans are shown below:

Particulars	March 31, 2018	March 31, 2017
Discount rate	8%	7%
Future salary benefit levels	12.0%	12.0%
Expected rate of return on assets	8.0%	8.0%

A quantitative sensitivity analysis for significant assumption for Gratuity plan is as shown below:

Particulars	March 31, 2018				March 31, 2017			
Assumptions	Discount Rate		Further Salary Increase		Discount Rate		Further Salary Increase	
Sensitivity Level	-1%	1%	-1%	1%	-1%	1%	-1%	1%
	INR (lakhs)	INR (lakhs)	INR (lakhs)	INR (lakhs)	INR (lakhs)	INR (lakhs)	INR (lakhs)	INR (lakhs)
Impact on defined benefit obligation - Gratuity	1,003	890	893	995	945	802	819	919
% change compared to base due to sensitivity	-3.0%	-13.9%	-13.6%	-3.7%	1.3%	-13.9%	-12.1%	-1.4%

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan - gratuity in future years:

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

35 Share based payment

The Company provides share-based payment schemes to its employees. During the year ended March 31, 2018, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below.

The Company instituted an Employees Stock Option Scheme ('ESOP 2011') pursuant to the Board of Directors and Shareholders' resolution dated May 4, 2011 and August 11, 2011, respectively. As per ESOP 2011, the Company granted 2,494,300 (till March 31, 2017: 2,424,300) options comprising equal number of equity shares in one or more tranches to the eligible employees of the Company and its subsidiaries. The options under this grant would vest to the employees equally as 25% of the total grant every year at the end of first, second, third and fourth year from the date of the grant respectively, with an exercise period of five years from the date of respective vesting. The contractual life (comprising the vesting period and the exercise period) of options granted is 9 years from date of such grant. The other relevant terms of the grant are as below:

The fair Value of the share options is estimated at the grant date using Black Scholes Model taking into account the terms and conditions upon which the share options are granted and there are no cash settled alternatives for employees.

Expense recognised for employee services received during the year is shown in the following table:

Particulars	March 31, 2018	March 31, 2017
	₹	₹
Expense arising from equity settled share based payment transactions	54	122

* There were no cancellations or modifications to the plan during the year ended March 31, 2018 or March 31, 2017.

Movements during the year

The following table illustrates the number and weighted average exercise price of share options during the year

The details of activity under the Scheme are summarized below:

	March 31, 2018		March 31, 2017	
	No. of options (lakhs)	WAEP* ₹	No. of options (lakhs)	WAEP* ₹
Outstanding at the beginning of the year	8	50	12	50
Granted during the year	1	50	-	50
Forfeited during the year	2	50	-	50
Exercised during the year	4	50	4	50
Outstanding at the end of the year	3	50	8	50
Exercisable at the end of the year	1	50	1	50

*Weighted Average Exercise Price

For options exercised during the period, the weighted average share price at the exercise date was ₹ 282.10 per share (March 31, 2017: ₹ 159.96 per share). The weighted average remaining contractual life for the stock options outstanding as at March 31, 2018 is 3.90 years (March 31, 2017: 5.68 years)

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

	Grade 1-2	Grade 1-2
Dividend yield (%)	1.52%	1.21%
Expected volatility (%)	48.42%	34.90%
Risk-free interest rate (%)	7.81%	6.80%
Weighted average share price (₹)	131.68	275.30
Exercise price (₹)	50.00	50.00
Expected life of the options granted (in years) (vesting and exercise period)	7.66	7.66

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

36 SEGMENT REPORTING

For management purposes the Group is organised into 3 Strategic Business Units (SBUs) based on risks and rates of return of the products and services offered by those SBUs as follows: Real Estate, Hospitality and Leasing. The management reviews operating results of SBUs separately for the purpose of making decisions about resource allocation and Performance assessment. Also the companies financing (including finance costs and finance income) and income taxes are managed at corporate level and are not allocated to operating Segments. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Particulars	For the year ended March 31, 2018				For the year ended March 31, 2017			
	Real Estate	Hospitality	Leasing	Total	Real Estate	Hospitality	Leasing	Total
Revenue								
External Customers	1,38,862	23,228	29,739	191,829	159,800	19,536	26,334	205,670
Inter-segment	(1,028)	(339)	(742)	(2,109)	(2,210)	(205)	(841)	(3,256)
Total Revenue	**137,834**	**22,889**	**28,997**	**189,720**	**157,590**	**19,331**	**25,493**	**202,414**
Expenses								
Depreciation and amortisation expense	562	6,171	6,659	13,392	942	3,612	7,491	12,045
Add: Unallocable amount				374				210
				13,766				12,255
Segment Profit	38,576	(1,134)	14,005	51,447	44,754	1,351	9,590	55,695
Add: Other income (including interest income)				4,831				3,424
Less: Finance costs				(25,940)				(24,648)
Less: Other unallocable expenditure				(9,767)				(10,514)
Profit before tax and exceptional items				**20,571**				**23,957**
Less: Exceptional items				1,154				-
Profit before tax				**19,417**				**23,957**
Segment Assets	3,28,940	85,694	308,783	7,23,417	301,308	70,900	222,812	595,020
Add: Investments				23,585				5,401
Add: Loans to related parties				444				43
Add: Cash and cash equivalents and bank balances				14,658				13,633
Add: Other unallocable assets				20,083				21,104
				782,187				**635,201**
Segment Liabilities	135,249	3,428	19,215	157,892	134,708	11,623	24,975	1,71,306
Add: Borrowings				3,38,969				2,57,631
Add: Deferred tax liabilities (net)				3,807				6,399
Add: Other unallocable liabilities				30,510				7,630
				531,178				**442,966**
Other disclosures								
Capital expenditure	3,181	17,622	86,928	107,731	93	16,501	43,423	60,017

The Company is domiciled in India. The Company's revenue from operations from external customers primarily relate to operations in India and all the non-current assets of the Company are located in India.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

37 FAIR VALUE MEASUREMENTS

The details of fair value measurement of Group's financial assets/liabilities are as below:

Particulars	Level	March 31, 2018	March 31, 2017
		₹	₹
Financial assets/liabilities measured at fair value through profit/loss:			
Investment in quoted investments	Level 1	18,588	576
Investment in unquoted equity instruments of other companies	Level 3	66	16

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. There have been no transfers between levels during the period.

The management assessed that the carrying values of cash and cash equivalents, trade receivables, investments, loans, trade payables, borrowings and other financial assets and liabilities approximate their fair values largely due to the short-term maturities.

The following methods and assumptions were used to estimate the fair values:

- The quoted investments (mutual funds and bonds) are valued using the quoted market prices in active markets for identical investments.
- The fair values of the unquoted equity shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

38 CAPITAL MANAGEMENT

The Group's objectives of capital management is to maximize the shareholder value. In order to maintain or adjust the capital structure, the Group may adjust the return to shareholders, issue/ buyback shares or sell assets to reduce debt. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt as below.

- Equity includes equity share capital and all other equity components attributable to the equity holders
- Net Debt includes borrowings (long-term and short-term), trade payables and other financial liabilities, less cash and cash equivalents.

Particulars	March 31, 2018	March 31, 2017
	₹	₹
Borrowings (long-term and short-term, including current maturities of long term borrowings)	338,969	257,631
Trade payables	52,646	51,612
Other financial liabilities (current and non-current excluding current maturities of long term borrowings)	37,619	26,843
Less: Cash and cash equivalents (including balances at bank other than cash and cash equivalents and margin money deposits)	(20,339)	(18,040)
Net Debt (A)	**408,895**	**318,046**
Equity share capital	13,607	11,366
Other equity	237,401	180,869
Equity (B)	**251,009**	**192,235**
Equity plus net debt (C = A + B)	**659,904**	**510,281**
Gearing ratio (D = A / C)	62%	62%

In order to achieve the objective of maximize shareholders value, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. Any significant breach in meeting the financial covenants would allow the bank to call borrowings. There have been no breaches in the financial covenants of above-mentioned interest-bearing borrowing.

No changes were made in the objectives, policies or processes for managing capital during the current and previous years.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

39 UNHEDGED FOREIGN CURRENCY EXPOSURE

Particulars	March 31, 2018	March 31, 2017
	₹	₹
Trade payable	329	455

40 CONSTRUCTION CONTRACTS

Particulars	March 31, 2018	March 31, 2017
	₹	₹
(i) Amount of project revenue recognised as revenue for the year	137,620	156,877
(ii) Amounts in respect of projects in progress at the reporting date:		
a. Aggregate amount of costs incurred and profits recognised (less recognised losses) to date	420,709	481,455
b. Amount of advances received	69,645	76,315
c. Amount of work in progress and the value of inventories	162,099	188,999
d. Excess of revenue recognised over actual bills raised (unbilled revenue)	21,796	23,049

41 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade, other receivables and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's management oversees the management of these risks and ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision and are used exclusively for hedging purposes and not as trading or speculative instruments.

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real-estate risk.

Interest rate risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in Interest rate. The entity's exposure to the risk of changes in Interest rates relates primarily to the entity's operating activities (when receivables or payables are subject to different interest rates) and the entity's net receivables or payables.

The Group is affected by the price volatility of certain commodities/ real estate. Its operating activities require the ongoing development of real estate. The Group's management has developed and enacted a risk management strategy regarding commodity/ real estate price risk and its mitigation. The Group is subject to the price risk variables, which are expected to vary in line with the prevailing market conditions.

Interest rate sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in interest rates, with all other variables held constant. The impact on the entity's profit before tax is due to changes in the fair value of financial assets and liabilities.

Particulars	Change in interest rate	Effect of profit before tax
March 31, 2018	+1%	3,518
	-1%	(3,518)
March 31, 2017	+1%	(2,579)
	-1%	2,579

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

ii. Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Group's exposure to credit risk arises majorly from trade receivables/ unbilled revenue and other financial assets.

Other financial assets like security deposits, loans and bank deposits are mostly with employees, government bodies and banks and hence, the Group does not expect any credit risk with respect to these financial assets.

With respect to trade receivables/ unbilled revenue, the Group has constituted teams to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Group creates allowance for all unsecured receivables based on lifetime expected credit loss.

The following table summarizes the change in the loss allowance measured using ECL.

Particulars	March 31, 2018	March 31, 2017
	₹	₹
Opening balance	47	42
Net movement during the year	(21)	5
Closing balance	26	47

iii. Liquidity risk

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group believes that the cash and cash equivalents is sufficient to meet its current requirements. Accordingly no liquidity risk is perceived.

The break-up of cash and cash equivalents, deposits and investments is as below.

Particulars	March 31, 2018	March 31, 2017
	₹	₹
Cash and cash equivalents	11,770	10,829
Bank balances other than Cash and cash equivalents	2,888	2,804
Investments - current	18,128	-

The table below summarises the maturity profile of the Group's financial liabilities at the reporting date, which are based on contractual undiscounted payments.

Particulars	Maturity period	March 31, 2018	March 31, 2017
		₹	₹
Financial liabilities - Current			
Borrowings (current maturities of long term borrowings)	Between 1-5 years	9,150	25,929
Borrowings (current maturities of long term borrowings)	Within 1 year	42,014	49,997
Current Borrowings (includes cash credit facilities from banks)	On demand	23,791	8,824
Current Borrowings (includes cash credit facilities from banks)	Between 1-5 years	706	7434
Current Borrowings (includes short term loans from banks)	Within 1 year	-	6,600
Trade payables	Within 1 year	52,646	51,612
Other financial liabilities	Within 1 year	28,750	21,527
Financial liabilities - Non Current			
Borrowings	Between 1-10 years	263,308	158,847
Other financial liabilities	Between 1-10 years	8,869	5,316

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

42 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards issued, but not yet effective up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards when they become effective.

The Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 with effect from April 1, 2018. Companies (Indian Accounting Standards) Amendment Rules, 2018 includes Ind AS 115 Revenue from Customers, Appendix D to Ind AS 115 Service Concession Arrangements and Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration. Ind AS 11 Construction Contracts and Ind AS 18 Revenue will be omitted from April 1, 2018.

a) Ind AS 115 - Revenue from contracts with customers

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Indian Accounting Standard (Ind AS) 115, Revenue from Contracts with Customers. Ind AS 115 introduces a five-step model to revenue recognition:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, revenue is recognised when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e., an asset) to a customer (i.e., when (or as) the customer obtains control of that asset) at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for accounting periods commencing on or after April 01, 2018.

The Group will adopt Ind AS 115 effective from April 01, 2018. As at the date of issuance of the Group's financial statements, the Group is in the process of evaluating the requirements of the said standard and the impact on its financial statements in the period of initial application.

b) Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

(i) The beginning of the reporting period in which the entity first applies the Appendix, or

(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after April 01, 2018.

The Group's operation primarily relate to operations in India, The directors of the Group do not anticipate that the application of the new standard in future will have significant impact on the financial statement.

c) Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after April 01, 2018.

d) Transfers of Investment Property — Amendments to Ind AS 40

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with Ind AS 8 is only permitted if it is possible without the use of hindsight.

These amendments are effective for annual periods beginning on or after April 01, 2018.

43 GROUP INFORMATION

The consolidated financial statements of the Group includes the following components:

a) Associate

The Group has a 37% interest in Tandem Allied Services Private Limited ('Tandem'), which is engaged in real estate property management services in India. The Group's interest in Tandem is accounted for using the equity method in the consolidated financial statements. Tandem is not a listed company and hence, there is no quoted market price for the investment made by the Group.

The following table illustrates the summarised financial information of the Group's investment in Tandem:

(i) Summary of assets and liabilities

	March 31, 2018	March 31, 2017
	₹	₹
Current assets	1,623	1,257
Non-current assets	3,521	2,517
Current liabilities	(965)	(752)
Non-current liabilities	(1,564)	(840)
Total Equity	**2,615**	**2,182**
Attributable to the Group (37%)	**968**	**807**

(ii) Summary of profit and loss

	March 31, 2018	March 31, 2017
	₹	₹
Total Revenue	3,800	3,140
Profit/(loss) for the year	500	323
Total comprehensive income	**518**	**316**
Attributable to the Group (37%)	**185**	**120**

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

(iii) Summary of cash flows

	March 31, 2018 ₹	March 31, 2017 ₹
Net cash inflow/(outflow) during the year	127	4

(iv) Summary of commitments and contingent liabilities

	March 31, 2018 ₹	March 31, 2017 ₹
Capital commitments	-	-
Contingent liabilities	-	-
	-	-
Attributable to the Group (37%)	-	-

(b) Subsidiaries

Name of the entity	Principal activities	Country of Incorporation / Principal place of business	% Equity interest held by the Group	
			March 31, 2018	March 31, 2017
BCV Developers Private Limited	Real Estate Development	India	50.01%	50.01%
Brigade Properties Private Limited	Real Estate Development	India	51%	51%
Brookefields Real Estates and Projects Private Limited	Real Estate Development	India	100%	100%
Perungudi Real Estates Private Limited	Real Estate Development	India	51%	51%
SRP Prosperita Hotel Ventures Limited	Hospitality Services	India	50.01%	50.01%
Orion Mall Management Company Limited	Real Estate Management	India	100%	100%
Brigade Hospitality Services Limited	Hospitality Services	India	100%	100%
WTC Trades and Projects Private Limited	Real Estate Management	India	100%	100%
Brigade Tetrarch Private Limited	Real Estate Development	India	100%	100%
Brigade Estates and Projects Private Limited	Real Estate Development	India	100%	100%
Brigade Infrastructure and Power Private Limited	Real Estate Development	India	100%	100%
Celebration Catering and Events,LLP	Hospitality Services	India	95%	95%
Brigade (Gujarat) Projects Private Limited	Real Estate Development	India	100%	100%
Mysore Projects Private Limited	Real Estate Development	India	100%	100%
Brigade Innovations, LLP	Real Estate Development	India	99.82%	99.80%
Brigade Hotel Ventures Limited	Hospitality Services	India	100%	100%
Augusta Club Private Limited	Hospitality Services	India	100%	100%

Name of the entity	Principal activities	Country of Incorporation / Principal place of business	% Equity interest held by non-controlling interests	
			March 31, 2018	March 31, 2017
BCV Developers Private Limited	Real Estate Development	India	49.99%	49.99%
Brigade Properties Private Limited	Real Estate Development	India	49%	49%
Perungudi Real Estates Private Limited	Real Estate Development	India	49%	49%
SRP Prosperita Hotel Ventures Limited	Hospitality Services	India	49.99%	49.99%
Celebration Catering and Events,LLP	Hospitality Services	India	5%	5%
Brigade Innovations, LLP	Real Estate Development	India	0.18%	0.20%

43 GROUP INFORMATION (CONTINUED)

Financial information of subsidiaries that have non-controlling interests:

	BCV Developers Pvt. Ltd.		Brigade Properties Pvt. Ltd.		Celebration Catering and Events, LLP		SRP Prosperita Hotel Ventures Ltd.		Perungudi Real Estates Pvt. Ltd.		Brigade Innovations, LLP	
	March 31, 2018 ₹	March 31, 2017 ₹	March 31, 2018 ₹	March 31, 2017 ₹	March 31, 2018 ₹	March 31, 2017 ₹	March 31, 2018 ₹	March 31, 2017 ₹	March 31, 2018 ₹	March 31, 2017 ₹	March 31, 2018 ₹	March 31, 2017 ₹
(i) Summary of assets and liabilities												
Current assets	66,068	64,276	20,711	24,659	405	296	470	381	1,805	151	56	396
Non-current assets	19,902	18,656	26,014	20,752	32	34	20,012	19,795	82,393	68,537	174	-
Current liabilities	(23,629)	(27,304)	(13,222)	(16,080)	(281)	(194)	(2,585)	(2,683)	(13,098)	(7,687)	(14)	(11)
Non-current liabilities	(46,133)	(40,037)	(16,553)	(14,811)	-	-	(8,594)	(6,642)	(58,833)	(48,533)	(3)	-
Total Equity	**16,208**	**15,591**	**16,950**	**14,520**	**156**	**136**	**9,303**	**10,851**	**12,267**	**12,468**	**213**	**385**
Attributable to:												
Equity holders of the parent	10,793	10,483	8,889	7,132	122	112	6,657	6,882	6,111	6,214	212	384
Non-Controlling Interests	5,416	5,108	8,061	7,388	33	24	2,646	3,969	6,156	6,254	1	1
	16,208	**15,591**	**16,950**	**14,520**	**156**	**136**	**9,303**	**10,851**	**12,267**	**12,468**	**213**	**385**
(ii) Summary of profit and loss												
Total Revenue	19,085	15,826	19,039	17,793	1,404	1,244	2,088	63	0	10	1	-
Profit/(loss) for the year	616	966	1,603	2,666	163	82	(3,048)	(371)	(200)	(18)	(230)	(115)
Total comprehensive income	616	966	1,603	2,666	163	82	(3,045)	(369)	(200)	(18)	(222)	(115)
Attributable to:												
Equity holders of the parent	308	483	930	1,547	155	78	(1,521)	(184)	(102)	(9)	(222)	(115)
Non-Controlling Interests	308	483	673	1,119	8	4	(1,524)	(185)	(98)	(9)	-	-
	616	**966**	**1,603**	**2,666**	**163**	**82**	**(3,045)**	**(369)**	**(200)**	**(18)**	**(222)**	**(115)**
(iii) Summary of cash flows												
Net cash inflow/(outflow) during the year	(1,138)	628	(296)	(6)	34	4	(33)	(966)	(1)	(1,590)	(376)	377

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

44 On April 28, 2017, the Company launched the offering of its equity shares through a qualified institutions placement ("QIP") in accordance with the provisions of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI ICDR Regulations"). Pursuant to QIP, the Company has received an amount of ₹49,999 lakhs as on May 03, 2017 against the issue of 21,978,021 equity shares of face value of ₹ 10 each to qualified institutional buyers and the same were listed and admitted for trading on the National Stock Exchange of India Limited and BSE Limited. Further, the Company has adjusted share issue expenses of ₹ 960 lakhs against the securities premium on such issue.

The details of utilisation of proceeds raised through QIP are as below. ₹

Particulars	Objects as per prospectus	Actual utilisation
Financing the construction and development costs of Ongoing Projects	48,800	33,200
QIP related fees, commissions and expenses	1,200	1,200
	50,000	**34,400**

Pending actual utilisation, the unutilised proceeds of ₹15,600 lakhs at cost have been temporarily invested in mutual funds.

45 The Scheme of Arrangement between the Company and its wholly owned subsidiaries engaged in hospitality business - Brigade Hotel Ventures Limited ('BHVL'), Brigade Hospitality Services Limited ('BHSL') and Augusta Club Private Limited ('ACPL') and their respective shareholders and creditors in terms of the provisions of Sections 230 to 233 of the Companies Act, 2013 to transfer the hotels business, integrated clubs and convention centre business and 'Augusta Club' business, to its wholly owned subsidiaries (hereinafter referred to as "the Scheme") has been approved by National Company Law Tribunal ('NCLT') in March 2018 with an appointed date of October 01, 2016. The Scheme has been filed with the Registrar of Companies, Karnataka on April 01, 2018. The scheme has no impact on the consolidated financial results, except ₹ 1,154 lakhs towards estimated stamp duty expense on Demerger, which has been provided for and disclosed as an exceptional item.

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2018**

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

46 Additional information to consolidated Ind AS financial statements based on the audited standalone Ind AS financial statements of the components of the Group

₹

Name of the entity	Net Assets/ (Liabilities)				Total comprehensive income for the year ended March 31, 2018						Total comprehensive income for the year ended March 31, 2017					
	March 31, 2018		March 31, 2017		Share in profit/ (loss)		Share in other comprehensive income		Share in total comprehensive income		Share in profit/ (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consoli-dated net assets	Amount	As % of consoli-dated net assets	Amount	As % of consoli-dated net assets	Amount	As % of consoli-dated net assets	Amount	As % of consoli-dated net assets	Amount	As % of consoli-dated net assets	Amount	As % of consoli-dated net assets	Amount	As % of consoli-dated net assets	Amount
Parent																
Brigade Enterprises Limited	63%	232,811	62%	169,426	107%	18,052	80%	104	107%	18,156	82%	16,396	132.4%	32	82%	16,428
Subsidiaries - Indian																
BCV Developers Private Limited	4%	16,207	6%	15,591	4%	616	0%	-	4%	616	5%	966	0.0%	-	5%	966
Brigade Properties Private Limited	5%	16,951	5%	14,519	9%	1,602	0%	-	9%	1,602	13%	2,666	0.0%	-	13%	2,666
Brookefields Real Estates and Projects Private Limited	0%	401	0%	90	(1%)	(184)	0%	-	(1%)	(184)	(0%)	(26)	0.0%	-	0%	(26)
Perungudi Real Estates Private Limited	3%	12,268	5%	12,468	(1%)	(200)	0%	-	(1%)	(200)	(0%)	(18)	0.0%	-	0%	(18)
SRP Prosperita Hotel Venture Limited	3%	9,302	4%	10,851	(18%)	(3,045)	(2%)	(3)	(18%)	(3,048)	(2%)	(371)	8.3%	2	-2%	(369)
Orion Mall Management Company Limited	0%	602	0%	83	3%	516	2%	2	3%	518	1%	202	0.0%	-	1%	202
Brigade Hospitality Services Limited	1%	2,600	1%	2,281	2%	324	(4%)	(5)	2%	319	(1%)	(104)	(8.3%)	(2)	-1%	(106)
WTC Trades and Projects Private Limited	0%	1,478	0%	1,348	1%	131	0%	-	1%	131	1%	261	(4.1%)	(1)	1%	260
Brigade Tetrarch Private Limited	2%	7,645	0%	667	(1%)	(221)	0%	-	(1%)	(221)	(1%)	(123)	0.0%	-	-1%	(123)
Brigade Estates and Projects Private Limited	1%	4,114	2%	4,175	(0%)	(61)	0%	-	(0%)	(61)	(0%)	(93)	0.0%	-	0%	(93)
Brigade Infrastructure and Power Private Limited	6%	23,990	(0%)	(33)	0%	23	0%	-	0%	23	(0%)	(1)	0.0%	-	0%	(1)
Celebration Catering and Events,LLP	0%	155	0%	137	1%	164	0%	-	1%	164	0%	82	0.0%	-	0%	82
Brigade (Gujarat) Projects Private Limited	1%	3,353	1%	3,399	(0%)	(46)	0%	-	(0%)	(46)	(0%)	(68)	0.0%	-	0%	(68)
Mysore Projects Private Limited	2%	8,495	3%	8,498	(0%)	(3)	0%	-	(0%)	(3)	(0%)	(1)	0.0%	-	0%	(1)
Brigade Innovations, LLP	0%	213	0%	385	(1%)	(230)	0%	-	(1%)	(230)	(1%)	(115)	0.0%	-	-1%	(115)
Brigade Hotel Ventures Limited	7%	27,113	10%	28,280	(7%)	(1,179)	10%	13	(7%)	(1,166)	1%	126	0.0%	-	1%	126
Augusta Club Private Limited	0%	312	0%	322	(0%)	(10)	0%	-	(0%)	(10)	(0%)	(7)	0.0%	-	0%	(7)

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

₹

Name of the entity	Net Assets/ (Liabilities)				Total comprehensive income for the year ended March 31, 2018						Total comprehensive income for the year ended March 31, 2017					
	March 31, 2018		March 31, 2017		Share in profit/ (loss)		Share in other comprehensive income		Share in total comprehensive income		Share in profit/ (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Associates (as per equity method) - Indian																
Tandem Allied Services Private Limited	1%	2,615	1%	2,193	4%	652	15%	19	4%	671	2%	323	(28.3%)	(7)	2%	316
Sub total	**100.0%**	**370,625**	**100.0%**	**274,680**	**100.0%**	**16,901**	**100.0%**	**130**	**100.0%**	**17,031**	**100.0%**	**20,095**	**100.0%**	**24**	**100.0%**	**20,119**
Share of Non-controlling interest in subsidiaries:																
- Net Assets /(Liabilities)		22,306		22,744												
- (Profit)/Loss						(632)		-		(632)		1,412		-		1,412
Elimination and consolidation adjustments		(1,41,922)		(1,05,189)		(2,981)		(17)		(2,998)		(4,787)		7		(4,780)
Consolidated Total		**2,51,009**		**1,92,235**		**13,288**		**113**		**13,401**		**16,720**		**31**		**16,751**

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

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

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

Place: Bengaluru
Date: May 16, 2018

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K.P. Pradeep
Chief Financial Officer

P. Om Prakash
Company Secretary &
Compliance Officer

Place: Bengaluru
Date: May 16, 2018

BRIGADE

BRIGADE ENTERPRISES LIMITED

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

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Get in touch with us at: Toll free no.: 1800 102 9977
salesenquiry@brigadegroup.com
www.BrigadeGroup.com

BRIGADE

PRIVILEGE COUPON

Serial No:

PROJECT NAME AND SET AREA : .....

NAME OF THE SHAREHOLDER : .....

CLIENT ID : .....

DEPOSITORY PARTICIPANT ID : .....

GIFTED TO (OPTIONAL) : .....

RESIDENTIAL ADDRESS : .....

.....

.....

TELEPHONE / MOBILE NO. : .....

EMAIL ID : .....

CONDITIONS:

1. Discount will be based on the list price on the date of booking.
2. The offer is valid up to 31st December, 2018.
3. Shareholders can avail the discount only for a single booking.
4. The privilege coupon can be gifted. In case it is gifted, apart from providing his details, the Shareholder needs to fill in the details of the person to whom it is being gifted.
5. The scheme cannot be availed in conjunction with any other promotional scheme that the Company may come up with in the future.
6. The discount will be on the listed price of the project (excluding car park and statutory expenses).

Notice

Notice is hereby given that the Twenty Third Annual General Meeting of the members of **Brigade Enterprises Limited** will be held on Thursday, August 16, 2018 at 11.00 a.m. at Sheraton Grand Bangalore Hotel, Brigade Gateway Campus, 26/1, Dr.Rajkumar Road, Malleswaram-Rajajinagar, Bangalore – 560 055 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the standalone and consolidated financial statements of the Company for the financial year ended March 31, 2018, including the Audited Balance Sheet and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date together with the reports of the Board of Directors and Auditors thereon:

   "RESOLVED THAT the audited standalone financial statements of the Company including the Balance Sheet as at March 31, 2018, the statement of profit and loss, the cash flow statement for the year ended on that date, notes to financial statements, reports of the Board and Auditors' thereon and the audited consolidated financial statements of the Company including the Balance Sheet as at March 31, 2018, the statement of profit and loss, the cash flow statement for the financial year ended March 31, 2018, notes to financial statements, along with the auditors' report thereon be and are hereby received, considered and adopted."

2. To declare Dividend :

   "RESOLVED THAT a final dividend of 2.00 per equity share (20%) of ₹ 10/- each fully paid up for the financial year 2017-18 be and is hereby approved and declared."

3. To appoint a Director in place of Ms. Githa Shankar (DIN: 01612882), who retires by rotation and being eligible, offers herself for re-appointment:

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), Ms. Githa Shankar (DIN: 01612882), who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

   RESOLVED FURTHER THAT Ms. Githa Shankar shall continue to be the whole-time director of the Company on the terms and conditions of her original appointment with effect from April 01, 2017 for a period of five years from that date."

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT, pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of SEBI (LODR) Regulations, 2015, Mr. Pradeep Kumar Panja (DIN: 03614568), who was appointed as an Additional Director of the Company by the Board of Directors with effect from May 16, 2018, and who holds office until the date of the ensuing Annual General Meeting and relating to whom the Company has received a notice under Section 160 of the Companies Act, 2013 signifying the intention to propose his candidature for the office of Director in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office up to five consecutive years commencing from May 16, 2018."

5. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT, pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of SEBI (LODR) Regulations, 2015, Dr. Venkatesh Panchapagesan (DIN: 07942333), who was appointed as an Additional Director of the Company by the Board of Directors with effect from May 16, 2018, and who holds office until the date of the ensuing Annual General Meeting and relating to whom the Company has received a notice under Section 160 of the Companies Act, 2013 signifying the intention to propose his candidature for the office of Director in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office up to five consecutive years commencing from May 16, 2018."

6. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), approval of the members be and is hereby accorded for appointment of Mr. Amar Mysore (DIN: 03218587) as Whole-time Director, designated as Executive Director of the Company for a period of Five Years with effect from May 16, 2018 on the terms and conditions including remuneration as detailed out in the explanatory statement attached to the notice and is liable to retire by rotation

   RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to vary or increase the remuneration specified

above from time to time to the extent the Board of Directors may deem appropriate based on the recommendation of the Nomination & Remuneration Committee, provided that such variation or increase as the case may be is within the overall limits specified in Schedule V & the relevant provisions of the Companies Act, 2013."

7. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), approval of the members be and is hereby accorded for appointment of Ms. Nirupa Shankar (DIN: 02750342) as Whole-time Director, designated as Executive Director of the Company for a period of Five Years with effect from May 16, 2018 on the terms and conditions including remuneration as detailed out in the explanatory statement attached to the notice and is liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate based on the recommendation of the Nomination & Remuneration Committee, provided that such variation or increase as the case may be is within the overall limits specified in Schedule V & the relevant provisions of the Companies Act, 2013."

8. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), approval of the members be and is hereby accorded for appointment of Ms. Pavitra Shankar (DIN: 08133119) as Whole-time Director, designated as Executive Director of the Company for a period of Five Years with effect from May 16, 2018 on the terms and conditions including remuneration as detailed out in the explanatory statement attached to the notice and is liable to retire by rotation

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate based on the recommendation of the Nomination & Remuneration Committee, provided that such variation or increase as the case may be is within the overall limits specified in Schedule V & the relevant provisions of the Companies Act, 2013."

9. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), payment of remuneration not exceeding ₹ 1,25,000/- (Rupees One Lakh Twenty Five Thousand) apart from applicable taxes and out of pocket expenses to Messrs Murthy & Co. LLP, Cost Accountants (LLP ID No. AAB-1402), appointed as Cost Auditors by the Board of Directors of the Company for conducting cost audit for the financial year 2017-18 (April 01, 2017 to March 31, 2018) be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary & Compliance Officer of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution."

10. To consider and if thought fit, to pass with or without modification(s) the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 197, 198 and all other applicable provisions of the Companies Act, 2013, provisions of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) and the Articles of Association of the Company, a sum not exceeding 1% (one per cent) of the net profits computed under the provisions of Section 198 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 Whole-time 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 April 01, 2018."

11. 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 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company, including any Committee thereof (hereinafter referred to as "the Board") for borrowing from time to time up to ₹ 5000,00,00,000 (Rupees five thousand crores only), in one or more tranches from banks, financial institutions and other lending institutions or persons, any sum or sums of monies which together with the monies already borrowed by the Company, if any (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), notwithstanding that the same be in excess of the aggregate of the, then paid up capital and free reserves of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to sign and execute the necessary documents, deeds and writings and do all acts, deeds and things as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to negotiate with the lending entities and to finalize and execute the documents and deeds as may be applicable for creating the appropriate mortgages and/or charges within the limits specified above on such of the immoveable and/or moveable properties of the Company & on such terms and conditions as may be decided by the Board and to perform all such acts, deeds and things as may be necessary in this regard."

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

"RESOLVED THAT in supersession of the earlier resolutions passed in this regard and in terms of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Shareholders be and is hereby accorded to the Board of Directors for creation of mortgage, charge, hypothecation, lien and other encumbrances, if any, as the Board may deem fit, on the assets of the Company, both present and future, for securing the sum or sums of moneys aggregating to ₹ 5000,00,00,000 (Rupees five thousand crores only) borrowed by the Company from Banks, Financial Institutions and others.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary & Compliance Officer of the Company be and are hereby severally authorised to finalise and execute the necessary agreements including Hypothecation Agreement, Memorandum of Entry, Deeds of Debenture, Debenture Trust Deeds, Promissory Notes, Deposit Receipts and other deeds or documents for creating the aforesaid mortgage, charge and/ or hypothecation and other encumbrances, if any, by the Company and to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

13. 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 42, 71 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Share Capital and Debenture) Rules, 2014 (including any amendment(s), statutory modification(s) or re-enactment thereof), enabling provisions of the Memorandum and Articles of Association of the Company, in pursuant to the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 approvals, permissions, consents and / or sanctions, if any, of the Securities and Exchange Board of India, Stock Exchanges, Reserve Bank of India (RBI), Government of India, lenders of the Company and other statutory authorities, as may be necessary and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and/ or sanctions which may be agreed to by the Board of Directors of the Company, consent of the Shareholders of the Company be and is hereby accorded to the Board of Directors of the Company in its absolute discretion to create, offer, invite for subscription, issue and allot secured or unsecured redeemable non-convertible debentures in one or more tranches and series during a period of one year from the date of passing of Special resolution by the members, aggregating upto ₹ 450,00,00,000 (Rupees four hundred and fifty crores only) on a private placement basis, on such terms and conditions as the Board of Directors of the Company may determine proper and fit from time to time in the best interests of the Company."

By Order of the Board
For Brigade Enterprises Limited

Place : Bangalore
Date : June 22, 2018

P. Om Prakash
Company Secretary & Compliance Officer

Registered Office:
29th & 30th Floors, World Trade Center
26/1, Brigade Gateway Campus,
Dr. Rajkumar Road,
Malleswaram-Rajajinagar,
Bangalore – 560 055
CIN: L85110KA1995PLC019126

NOTES:

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member.

3. The instrument of proxy, in order to be effective, should be deposited at the Registered Office of the Company duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy form is annexed to this Report. Proxies submitted on behalf of corporates, limited liability partnerships, societies etc., must be supported by an appropriate resolution/authority, as applicable.

4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

5. Members / Proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.

6. The requirement to place the matter relating to appointment of Statutory Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 07, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Statutory Auditors, who were appointed in the Annual General Meeting held on August 05, 2014.

7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

8. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

9. The Company has fixed Friday, August 03, 2018 as Record Date for determining the members eligible for Dividend on Equity Shares, if declared at the Annual General Meeting.

10. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if approved by the members will be paid on or before Monday, September 10, 2018 to those members who names appear in the Register of Members on the Record Date.

11. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective Depository Participant(s). Members holding Shares in physical form are requested to advise any change of address or bank details immediately to our Registrars and Transfer Agent, Karvy Computershare Private Limited. Members are also encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.

12. Members are requested to send all communications relating to Shares including dividend matters to our Registrar and Share Transfer Agents at the following address:

    Karvy Computershare Private Limited
    Karvy Selenium Tower B, Plot no.31 & 32, Financial District
    Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032
    Ph No.: +91 40 6716 1500/2222, Fax No.: 040 23420814
    Email: raju.sv@karvy.com

13. Members are requested to note that the dividends not encashed or claimed within 7 (seven) years from the date of transfer to the Unpaid Dividend Account, will as per Section 124 of the Companies Act, 2013, respective shares lying in the pool account and unpaid dividend amount be transferred to the Investor Education and Protection Fund. The details of the unclaimed dividend and respective shares of the earlier years are available on our website www.brigadegroup.com. Members who haven't encashed or claimed the dividend for the earlier years are requested to approach the Company / Registrar & Transfer Agents and whose shares transferred to IEPF can claim by making an application in form IEPF-5 to IEPF Authority through Companies Nodal Officer and Registrar & Transfer Agents at the earliest.

14. The Company is concerned about the environment and utilizes natural resources in a sustainable way. Members who have not registered their email addresses with their Depository Participants are requested to register their email address so that they can receive the Annual Report and other communication from the Company electronically. Members who wish to receive a physical copy of the Annual Report may write to the Company Secretary at the registered office or send an email to investors@brigadegroup.com. The Annual Report can also be downloaded from the investors section of the Company's website www.brigadegroup.com.

15. Copies of the Annual Report 2018 are being sent by electronic mode only to all the members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2017-18 are being sent by the permitted mode.

16. Additional information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting is furnished and forms a part of the Notice. The Directors have furnished the requisite consents / declarations for their appointment/ re-appointment.

17. The certificate of the Statutory Auditors of the Company certifying that the 'Brigade Employee Stock Option Plan 2011' is being implemented in accordance with the Securities and Exchange Board of India Regulations will be available for inspection at the Annual General Meeting.

18. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding Shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding Shares in physical form shall submit their PAN details to the Registrar & Transfer Agents / Company.

19. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the Annual General Meeting.

20. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and in compliance with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, it is mandatory to extend to the Members of the Company, the facility to vote at the Annual General Meeting (AGM) by electronic means. Members of the Company can transact all the items of the business through electronic voting

system as contained in the Notice of the Meeting.

21. The Company has appointed Mr. Rajshekar, Practising Company Secretary (CP No.:2468), who in the opinion of the Board is a duly qualified person, as a Scrutinizer who will collate the electronic voting process in a fair and transparent manner. The Scrutinizer shall within a period of three (3) working days from the date of conclusion of e-voting period, submit his report of the votes cast in favour or against, if any, to the Chairman of the Company. The result of the same will be disclosed at the Annual General Meeting proceedings. The e-voting results will also be uploaded in the website of the Company (www.brigadegroup.com).

22. The Route Map of the venue of the Annual General Meeting forms part of this Notice and is published in the Annual Report of the Company.

23. The Company has entered into an agreement with Karvy Computershare Private Limited (Karvy) for facilitating e-voting for the Annual General Meeting. The instructions for e-voting are as follows:

INSTRUCTIONS FOR E-VOTING:

A. In case a Member receiving an email from Karvy [for Members whose email IDs are registered with the Company / Depository Participant(s)]

i. Launch internet browser by typing the URL: https://evoting.karvy.com.

ii. Enter the login credentials (i.e. **User ID and Password** as provided separately). Your DP ID-Client ID / Folio No. will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

iii. After entering these details appropriately, Click on "LOGIN".

iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVENT" i.e., Brigade Enterprises Limited.

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Shareholders holding multiple demat accounts / folios shall choose the voting process separately for each demat accounts / folios.

ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email ID: rajaarthi.cs@gmail.com with a copy marked to evoting@karvy.com and investors@brigadegroup.com. The scanned image of the abovementioned documents should be in the naming format "Brigade Enterprises Limited, 23rd Annual General Meeting".

xiii. The e-voting period commences on Monday, August 13, 2018 at 9.00 a.m. to Wednesday, August 15, 2018 at 5.00 p.m. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date being Friday, August 10, 2018, may cast their vote by electronic means in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not vote by way of poll, if held at the Meeting.

B. In case of Members receiving physical copy of the Annual General Meeting Notice by Post [for Members whose email IDs are not registered with the Depository Participant(s) / Company]:

i. User ID and initial password as provided separately along with the Notice.

ii. Please follow all steps from Si. No. (i) to (xiii) as mentioned in (A) above, to cast your vote.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

Item No.4:

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, the Board of Directors have appointed Mr. Pradeep Kumar Panja (DIN: 03614568) as an Additional Director of the Company with effect from May 16, 2018. In terms of the provisions of Section 161(1) of the Act, Mr. Pradeep Kumar Panja would hold office up to the date of the ensuing Annual General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member

under Section 160 of the Act proposing the candidature of Mr. Pradeep Kumar Panja for the office of Director of the Company.

Mr. Pradeep Kumar Panja is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Section 149 of the Act inter alia stipulates the criteria of independence should a Company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of Directors for retirement by rotation.

The Company has received a declaration from Mr. Pradeep Kumar Panja that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and SEBI (LODR) Regulations.

In the opinion of the Board, Mr. Pradeep Kumar Panja fulfills the conditions for his appointment as an Independent Director as specified in the Act and as stipulated in the SEBI (LODR) Regulations. Mr. Pradeep Kumar Panja is independent of the management.

Save and except Mr. Pradeep Kumar Panja and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Shareholders.

Item No.5:

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, the Board of Directors have appointed Dr. Venkatesh Panchapagesan (DIN: 07942333) as an Additional Director of the Company with effect from May 16, 2018. In terms of the provisions of Section 161(1) of the Act, Dr. Venkatesh Panchapagesan would hold office up to the date of the ensuing Annual General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member under Section 160 of the Act proposing the candidature of Dr. Venkatesh Panchapagesan for the office of Director of the Company.

Dr. Venkatesh Panchapagesan is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Section 149 of the Act inter alia stipulates the criteria of independence should a Company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a Company and he shall not be included in the total number of Directors for retirement by rotation.

The Company has received a declaration from Dr. Venkatesh Panchapagesan that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and SEBI (LODR) Regulations.

In the opinion of the Board, Dr. Venkatesh Panchapagesan fulfills the conditions for his appointment as an Independent Director as specified in the Act and as stipulated in the SEBI (LODR) Regulations. Dr. Venkatesh Panchapagesan is independent of the management.

Save and except Dr. Venkatesh Panchapagesan and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Shareholders.

Item No.6:

The Board of Directors of the Company based on recommendation of Nomination and Remuneration Committee has subject to the approval of the members appointed of Mr. Amar Mysore (DIN: 03218587) as a Whole-time Director, designated as Executive Director of the Company for a period of 5 years with effect from May 16, 2018.

An abstract of the terms of appointment are as follows:

1. Duties and Powers

   a. Mr. Amar Mysore, Whole-time Director, designated as Executive Director of the Company shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its subsidiaries, including performing duties as assigned by the Board from time to time by serving on the boards of such subsidiaries or any other executive body or committee of such a Company.

   b. The Whole-time Director shall discharge the duties laid down under Section 166 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

   c. The Whole Time Director shall duly abide by the Code of Conduct laid down by the Company.

2. Period of Appointment: From May 16, 2018 to May 15, 2023.

3. Remuneration

   a. Basic Salary

      Basic Salary up to of ₹ 41,00,000/- p.a. (Rupees forty one lakhs per annum), with authority to the Board to fix the salary within the said maximum amount from time to time. The annual increments shall be effective as may be decided by the Board based on the recommendation of the Nomination & Remuneration Committee and will be merit

based and take into account the Company's performance.

b. Perquisites & Allowances:

In addition to salary. Mr. Amar Mysore is entitled to perquisites and allowances aggregating up to ₹ 10,00,000/- p.a. (Rupees ten lakhs per annum)

(1) Perquisites such as:

i. Furnished accommodation, with expenditure on gas, electricity, water and maintenance and repairs thereof or House Rent Allowance and house maintenance allowance with expenditure on gas, electricity, water and furnishings.

ii. Leave Travel Allowance for self and family.

Medical Reimbursement: Expenses incurred by the Whole Time Director and his family will be subject to ceiling of one month's salary.

iii. Club Fees

And such other perquisites and allowances in accordance with the rules of the Company and as may be agreed by the Board of Directors and Mr. Amar Mysore and such perquisites and allowances will be subject to overall ceiling as may be fixed by the Board of Directors from time to time based on the recommendation of the Nomination & Remuneration Committee.

(2) Company maintained Car with Driver for official and personal use.

(3) Telecommunication & Internet facilities at residence

(4) Contribution of Provident Fund and Gratuity; The Whole Time Director will be eligible to the benefit of contribution to Provident Fund & Gratuity, based on the policy of the Company.

(5) Leave and encashment of unavailed leave as per the rules of the Company.

(6) Other Benefits: Such as servant allowance, entertainment expenses etc. as applicable from time to time as per the Company's rules.

c. Commission

Remuneration by way of Commission, in addition to salary and perquisites, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of Directors of the Company at the end of the each financial year based on the recommendation of the Nomination & Remuneration Committee. The exact amount payable will be decided by the Board of Directors which shall not exceed 1 % of the net profits based on certain performance criteria and shall be payable only after the Annual Accounts of the Company have been approved by the Board of Directors.

d. Termination:

The appointment will be for a period of five years, which may be terminated by either party giving to the other 90 days notice in writing.

Mr. Amar Mysore satisfies all the conditions set out in Part I of Schedule V to the Act as also conditions set out in Section 196(3) of the Companies Act, 2013 for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

The above may be treated as a written understanding setting out the terms of appointment of Mr. Amar Mysore under Section 190 of the Companies Act, 2013.

Mr. Amar Mysore is interested in the resolution set out at Item No. 6 of the notice. Mr. M. R. Jaishankar, Chairman & Managing Director, Ms. Githa Shankar, Ms. Pavitra Shankar, Nirupa Shankar, Whole-time Directors of the Company, Mr. M R Shivram, Mr. M R Gurumurthy, Directors of the Company, being also related to Mr. Amar Mysore may be deemed to be interested in the resolution set out at Item No. 6 of the Notice.

The Board of Directors recommend this resolution for your consideration and approval as an ordinary resolution.

Except as mentioned above none of the other Directors, Key Managerial Personnel and their relatives are concerned or interested either financially or otherwise in the Resolution.

Item No.7:

The Board of Directors of the Company based on recommendation of Nomination and Remuneration Committee has subject to the approval of the members appointed of Ms. Nirupa Shankar (DIN: 02750342) as a Whole-time Director, designated as Executive Director of the Company for a period of 5 years with effect from May 16, 2018.

An abstract of the terms of appointment are as follows:

1. Duties and Powers

a. Ms. Nirupa Shankar, Whole-time Director, designated as Executive Director of the Company shall devote her whole time and attention to the business of the Company and carry out such duties as may be entrusted to her by the Board from time to time and separately communicated to her and exercise such powers as may be assigned to her, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its subsidiaries, including performing duties as assigned by the Board from time to time by serving on the boards of such subsidiaries or any other executive body or committee of such a Company.

b. The Whole-time Director shall discharge the duties laid down under Section 166 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

c. The Whole-time Director shall duly abide by the Code of Conduct laid down by the Company.

2. Period of Appointment: From May 16, 2018 to May 15, 2023.

3. Remuneration

a. Basic Salary

Basic Salary up to of ₹ 34,00,000/- p.a. (Rupees thirty four lakhs per annum) with authority to the Board to fix the salary within the said maximum amount from time to time. The annual increments shall be effective as may be decided by the Board based on the recommendation of the Nomination & Remuneration Committee and will be merit based and take into account the Company's performance.

b. Perquisites & Allowances:

In addition to salary. Ms. Nirupa Shankar is entitled to perquisites and allowances aggregating up to ₹ 17,00,000/- p.a. (Rupees seventeen lakhs per annum)

(1) Perquisites such as:

i. Furnished accommodation, with expenditure on gas, electricity, water and maintenance and repairs thereof or House Rent Allowance and house maintenance allowance with expenditure on gas, electricity, water and furnishings.

ii. Leave Travel Allowance for self and family.

Medical Reimbursement: Expenses incurred by the Whole Time Director and her family will be subject to ceiling of one month's salary.

iii. Club Fees

And such other perquisites and allowances in accordance with the rules of the Company and as may be agreed by the Board of Directors and Ms. Nirupa Shankar and such perquisites and allowances will be subject to overall ceiling as may be fixed by the Board of Directors from time to time based on the recommendation of the Nomination & Remuneration Committee.

(2) Company maintained Car with Driver for official and personal use.

(3) Telecommunication & Internet facilities at residence

(4) Contribution of Provident Fund and Gratuity; The Whole Time Director will be eligible to the benefit of contribution to Provident Fund & Gratuity, based on the policy of the Company.

(5) Leave and encashment of unavailed leave as per the rules of the Company.

(6) Other Benefits: Such as servant allowance, entertainment expenses etc. as applicable from time to time as per the Company's rules.

c. Commission

Such remuneration by way of Commission, in addition to salary and perquisites, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of Directors of the Company at the end of the each financial year based on the recommendation of the Nomination & Remuneration Committee. The exact amount payable will be decided by the Board of Directors which shall not exceed 1 % of the net profits based on certain performance criteria and shall be payable only after the Annual Accounts of the Company have been approved by the Board of Directors.

d. Termination:

The appointment will be for a period of five years, which may be terminated by either party giving to the other 90 days notice in writing.

Ms. Nirupa Shankar satisfies all the conditions set out in Part I of Schedule V to the Act as also conditions set out in Section 196(3) of the Companies Act, 2013 for being eligible for her appointment. She is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

The above may be treated as a written understanding setting out the terms of appointment of Ms. Nirupa Shankar under Section 190 of the Companies Act, 2013.

Ms. Nirupa Shankar is interested in the resolution set out at Item No. 7 of the Notice. Mr. M. R. Jaishankar, Chairman & Managing Director, Ms. Githa Shankar, Ms. Pavitra Shankar, Mr. Amar Mysore, Whole Time Directors of the Company, Mr. M R Shivram, Mr. M R Gurumurthy, Directors of the Company, being related to Ms. Nirupa Shankar may be deemed to be interested in the resolution set out at Item No. 7 of the Notice.

The other relatives of Ms. Nirupa Shankar may be deemed to be interested in the resolution set out at Item No. 7 of the Notice, to the extent of their shareholding interest, if any, in the Company.

The Board of Directors recommend this resolution for your consideration and approval as an ordinary resolution.

Except as mentioned above none of the other Directors, Key Managerial Personnel and their relatives are concerned or interested either financially or otherwise in the Resolution.

Item No.8:

The Board of Directors of the Company based on recommendation of Nomination and Remuneration Committee has subject to the approval of the members appointed of Ms. Pavitra Shankar (DIN: 08133119) as a Whole-time Director, designated as Executive Director of the Company for a period of 5 years with effect from May 16, 2018.

An abstract of the terms of appointment are as follows:

1. Duties and Powers

a. Ms. Pavitra Shankar, Whole-time Director, designated as Executive Director of the Company shall devote her whole time and attention to the business of the Company and carry out such duties as may be entrusted to her by the Board from time to time and separately communicated to her and exercise such powers as may be assigned to her, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its subsidiaries, including performing duties as assigned by the Board from time to time by serving on the boards of such subsidiaries or any other executive body or committee of

such a Company.

b. The Whole-time Director shall discharge the duties laid down under Section 166 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

c. The Whole-time Director shall duly abide by the Code of Conduct laid down by the Company.

2. Period of Appointment: From May 16, 2018 to May 15, 2023.

3. Remuneration

a. Basic Salary

Basic Salary up to of ₹ 34,00,000/- p.a. (Rupees thirty four lakhs per annum), with authority to the Board to fix the salary within the said maximum amount from time to time. The annual increments shall be effective as may be decided by the Board based on the recommendation of the Nomination & Remuneration Committee and will be merit based and take into account the Company's performance.

b. Perquisites & Allowances:

In addition to salary. Ms. Pavitra Shankar is entitled to perquisites and allowances aggregating up to ₹ 17,00,000/- p.a. (Rupees seventeen lakhs per annum)

(1) Perquisites such as:

i. Furnished accommodation, with expenditure on gas, electricity, water and maintenance and repairs thereof or House Rent Allowance and house maintenance allowance with expenditure on gas, electricity, water and furnishings.

ii. Leave Travel Allowance for self and family.

Medical Reimbursement: Expenses incurred by the Whole Time Director and her family will be subject to ceiling of one month's salary.

iii. Club Fees

And such other perquisites and allowances in accordance with the rules of the Company and as may be agreed by the Board of Directors and Ms. Pavitra Shankar and such perquisites and allowances will be subject to overall ceiling as may be fixed by the Board of Directors from time to time based on the recommendation of the Nomination & Remuneration Committee.

(2) Company maintained Car with Driver for official and personal use.

(3) Telecommunication & Internet facilities at residence

(4) Contribution of Provident Fund and Gratuity; The Whole Time Director will be eligible to the benefit of contribution to Provident Fund & Gratuity, based on the policy of the Company.

(5) Leave and encashment of unavailed leave as per the rules of the Company.

(6) Other Benefits: Such as servant allowance, entertainment expenses etc. as applicable from time to time as per the Company's rules.

c. Commission

Such remuneration by way of Commission, in addition to salary and perquisites, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of Directors of the Company at the end of the each financial year based on the recommendation of the Nomination & Remuneration Committee. The exact amount payable will be decided by the Board of Directors which shall not exceed 1% of the net profits of the Company based on certain performance criteria and shall be payable only after the Annual Accounts of the Company have been approved by the Board of Directors.

d. Termination:

The appointment will be for a period of five years, which may be terminated by either party giving to the other 90 days notice in writing.

Ms. Pavitra Shankar satisfies all the conditions set out in Part I of Schedule V to the Act as also conditions set out in Section 196(3) of the Companies Act, 2013 for being eligible for her appointment. She is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

The above may be treated as a written understanding setting out the terms of appointment of Ms. Pavitra Shankar under Section 190 of the Companies Act, 2013.

Ms. Pavitra Shankar is interested in the resolution set out at Item No. 8 of the Notice. Mr. M. R. Jaishankar, Chairman & Managing Director, Ms. Githa Shankar, Ms. Nirupa Shankar and Mr. Amar Mysore, Whole Time Directors of the Company, Mr. M R Shivram, Mr. M R Gurumurthy, Directors of the Company, being related to Ms. Pavitra Shankar may be deemed to be interested in the resolution set out at Item No. 8 of the Notice.

The other relatives of Ms. Pavitra Shankar may be deemed to be interested in the resolution set out at Item No. 8 of the Notice, to the extent of their shareholding interest, if any, in the Company.

The Board of Directors recommend this resolution for your consideration and approval as an ordinary resolution.

Except as mentioned above none of the other Directors, Key Managerial Personnel and their relatives are concerned or interested either financially or otherwise in the Resolution.

Item No.9:

The provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 mandates the Company to get its cost records audited every year. The Board of Directors, based

on the recommendation of the Audit Committee, have appointed Messrs Murthy & Co. LLP, Cost Accountants (LLP ID No. AAB-1402) as the Cost Auditors of the Company for the financial year 2017-18 at a remuneration of ₹ 1,25,000/- (Rupees One Lakh and Twenty Five Thousand only) apart from applicable taxes and out of pocket expenses, if any.

Ratification of remuneration payable to Cost Auditors needs to be done by the Shareholders of the Company in terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014. Due to which consent of the members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2017-18.

None of the Promoters, Directors, Key Managerial Personnel or their relatives are interested, financial or otherwise, if any in the Resolution No. 9 of the accompanying Notice except to the extent of their Shareholding, if any in the Company.

Item No.10:

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 Board is of the view that it is necessary that adequate compensation be given to the Independent Directors so as to compensate them for their time and efforts.

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 March 31, 2018. It is proposed to remunerate the Independent Directors by payment of remuneration of up to 1% of net profits (including sitting fees) for a further period of 5 years from the Financial Year commencing from April 01, 2018.

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 Ordinary Resolution by members.

Item No.11 & 12:

The Company has borrowing powers of upto ₹ 2500,00,00,000/-approved by the Shareholders under Section 180 of the Companies Act, 2013 at the Nineteenth Annual General Meeting of the Company held on August 05, 2014. Your Company will require capital infusion in the form of equity as well as debt for the expansion and growth plans. Due to this the Company is proposing to increase the borrowing powers from the existing ₹ 2500,00,00,000/- (Rupees two thousand five hundred crores only) up to ₹ 5000,00,00,000/- (Rupees five thousand crores only) in excess of the aggregate of the paid up share capital and free reserves of the Company, pursuant to the provisions of the Companies Act, 2013 and authorising the Board to borrow up to such limits from time to time.

The authorization of the members is further sought for creating mortgages and/ or charges on the moveable/ immovable properties of the Company within the limits of ₹ 5000,00,00,000 (Rupees five thousand crores only) for the borrowing to be made in accordance with the provisions of Section 180(1)(a) of the Companies Act, 2013.

The resolution proposed under Item No.11 & 12 is to obtain the Shareholders approval through a Special Resolution pursuant to the provisions of Section 180 (1)(c) & 108 (1)(a) of the Companies Act, 2013.

None of the Promoters, Directors, Key Managerial Personnel or their relatives are interested, financial or otherwise, if any in the Resolution No. 11 & 12 of the accompanying Notice except to the extent of their Shareholding, if any in the Company.

The Directors recommend the Resolution No.11 & 12 of the Notice for consent and approval by the Shareholders as Special Resolutions.

ITEM 13:

The Company has in pipeline various real estate and commercial projects for which apart from internal accruals funding by way of equity as well as debt will be required. The Board of Directors have continuously evaluated funding requirements for the various projects of the Company through optimum mix of equity as well as debt funding mainly by way of project loans & lease rental discounting loans. The Board of Directors of the Company are contemplating to issue Non-Convertible Debentures.

In accordance with Rule 14 of The Companies (Prospectus and Allotment of Securities) Rules, 2014, the issue of non-convertible debentures on a private placement basis requires prior approval of the shareholders of the Company by way of a Special Resolution and such an approval shall be valid for all the offers or invitation for such non-convertible debentures during the year.

Accordingly, consent of the shareholders is being sought to enable the Board of Directors to offer or invite subscriptions for non-convertible debentures aggregating up to ₹ 450,00,00,000/- (Rupees four hundred and fifty crores) as may be required and such approval shall be valid for a year.

None of the Directors or the Key Managerial Personnel or their relatives are in any way interested or concerned, financially or otherwise, in this Resolution except to the extent of their shareholding in the Company.

The Board recommends the Special Resolution set-out in Item No. 13 of the Notice for approval by the shareholders.

The Directors recommend the Resolution No.13 of the Notice for consent and approval by the Shareholders as a Special Resolution.

By Order of the Board
For Brigade Enterprises Limited

Place : Bangalore
Date : June 22, 2018

P. Om Prakash
Company Secretary & Compliance Officer

Registered Office:
29th & 30th Floors, World Trade Center
26/1, Brigade Gateway Campus,
Dr. Rajkumar Road,
Malleswaram-Rajajinagar,
Bangalore – 560055.
CIN: L85110KA1995PLC019126

Details of the Directors seeking re-appointment at the 23rd Annual General Meeting (Pursuant to Regulation 36 of the SEBI (LODR) Regulations, 2015)

Name of the Director	Ms. Githa Shankar	Mr. Pradeep Kumar Panja	Dr. Venkatesh Panchapagesan	Mr. Amar Mysore	Ms. Nirupa Shankar	Ms. Pavitra Shankar
Date of Birth	23/01/1954	02/10/1955	01/10/1967	21/06/1979	31/10/1982	01/08/1980
Age (in years)	64	62	50	39	35	37
Date of Appointment	08/11/1995	16/05/2018	16/05/2018	16/05/2018	16/05/2018	16/05/2018
Qualification	Bachelors in Arts, Bachelors in Library Science and a Masters in Business Administration	Masters in Science, (Statistics), from the University of Madras and Certified Associate of Indian Institute of Bankers (CAIIB).	Chartered Accountant, Cost Accountant and is a IIM Kolkatta, Alumni.	Masters in Engineering from Pennsylvania State University USA	Bachelor's Degree in Economics from the University of Virginia, USA and has a Masters of Management in Hospitality in 2009 from Cornell University.	Bachelor's Degree in Economics and Mathematics from the University of Virginia, USA and a Masters in Business Administration in Real Estate and Finance from Columbia Business School, USA.
No. of equity shares held in the Company	18700500	-	-	1293773	9326625	-
Expertise in functional areas	She has over 3 decades of experience in the fields of advertising, stock broking, insurance, education and real estate	He has 4 decades of rich experience in the banking industry of which he has been on the Board of a Nationalised Bank for term of 5 years.	He has 2 decades of rich experience in the field of Academia and Global Financial Markets.	He has a decade of diverse experience in fields of Supply Chain Management, Manufacturing, Power Sector and Real Estate.	She has a decade of experience in Hospitality, Business Development and Strategy	She has Rich and versatile experience in Business Development & Real Estate Marketing Consultancy Services, portfolio analytics and fund operations.

Details of Directorship	Ms. Githa Shankar	Mr. Pradeep Kumar Panja	Dr. Venkatesh Panchapagesan	Mr. Amar Mysore	Ms. Nirupa Shankar	Ms. Pavitra Shankar
Directorships held in other Companies	a. Brigade Hospitality Services Limited b. Mysore Holdings Private Limited c. Brigade Estates & Projects Private Limited d. Brigade Tetrarch Private Limited e. Brigade Infrastructure & Power Private Limited f. Orion Mall Management Company Limited g. Tetrarch Equity Research and Analysis Private Limited	1. Trigyn Technologies Limited 2. Indiabulls Asset Reconstruction Company Limited 3. L&T Infrastructure Finance Company Limited 4. Brigade Properties Private Limited 5. Micromax Informatics Limited 6. Acme Solar Holdings Limited 7. Svamaan Financial Services Private Limited	1. NSE IFSC Limited	-	1. Brigade Hospitality Services Limited 2. Orion Mall Management Company Limited 3. SRP Prosperita Hotel Ventures Limited 4. Brigade Estates & Projects Private Limited 5. Brigade Tetrarch Private Limited 6. Brigade Infrastructure & Power Private Limited 7. Mysore Holdings Private Limited 8. WTC Trades & Projects Private Limited 9. Brigade (Gujarat) Projects Private Limited 10. Brigade Hotel Ventures Limited 11. Augusta Club Private Limited	-
Committee positions held in other Companies	NIL	1. Trigyn Technologies Limited • Audit Committee – Member 2. Brigade Properties Private Limited • Audit Committee – Chairman	NIL	NIL	NIL	NIL

Route Map to AGM Venue



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BRIGADE

FORM NO. MGT-11
PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

BRIGADE ENTERPRISES LIMITED

CIN: L85110KA1995PLC019126

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

Name of the member(s): Registered address:		e-mail Id: Folio No/ *Client Id: *DP Id:	

I/We, being the member(s) of ..... Shares of Brigade Enterprises Limited, hereby appoint:

1) .....of.....having e-mail id.....or failing him

2) .....of.....having e-mail id.....or failing him

3) .....of.....having e-mail id.....or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held on Thursday, August 16, 2018 at 11:00 a.m. at Sheraton Grand Bangalore Hotel, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bangalore - 560055 and at any adjournment thereof in respect of such resolutions as follows:

RESOLUTION NUMBER	RESOLUTIONS	VOTE (PLEASE MARK (√) AND NO. OF SHARES)	
		For	Against
Ordinary Business			
1	Adoption of Annual Accounts and Reports thereon for the financial year ended March 31, 2018.		
2	Declaration of Dividend.		
3	Re-appointment of Ms. Githa Shankar, as a Director liable to retire by rotation.		
Special Business			
4	Appointment of Mr. Pradeep Kumar Panja, as Independent Director of the Company.		
5	Appointment of Dr. Venkatesh Panchapagesan, as Independent Director of the Company.		
6	Appointment of Mr. Amar Mysore, as Whole-time Director of the Company.		
7	Appointment of Ms. Nirupa Shankar, as Whole-time Director of the Company.		
8	Appointment of Ms. Pavitra Shankar, as Whole-time Director of the Company.		
9	Approval the remuneration payable to Messrs Murthy & Co. LLP, Cost Accountants, Cost Auditors for the financial year 2017-18.		
10	Approval of Commission Payable to Independent Directors.		
11	Borrowing Powers to the Board of Directors.		
12	Creation of Charge on the Assets of the Company.		
13	Issue of Non-Convertible Debentures on Private Placement basis.		

Signed this..... day of..... 2018

Signature of member

Affix Revenue Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

BRIGADE ENTERPRISES LIMITED

CIN: L85110KA1995PLC019126

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

ATTENDANCE SLIP

Name and Registered Address of the Shareholder :

Serial No. :

Name(s) of the Joint Shareholder(s) if any :

Registered Folio No. / DP ID No. & Client ID :

Number of Shares held :

Name of the Proxy / Representative, if any :

Signature of Member(s) / Proxy :

Signature of the Representative :

I hereby record my presence at the 23rd Annual General Meeting of the Company held on Thursday, August 16, 2018 at 11.00 a.m. at Sheraton Grand Bangalore Hotel, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bangalore - 560055.

PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING HALL AND HAND IT OVER AT THE ENTRANCE

FOR ATTENTION OF THE SHAREHOLDER

Shareholders may please note the **User id and Password** given below for the purpose of e-voting in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration), Rules, 2014. Detailed instructions for e-voting are given in the notes to the AGM Notice.

ELCTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD/PIN

Note: Please fill up attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring the copies of the Annual Report to the AGM.



Mr. M R Jaishankar felicitated by Images Retail for being one of the top 10 visionaries from South India, who have built great consumer Brands, Retail Concepts and Shopping & Leisure Spaces.



The Brigade Team receiving The Great Place To Work for 2018 Award



If undelivered, please return to the address below:
Brigade Enterprises Limited
Corporate Identification Number (CIN): L85110KA1995PLC01926
29th & 30th Floors, World Trade Center,
Brigade Gateway Campus, 26/1, Dr. Rajkumar Road,
Malleswaram-Rajajinagar, Bangalore – 560 055
Telephone No. : 91-80-41379200

www.brigadegroup.com