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/10102017

10th October, 2017

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 2016-17

We are enclosing herewith the Twenty Second Annual Report of the Company for the financial year ended 31st March, 2017.

The Annual General Meeting of the Company was held on Thursday, 21st September, 2017 wherein the financial statements for the year ended 31st March, 2017 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.

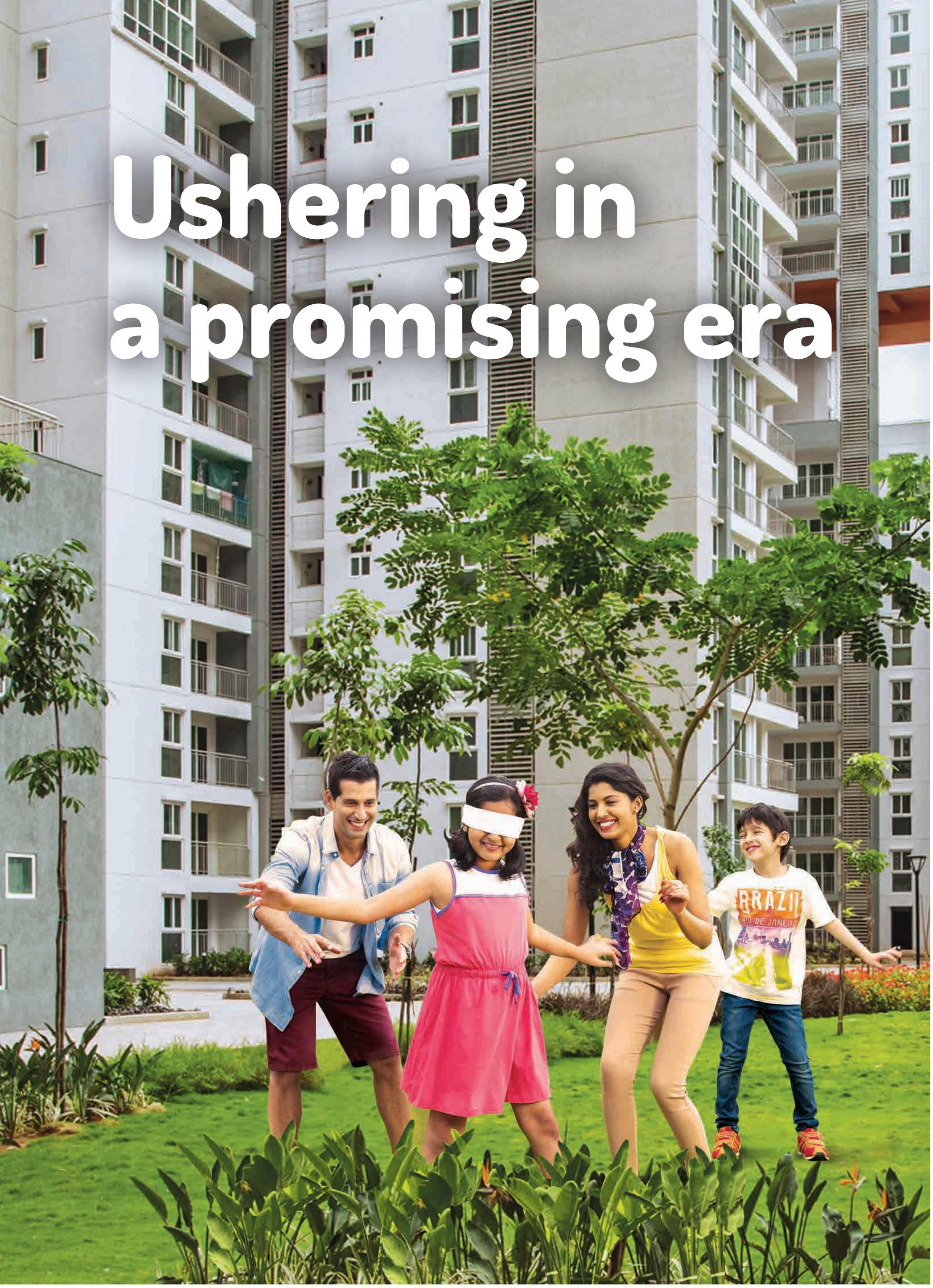
Thanking you,

Yours faithfully,
For Brigade Enterprises Limited

P. Om Prakash
Company Secretary & Compliance Officer

Encl.: a/a

Ushering in a promising era



Brigade Enterprises Limited
Annual Report 2016-17

BRIGADE

Contents

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.

Artist's impression of Brigade Symphony, Mysuru

Ushering in a promising era

With extensive policy reformations and the government's thrust to modernise the Indian economy gaining further traction, the domestic real estate industry is at crossroads. The sector, which is still reeling under the after-effects of demonetisation and new legislations like the Goods and Services Tax (GST) and the Real Estate (Regulation and Development) Act 2016 (RERA). As the rules of the game are fast changing, players who are quick to adapt to meet the onrushing waves of change are the ones who would ultimately emerge as winners in the long run. Being a large and organised player, Brigade enjoys certain competitive advantages and is well placed to meet the upcoming challenges and opportunities. However, as we usher in a promising era, we also realise that keeping abreast with the changing times is paramount to our success.

The Company remains focussed on streamlining its processes to achieve higher sustainable growth. Besides, the Company's present model of selective outsourcing would help it remain cost-effective while scaling up operations. As for the statutory requirements, the Company has taken necessary steps to ensure all its operations are fully compliant with the fresh norms, so that the interests of all the stakeholders, including our clients as well as investors are safeguarded against any encumbrance or hurdle at a later stage.

Brigade Atmosphere, Bengaluru

Welcoming the new era with maturity

With changing policy landscape over the last couple of years and a host of new measures being introduced, the real estate industry is heading for a paradigm shift. Demonetisation has lent a definite advantage to the organised players by breaking the traditional eco-system into a new digital age. Meanwhile, gigantic statutory shifts on the heels of GST and RERA along with the Business Responsibility Reporting provisions of the Companies Act 2013, are likely to further drive consolidation of activities around the large, focused and organised players. Moreover, the government's thrust on affordable-housing and housing-for-all is set to boost growth, while opening additional avenues for the organised players. Besides, continued urbanisation, rising household incomes, affordable credit and a burgeoning middle class would continue contributing to the real-estate growth story, even as optimism around Real Estate Investment Trusts (REITs) to infuse capital into the industry.

Given this backdrop, Brigade – with its unique, diverse and mature portfolio of real estate, lease rental and hospitality businesses – continues to be on a strong footing to meet the upcoming challenges as well as opportunities. We have been making rapid strides, driving revenue growth and visibility across all three business segments. We have successfully expanded our footprints beyond Bengaluru & Mysuru to other high-growth potential cities like Chennai, Hyderabad, Kochi, Mangaluru and GIFT City, Gujarat. Moreover, it is our constant endeavour to bring in innovation and professionalism into every project we undertake. In line with this objective, Brigade continues to leverage information technology and innovative processes to further refine its competitive advantage. On the compliance front, the team has been working round-the-clock to meet all statutory requirements and deliver projects that are fully compliant with the regulatory norms.

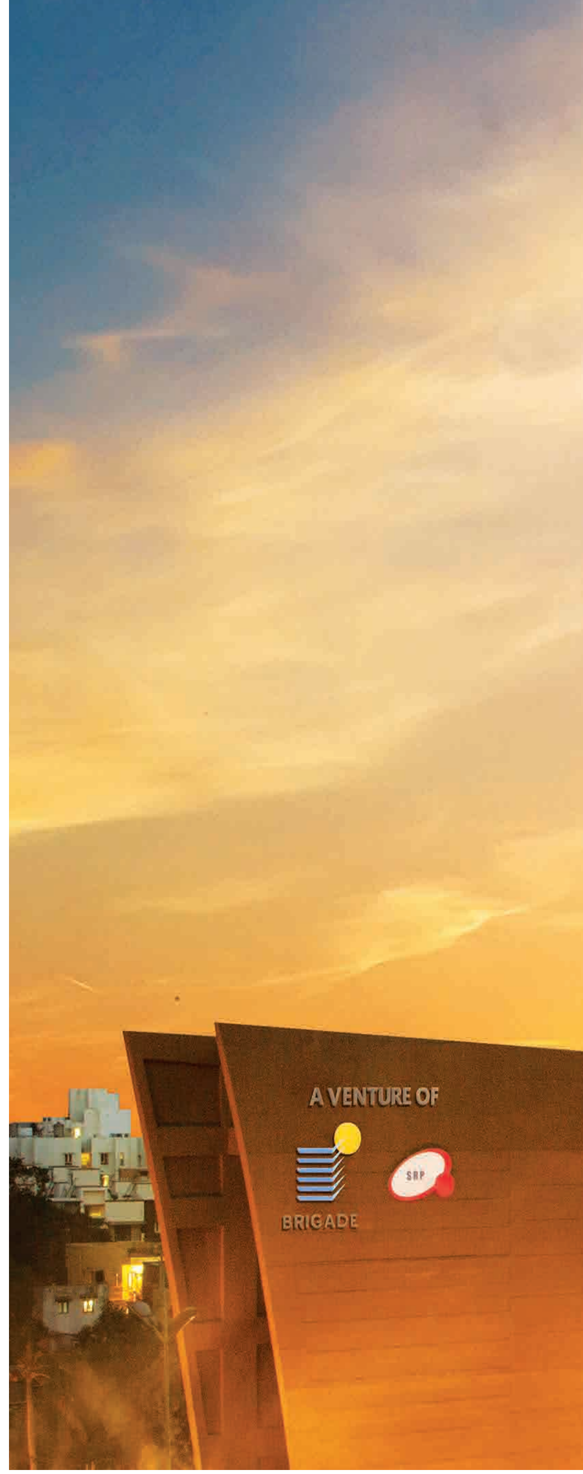
> **Brigade** – with its unique, diverse and mature portfolio of real estate, lease rental and hospitality businesses – continues to be on a strong footing to meet the upcoming challenges as well as opportunities.

Embarking the new era with focus

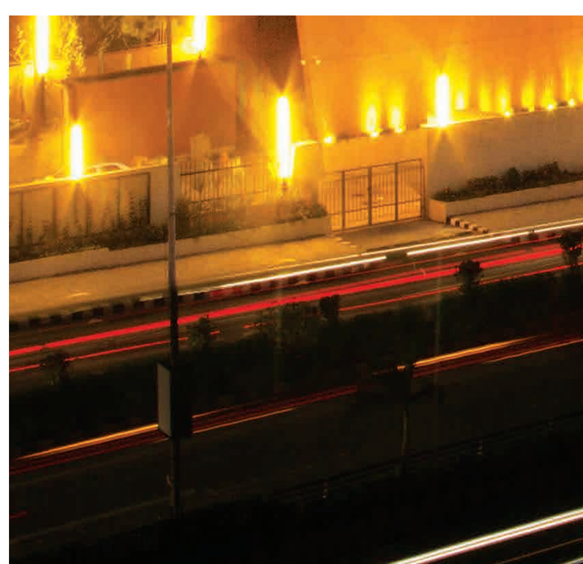
Backed by a strong balance sheet, a diverse portfolio mix and operating excellence, our company is all set to usher in the new era with renewed vigour and focus. Brigade reported healthy consolidated results in FY17 and has further strengthened its balance sheet by infusing capital through Qualified Institutional Placement (QIP). We have also chalked out ambitious plans to increase focus on our hospitality business that will result in pure-play aggressive growth and will also reduce our dependence on the cyclic residential and commercial segments. We have strategic relations with international hospitality operators like Marriott, Accor and IHG and have 4 operational hotels as of date with them. Further, we have entered into an MOU with Intercontinental Hotels Group (India) Pvt Ltd (IHG) to initially set up 10 Holiday Inn Express hotels out of total 20 hotel properties planned across South India by 2020. Going ahead, we would continue to scale our hospitality business in terms of the keys under operation. We are also actively looking to build our land bank across cities in the domains we operate.

Additionally, as a part of our diversification strategy, we aim to increase revenues from the leasing business. As of March 2017, our lease rental portfolio was 2.2 million sq. ft. including marquee assets of the World Trade Center Bengaluru, Brigade Bhuwalka Icon, Orion Mall at Brigade Gateway and Orion East Mall at Banaswadi in Bengaluru & World Trade Center in Kochi. Our Company is in the process of developing World Trade Centers in other cities in South India and would continue to develop its hospitality and office, and retail ventures to further diversify the revenue streams.

Brigade enjoys core competencies in design management, project management and product marketing. We work with reputed architects, consultants, urban planners and other experts engaged to manage project designs even as in-house teams focus on quality, project monitoring and cost control. We plan to continue our model of outsourcing the execution of our projects to well recognised players under strict monitoring as this model allows to boost the scale of our operations while remaining cost effective.

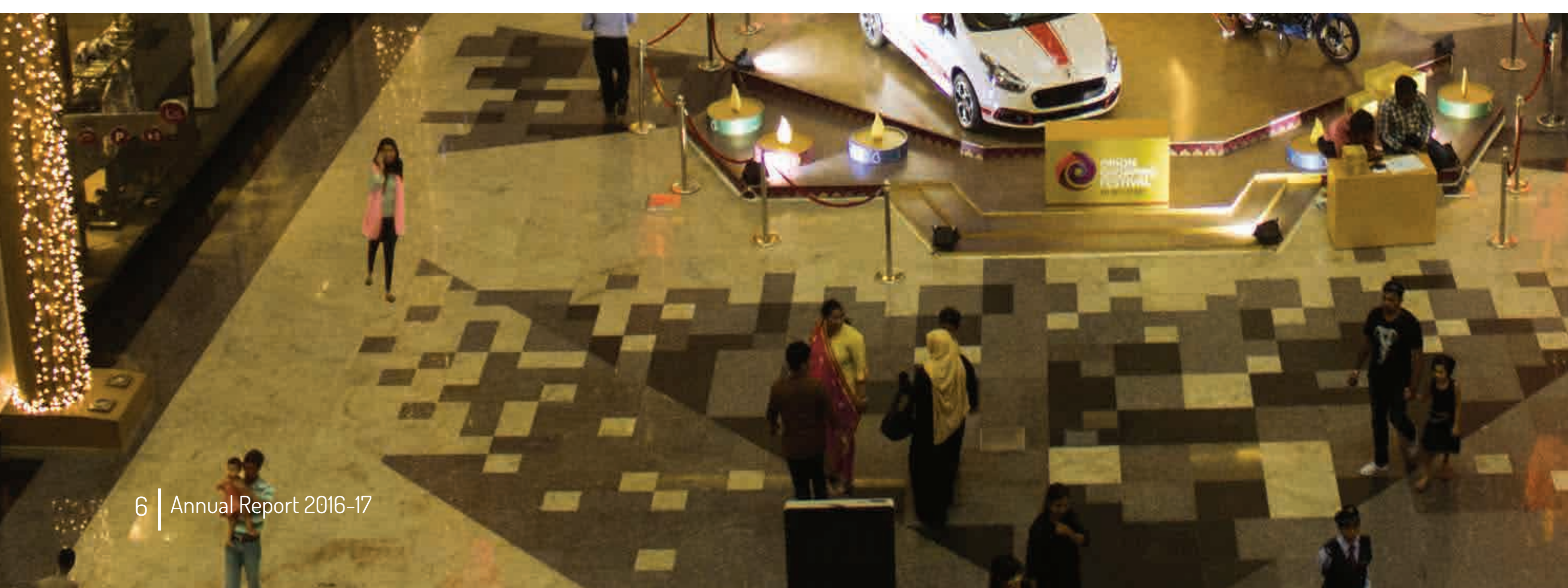


Brigade enjoys core competencies in design management, project management and product marketing. We work with reputed architects, consultants, urban planners and other experts engaged to manage project designs even as in-house teams focus on quality, project monitoring and cost control.



Holiday Inn, Chennai

Orion Mall, Bengaluru



Embracing the new era with earnestness

At Brigade, we strive to deliver properties that are unique, modern and enhance the lifestyle of our customers. With client experience and satisfaction being a prime motive, our projects are executed with a meticulous focus on innovation and quality. Brigade employs sophisticated technology, tools and processes in line with international standards, to build top-notch projects that offer great value and a positive customer experience. Our dedicated marketing team helps us identify market trends early on, enabling us to position projects accordingly in terms of location and income segments.

With a cohesive marketing strategy designed to build and secure brand value and awareness, Brigade has dedicated teams to focus on sales, nationally and internationally and also to assist clients throughout the entire period from post-sale to delivery. Our ability to anticipate the requirements of our customers and to provide them with essential after-sales services marks the cornerstone of positive customer experiences and brand salience that we promise to deliver.

Compliance and integrity being of prime importance to Brigade, our company is leaving no stone unturned to be RERA ready. At Brigade, we understand RERA has been introduced to regulate the real estate industry and mandates certain responsibilities on developers to ensure added acountability towards customers and protection of their interests. The Act will make way for a uniform regulatory landscape on the basis of transparency and governance, weeding out irregularities from the industry over the long run. While ensuring fair practices to protect consumer interests, the act will also enable genuine players like Brigade to showcase its businesses and leverage resources to improve operational efficiencies.

In view of the changing legal framework, the Company is streamlining its operations to meet the statutory provisions of RERA. Some obligations imposed by the act on real estate developers include mandatory registration of real estate projects, not issuing any advertisements or accepting advances unless real estate projects are registered under RERA, maintenance of a separate escrow account for amounts realised from each real estate project and restrictions on withdrawal of amounts from such escrow accounts and taking customer approval for major changes in sanction plan. In addition to this, the Company will also have to comply with state-specific legislations that will be enacted by respective State Governments, where the ongoing/future projects are/may be located, following the implementation of RERA. The Company fully comprehends that the aim of such legislation is to ensure free and fair play and we stand committed to delivering legally compliant projects that deliver the best value and enriched customer satisfaction.

With a cohesive marketing strategy designed to build and secure brand value and awareness, Brigade has dedicated teams to focus on sales, nationally and internationally and also to assist clients throughout the entire period from post-sale to delivery.

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.

CORE VALUES

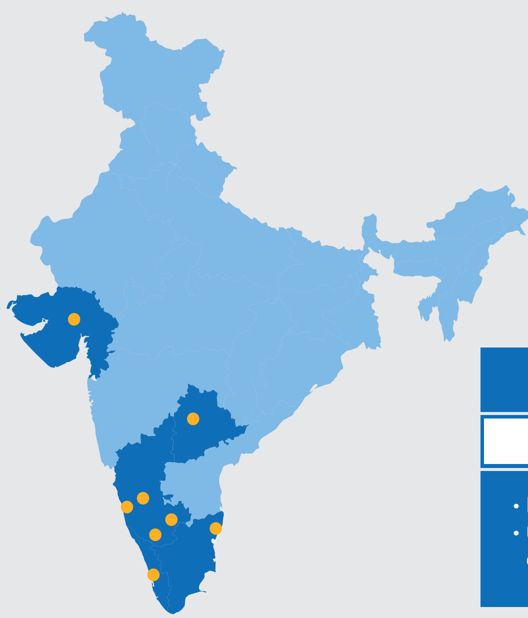
Every member of the Brigade family lives by the core values and ensures that these values are not compromised in any way.

The World of Brigade Enterprises

We are one of India's leading developers with over three decades of expertise in building positive experiences for all our stakeholders. We have transformed the city skyline Bengaluru, Mysuru, Mangaluru, Hyderabad, Chennai and Kochi with developments across Residential, Offices, Retail, Hospitality and Education sectors.

Our residential portfolio includes penthouses, villas, premium residences, luxury apartments, value homes, retirement homes and award winning fully integrated lifestyle enclaves across a wide budget range. We are among the few developers who have built a reputation of developing well-planned Grade A commercial properties. We have top international and Indian companies working out of our World Trade Centers in Bengaluru & Kochi, software and IT parks, SEZ's and standalone offices. Our retail platform comprises of the Orion Mall at Brigade Gateway and Orion East in Banaswadi, Bengaluru, exclusive shopping areas in star hotels and neighbourhood shopping centres. Our hospitality offerings include 5 star hotels, recreational clubs and convention centres in Bengaluru, Chennai, Kochi, Mysuru, and GIFT City.

Since our inception in 1986, we have completed nearly 200 buildings amounting to over 30 million square feet across residential, offices, retail and hospitality sectors. We are currently in the process of developing 30 million square feet across seven cities over the next five years.



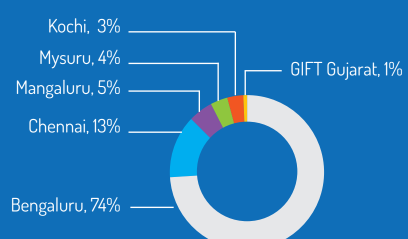
BUSINESS GEOGRAPHIES

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

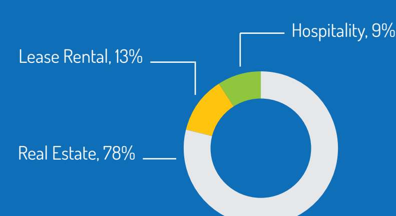
BUSINESS SEGMENT

Real Estate	Lease Rental	Hospitality Segment
• Residential • Office space on outright sales	• Office Spaces • Retail Spaces	• Hotels • Clubs and Convention Centers

GEOGRAPHICAL PRESENCE



REVENUE MIX SEGMENT WISE



Business Highlights

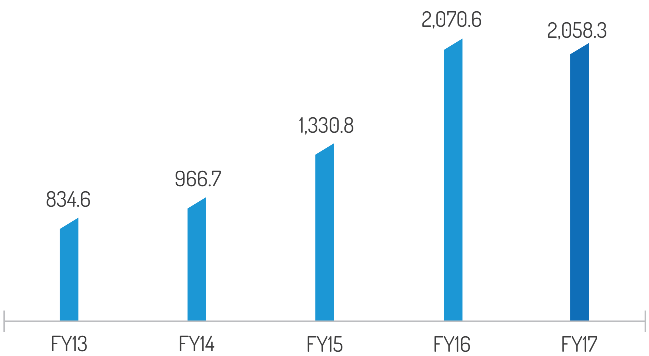
Financial Highlights (Consolidated)

in ₹ Crores

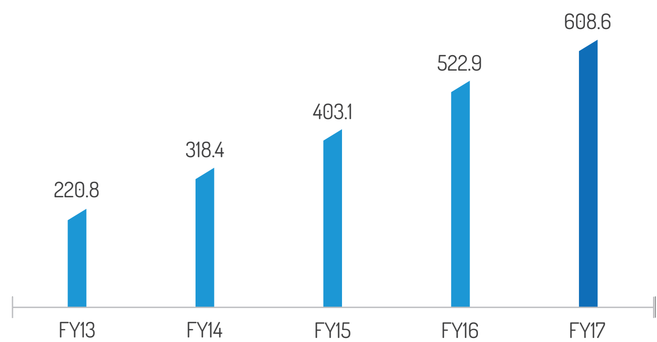
Particulars	FY17	FY16	FY15	FY14	FY13
Revenue	2,058.3	2,070.6	1,330.8	966.7	834.6
EBIDTA	608.6	522.9	403.1	318.4	220.8
EBIT	487.3	418.3	303.8	236.6	143.5
Interest	246.5	199.0	131.4	113.1	89.8
PBT	240.8	219.3	172.5	123.5	53.7
PAT	167.2	139.1	116.4	89.9	60.0
Net Worth	1,922.4	1,661.6	1,356.7	1,280.2	1,212.1
Debt	2,177.2	1,999.0	1,394.4	863.5	1.048.1
Net Fixed Assets	2,994.3	2,668.4	1,657.4	1,469.0	1,441.7
Inventory	2,263.9	2,306.7	1,544.4	1,123.1	909.9
Debtors	37.4	42.9	14.9	37.2	19.8
Cash & Bank	136.3	108.9	82.9	38.3	47.0
Per Share Ratio					
Earnings per Share (EPS)	13.5	10.9	8.5	8.2	5.5
Dividend per Share (DPS)	2.5	2.0	2.0	2.0	1.5
Book Value per Share (BVPS)	169.1	146.8	120.0	114.0	108.2
Growth Ratio (%)					
Revenue Growth	(0.6)	55.6	37.6	15.8	28.2
EBIDTA Growth	16.4	29.7	26.6	44.2	11.5
PAT Growth	20.2	19.5	29.4	49.8	5.4
Growth in Book Value Per Share	15.1	22.3	5.3	5.4	4.9
Inventory Growth	(1.9)	49.4	37.5	23.4	10.9
Margin Ratios (%)					
EBIDTA Margin	29.6	25.2	30.3	32.9	26.5
EBIT Margin	23.7	20.2	22.8	24.4	17.2
Net Profit Margin	8.1	6.7	8.6	9.3	7.2
Other Key Ratios (%)					
Return on Equity (RoE)	8.7	8.2	8.5	7.0	4.9
Dividend Payout	18.5	18.3	23.5	24.4	27.3
Debt Equity Ratio (D/E), x	1.1	1.2	1.0	0.7	0.9
Interest Coverage Ratio, x	2.5	2.6	3.1	2.8	2.5

Key Performance Indicators

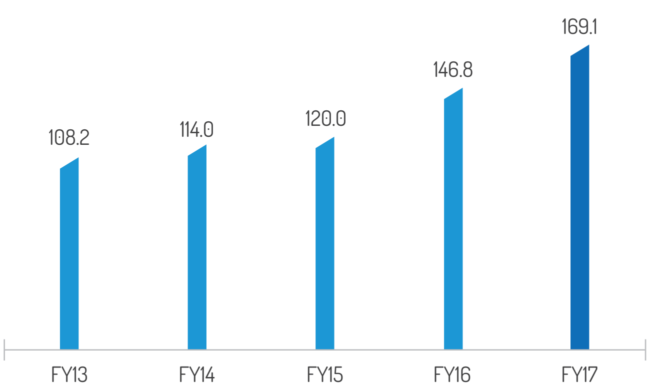
Revenue (in ₹ Crores)



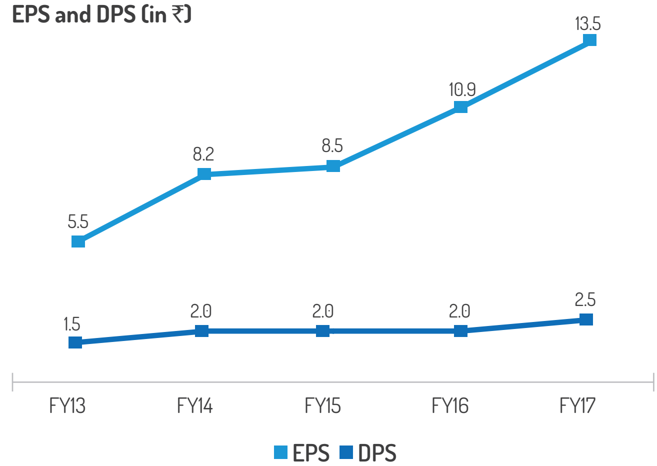
EBIDTA (in ₹ Crores)



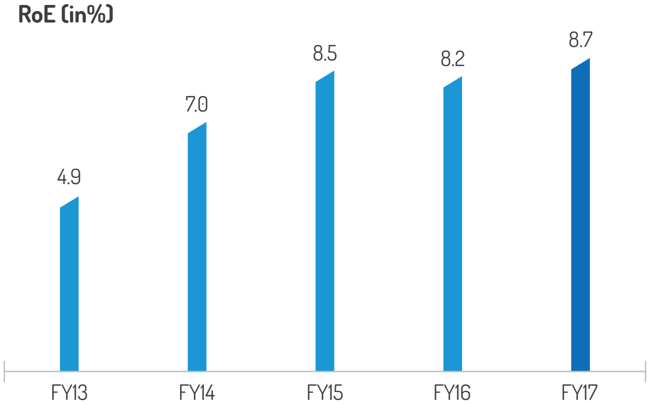
Book Value Per Share (in ₹)



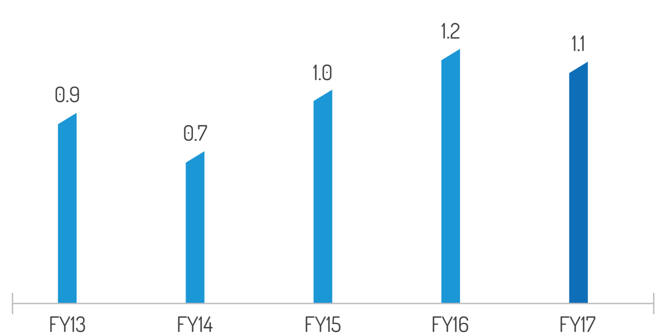
EPS and DPS (in ₹)



RoE (in%)



Debt Equity Ratio (x)



Message from the CMD's Desk

Dear Shareholders,

The year 2016-17 was a year of landmark reforms, ranging from the formation of a strong regulator on one side to easing of foreign investor norms on the other. The year also witnessed a major thrust on affordable housing, a strong revision to the REIT guidelines and the passage of RERA- the most significant reform that the real estate sector has seen in the recent times.

Much has happened in the macro environment - successful demonetisation; introduction of GST proceeding in the right direction; commencement of RERA; a booming stock market; monsoon expected to be normal, et al.

Full credit to our Hon. Prime Minister for successfully managing the demonetisation of INR 500 & 1000 currency notes. This has resulted in lakhs of crore rupees getting deposited in the Banks resulting in increased money in circulation due to reduction of black money, increase in tax collections & number of tax payers, expected reduction in corruption, lower lending interest rates (good for business & industry), increased use of digital currency, among other advantages. Our Prime Minister debunked the criticism by many reputed economists and showed he means business by coming up with slew of well thought out supporting measures. Prime Minister Modi's vision backed up by clear cut strategies & implementation is sure to make him the BEST Prime Minister our country has seen, apart from making him an enviable Statesman to reckon with in the world order.

With the announcement of tax rates, the suspense surrounding the much anticipated GST seems to be over. Now it is a question of ensuring it is implemented both in the letter & spirit. The exemptions given and rates announced by the committee of finance ministers seems to be very fair. By & large, GST should help business & industry in overall reduction in costs which is expected to be passed on to the ultimate customer / consumer. But, there would be a settling down period and confusions / misinterpretation galore during 2017-18 at the least.

Your Company will be launching 11.53 mn. sq. ft. during the financial year 2017-18. This will comprise of 5.02 mn. sf. ft. of real estate space, 5.76 mn. sq. ft. of Commercial Space and 0.13 mn. sq. ft. of Hospitality space.

Similarly, there is bound to be confusion in the implementation of RERA. There are no experts in the industry or in the consulting community or in the government. Everyone will have an opinion, the correctness of which will be known over time once the RERA Authority / Tribunal starts passing orders. While RERA will have long term positive effects on the sector with no entry barrier resulting in all kinds of questionable characters entering the business, it is also bound to add cost due to delay in obtaining additional approvals from RERA authority before a project is launched. The real estate sector already suffers from the problem of dealing with too many civic authorities, who have been conveniently let off by the government from the regulations of RERA. Once the sector recovers from the impact & negative sentiments of demonetisation, the real estate cost / prices should go up at least by 10% due to the provisions of RERA and the recently revised National Building Code for new projects.

Affordable Housing will soon become the flavor of the season for developers and consumers alike. Rightly so, what with more than 20 mn. homes to be built in the next 5 years to meet PM Modi's noble target of 'Housing for All' by 2022, to coincide with the 75th anniversary of Indian independence. For the mission to succeed, the state government and civic authorities should give incentives (if not subsidy) by way of allotment of government / slum redevelopment land, reduction in stamp duty, reduced approval fees for building plans, water, sanitary & electrical utility connections for affordable housing projects.

Completion of 30 years in business is a significant milestone. One would have seen many highs & lows and weathered many a storm. It was no different for Brigade. What started as a single project venture has grown into what it is today. While I look back at the achievements, accolades, awards and landmarks created during the last 30 years, with a sense of pride & satisfaction, I realise that it is more important to look forward on what needs to be done, to continue to survive, grow & flourish to meet the aspirations of all stakeholders, for the next 30 years. It is a happy coincidence and a fitting tribute that during the 30th year of our operations, we completed 30 projects (across residential, office, retail & hospitality segments) adding up to 10 mn. sq. ft. in area.

Our Real Estate business has done relatively well inspite of various factors both international and national impacting the business. The group has sold 1.62 mn. sq. ft. of Real Estate space aggregating to ₹ 956 Crores with an average realisation rate of ₹ 5,876 per sq. ft. for the financial year 2016-17. A total of 16.43 mn. sq. ft of residential space is under construction. The Lease Rental segment has contributed ₹ 266 Crores to the top line of the Company. About 1.89 mn. sq. ft. of commercial and retail lease space is currently under construction. The Hospitality segment revenues for the financial year stood at ₹ 193 Crores. The occupancy levels at Sheraton Grand was at 81% and Grand Mercure Bangalore was at 73%. The Group presently has 704 operational keys which will scale upto 2,000 keys in 3 years from now.

The scheme of arrangement for restructuring the hospitality business of the Company in to wholly owned subsidiaries has been approved by the Board. The same will be effective before the end of the next financial year.

Your Company raised ₹ 500 Crores through a Qualified Institutional Placement in April, 2017. The issue received a very good demand from both domestic institutional investors and foreign institutional investors.

Your Company will be launching 11.53 mn. sq. ft. during the financial year 2017-18. This will comprise of 5.02 mn. sf. ft. of real estate space, 5.76 mn. sq. ft. of Commercial Space and 0.13 mn. sq. ft. of Hospitality Space.

As we usher in a promising era, the dynamics of business is fast changing and it is imperative for us to excel fulfilling stakeholders expectations and building positive experiences in what we deliver to stakeholders. Thank you for your continued patronage, which only motivates us to leap to the next level of growth.

Regards,
M R Jaishankar
Chairman & Managing Director

Artist's impression of Brigade Xanadu, Chennai

Board of Directors

M R GURUMURTHY

LAKSHMI VENKATACHALAM

M R SHIVRAM

DR. SRINIVASA MURTHY

GITHA SHANKAR BIJOU KURIEN AROON RAMAN

M R JAISHANKAR P V MAIYA

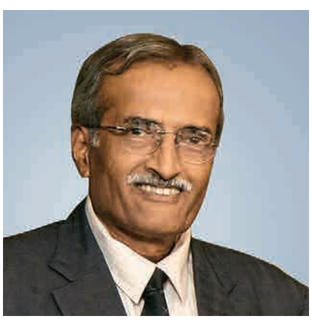
Profile of Directors

MR. M R JAISHANKAR
Chairman & Managing Director

Mr. M R Jaishankar 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 has been recognised by many awards. Mr. Jaishankar was the President of Karnataka Ownership Apartments Promoters' Association during 1996-98, now CREDAI-KARNATAKA. He was also Former President, Rotary Bangalore Midtown. Currently, he is on the Board of Public Affairs Centre, a leading NGO in Bengaluru and is on the Committee of both CII, Bangalore and Bangalore Chamber of Industry and Commerce (BCIC).

MS. GITHA SHANKAR
Whole-time Director

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

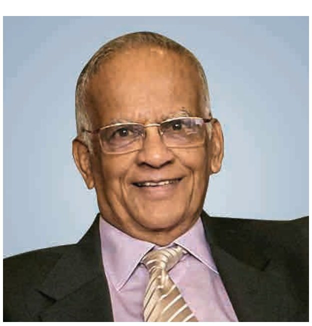


MR. M R GURUMURTHY
Non-Executive Director

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

MR. M R SHIVRAM
Non-Executive Director

Mr. M R Shivram 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.



MR. P V MAIYA
Independent Director

Mr. P V Maiya 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 Bank 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.

MR. AROON RAMAN
Independent Director

Mr. Aroon Raman 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.

DR. SRINIVASA MURTHY
Independent Director

Dr. Srinivasa Murthy 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. Dr. Murthy is currently on the Boards of Directors CMC Ltd., National Stock Exchange of India Ltd. and Himatsingka Seide Ltd. He was earlier a director on the Boards of Life Insurance Corporation of India Ltd. and Oil and Natural Gas Corporation Ltd.

MR. BIJOU KURIEN
Independent Director

Mr. Bijou Kurien 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. Mr. Kurien has been associated with the India Retail Forum & Retailers Association of India (RAI.) In addition, he is associated with the World Retail Congress since its inception, as a member of its Advisory board as well as the Grand Jury for selection of the World Retail award winners.

MS. LAKSHMI VENKATACHALAM
Independent Director

Ms. Lakshmi Venkatachalam 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 Central and State Government Departments.

Milestones

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

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

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

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

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

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

2007
Successful completion of ₹ 650 Crore IPO led to public listing of the Company's shares

2010

World Trade Center, Bengaluru came to life as South India's tallest building (32 floors, 1.1 msf)

2011

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

2012

Orion Mall became operational at Brigade Gateway, Malleswaram (0.8 msf)

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 Cr. in residential projects in South India

2015

Completed Brigade Exotica-Azure, 35 floored 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

Artist's impression of
Arcade at Brigade Meadows, Bengaluru

Corporate Information

BOARD OF DIRECTORS

Mr. M R Jaishankar
Chairman & Managing Director

Ms. Githa Shankar
Whole-time Director

Mr. M R Gurumurthy
Non-Executive Director

Mr. M R Shivram
Non-Executive Director

Mr. P V Maiya
Independent Director

Dr. K R S Murthy
Independent Director

Mr. Aroon Raman
Independent Director

Mr. Bijou Kurien
Independent Director

Ms. Lakshmi Venkatachalam
Independent Director

COMPANY SECRETARY

Mr. P Om Prakash

INTERNAL AUDITORS

Grant Thornton India LLP
#65/02, Bagmane Tridib, Block A, 5th Floor,
Bagmane Tech Park, CV Raman Nagar,
Bengaluru-560093.

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, 12 Floor
No 24, Vittal Mallya Road
Bangalore – 560001

REGISTERED & CORPORATE OFFICE

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

REGISTRAR & SHARE TRANSFER AGENTS

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

EQUITY SHARES LISTED AT

National Stock Exchange of India Limited (NSE)

BSE Limited (BSE)

BANKERS

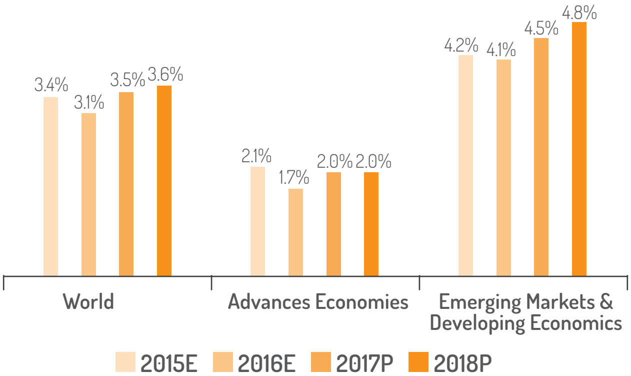
Allahabad Bank
Bank of Baroda
Bank of Maharashtra
Corporation Bank
The Federal Bank Limited
HDFC Bank Limited
The Karur Vysya Bank Limited
Lakshmi Vilas Bank Limited
Punjab National Bank
PNB Housing Finance Limited
State Bank of India
ICICI Bank Limited
DCB Bank Limited
Kotak Mahindra Bank Limited
The Jammu & Kashmir Bank Limited

Management Discussion & Analysis

ECONOMIC OVERVIEW

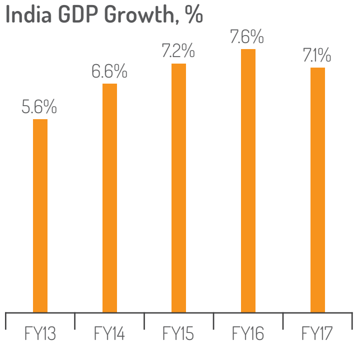
As per the World Economic Outlook released in April 2017, the global economy's GDP is projected to grow by 3.5% in 2017 as compared to 3.1% in 2016. This growth is due to recovery in the investment, manufacturing, and trade across the world. The key driving forces were favourable deflationary measures, boost in demand and agreed restrictions on oil supply.

World Economic Growth, %



Source: World Economic Outlook, April 2017

India GDP Growth, %



Source: CSO

The year 2016 and 2017 have been landmark years, historical for Indian economy in terms of decisions such as demonetisation, implementation of GST (Goods and Services Tax) Bill, RERA and other reforms which play crucial role in the building of a progressive economy. Due to favourable economic policies, infusion of foreign funds and a plethora of development initiatives commenced by the Central Government, the Indian Economy has been able to maintain a consistent GDP growth of 7%.

REAL ESTATE SECTOR OVERVIEW

2018 will be the landmark year for the real estate sector due to the various initiatives taken by the Central Government in terms of implementation of GST, and The Real Estate (Regulation and Development) Act, 2016 (RERA) which will bring transparency and also make the sector more organised.

A huge population base coupled with rise in income levels and rapid urbanisation has been one of the major factors for increasing demand of infrastructure. Even the Central Government has been focusing on the development of the infrastructure development. This can be seen through the increase in the investment in the infrastructure sector which grew from ₹ 2.2 trillion in the Union Budget of 2016-17 to

Artist's Impression of Brigade Buena Vista, Bengaluru

₹ 4 trillion in the Union Budget of 2017-18. This sector is not only a major contributor towards capital formation and employment, but also crucial for economic growth and stability owing to its forward and backward linkages with other industries such as cement, steel, chemicals, paints, tiles and other fittings.

Real Estate is one of the major contributors in the infrastructure sector. It is the second largest sector in terms of providing employment after agriculture in India. It is said that every rupee invested in housing and construction related activity contributes nearly 78 paise to GDP. As per the report of CBRE, Indian Real Estate Market is expected to get of US$7 billion of investment and reach US$10 billion by 2020. Real Estate sector comprises of Hospitality, Commercial, Residential and Retail. Growing sectors such as BFSI, education, tourism, e-commerce and healthcare have been the major contributors in creating the demand for commercial space along with the residential in the last few years.

RESIDENTIAL SEGMENT

The residential segment is on the path of recovery due to the changing demographics, rise in income and large migration of rural population to the urban areas. As per Census 2011, more than 37% of the Indian population lives in the urban areas. As estimated in Annual Report of 2016-17 of Ministry of Urban Development, more than 50% of the population will be living in the urban areas by 2050. As per the latest report released by Cushman & Wakefield and GRI , the total demand for urban housing is projected to be 4.2 million units in the period of 2016-2020 across the top eight cities which includes Ahmedabad, Bengaluru, Chennai, Delhi-NCR, Hyderabad, Kolkata, Mumbai, and Pune. Delhi – NCR has the highest proportion of demand nearly 24%, followed by Bengaluru.

The recent reforms in the real estate introduced by the Indian Government will bring more transparency in the sector with the home buyers being the main beneficiaries. This will be beneficial for the organized real estate companies. The Government is expediting approval process, promoting single-window system of clearances for real estate projects and rationalising the labour laws. This will speed up the construction process of projects which were delayed due to pending permissions.

COMMERCIAL SEGMENT

2017 was a good year for the commercial segment. As per CBRE report, the absorption level was over 43 million sq. ft. in the segment- registering a growth of 9%. Bengaluru and Delhi-NCR have dominated the leasing business. IT & ITeS continues to be the main contributor in the increasing demand of the segment. MNCs continue to be main contributor in the leasing business, but there will be also rise in the business from domestic corporate.

RETAIL SEGMENT

Retail segment has been growing in the last few years due to the rise in income levels, increasing young population and rapidly changing lifestyles. Retail accounts for more than 10% of India's GDP and one of the major employment generators for the country. Entry of international brand in India, completion of retail projects and robust demand in the previous financial year drove the retail segment. Financial year 2017-18 is likely to experience the growth due to increase in supply.

HOSPITALITY SEGMENT

Tourism industry is one of the major contributor of the hospitality segment of real estate. In 2016, India witnessed a 10.7% growth in Foreign Tourist Arrivals, reaching close to 8.9 million tourists as compared to 8 million in 2015. With the increase in the global tourists, many companies have invested in the tourism and hospitality sector of the country.

GOVERNMENT POLICIES

The Indian Government launched several mega infrastructure projects and initiated various policies measures that directly or indirectly are expected to positively impact the real estate sector. Some of these initiatives are listed below:

Brigade Magnum, Bengaluru

- *REITs*: Indian Government exempted REITs from dividend distribution tax (DDT) from Budget 2016 onwards. In the previous Union Budgets, the government had paved the way for the entry of REITs in India by providing pass-through status for rental income and rationalizing capital gains, however, tax implications were seen a major hurdle. This year's Union Budget provided the much needed support to fund managers and developers.
- *Housing for All by 2022*: the Government of India has introduced Housing for All by 2022 in 2015. This scheme is an urban rehabilitation scheme which aims at providing 20 million houses by the end of 2022. The scheme seeks private sector participation as well, and appears promising for the affordable houses segment in the real estate sector.
- *Smart Cities*: The Smart Cities mission will drive economic growth and improve the quality of life of people by local area development and harnessing technology. Under this, the Indian government will identify 100 cities within a span of five years (FY15-FY20) to be developed as smart cities, out of which 20 cities will be taken up in the first phase. Development of these smart cities are expected to offer ample opportunities for the real estate segment.

First 20 selected for funding in 2016-17

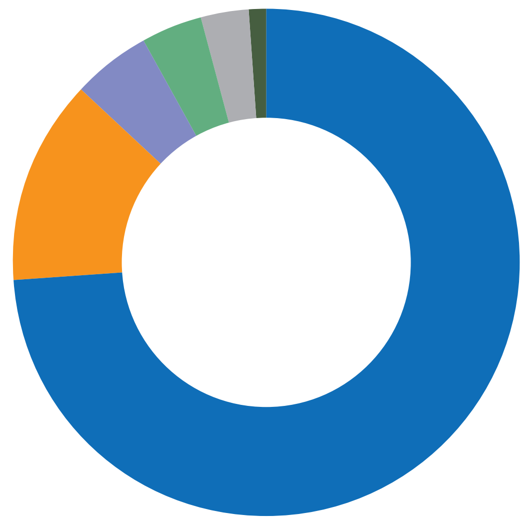
City, State	City, State
Bhubaneshwar, Odisha	Indore, Madhya Pradesh
Pune, Maharashtra	NDMC, Delhi
Jaipur, Rajasthan	Coimbatore, Tamil Nadu
Surat, Gujarat	Kakinada, Andhra Pradesh
Kochi, Kerala	Belagavi, Karnataka
Ahmedabad, Gujarat	Udaipur, Rajasthan
Jabalpur, Madhya Pradesh	Guwahati, Assam
Vishakhapatnam, Andhra Pradesh	Chennai, Tamil Nadu
Solapur, Maharashtra	Ludhiana, Punjab
Devanagere, Karnataka	Bhopal, Madhya Pradesh

Source: Smart Cities Mission, Ministry of Urban Development, GoI

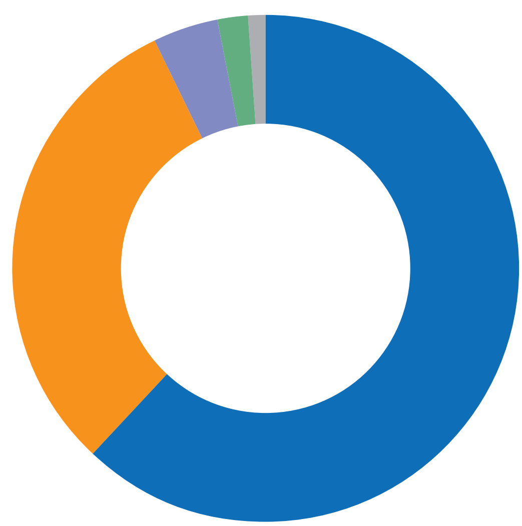
- *Real Estate (Regulation and Development) Act, 2016 (RERA)*: Earlier the customer has to bear the risk of delays, quality, title, and changes. After the implementation of RERA, such risk will be borned by the developer.
- *Implementation of GST*: Real Estate is one the heavily taxed sector in India. Due to the implementation of GST, the customer will be charged with one rate of GST instead of multiple indirect taxes. This will bring efficiency and transparency in the sector.

OPERATIONAL REVIEW

Land Area (Acres)



Project Area – Product



Real Estate

The total sales volume in this segment decreased by 27% in FY17 to 1.6 mn sq. ft. from 2.2 mn sq. ft. in FY16. Residential segment decreased by 27% to 1.4 mn sq. ft.in FY17. The commercial segment sales volume decreased to 0.2 mn sq. ft. in FY17– declined by 53%.

The salable area for ongoing real estate projects is 16.43 mn sq. ft. with Brigade's share of 11.54 mn sq. ft. for the year FY17.

Brigade has a total land bank of 542 acres at the end of FY17. This translates to the total developable area of 57.6 mn sq. ft. with Brigade's share of 42.2 mn sq. ft. The Residential segment has a developable area of 36 mn sq. ft. of which Brigade's share is 26.3 mn sq. ft. and commercial salable segment has a developable area of 2.1 mn sq. ft. with Brigade's share of 1.1 mn sq. ft. The Company has sold 1.6 mn sq. ft. of real estate space aggregating to ₹ 955 Cr. for FY17.

Hospitality

For FY17, the occupancy rate at Grand Mercure was 73% compared to 82% in the previous year. The average room rate (ARR) increased to ₹ 6,666 in FY17 compared to ₹ 6,470 in FY16.

Sheraton has an occupancy rate of 81% in FY17 compared to 82% in FY16. The average room rate increased from ₹ 7,600 in FY16 to ₹ 8,258 in FY17.

Ongoing Project Details in Hospitality:

Projects	Project Area (in 000 sq. ft.)	Company Share
Holiday Inn-Chennai*	229	114
Four Points by Sheraton, Kochi	188	188
Holiday Inn Express, Race Course Road, Bangalore	169	169
Ibis styles – GIFT City*	145	145
Holiday Inn Express at Golden Triangle	87	61
Total	**818**	**677**

Note:* through SPV

LEASE RENTALS

The total leasable area is 2.1 mn sq ft. in Retail and Commercial assets of which 2 mn sq. ft. has already been leased out and 0.1 mn sq. ft. is to be leased.

(Area in '000 sq. ft.)

Projects	Leasable Area	Leased Out	To be Leased
WTC Bangalore	637	632	5
Orion Mall at Brigade Gateway	818	802	16
Orion East Mall	148	140	8
WTC, Kochi - Phase 1	388	292	96
Brigade South Parade	117	117	-
Others	53	48	5
Total	**2161**	**2031**	**130**

Opportunities and Strengths

- Good mix of Projects in residential, lease and hospitality
- Strong Brand in South India
- Use of Innovative and advanced technology for construction
- Credit Rating of 'A' from CRISIL and ICRA
- Good Financial Position of the company
- High Revenue and profit to be recognized in the next 3 years from the ongoing projects
- The increase in demand for IT & ITES and E-Commerce will increase the employment which will boost the residential and office projects
- Huge Land bank
- Strong Team in terms of execution and implementation
- Favourable government policies

Grand Mercure, Mysuru

Threat and Weakness

- Business majorly focused in Karnataka

  Delay in clearances caused by land acquisition problems and environmental bottlenecks which also lead to cost overruns
- Lack of availability of skilled labour
- Regulatory changes

Credit Rating

The rating agencies CRISIL & ICRA have assigned "A" rating for the credit facilities availed by the Company. This rating will help in getting funds from banks and financial institutions for the upcoming projects.

Projects launched in FY17

Project	Product	City	Land Area Acres	Project Area mn sq. ft.	BEL Share mn sq. ft.	Launch Plan
WTC Kochi - Phase-2	Commercial Lease	Kochi	2.5	0.39	0.39	Launched in Q1
Four Points by Sheraton	Hotel	Kochi	0.9	0.1	0.1	Launched in Q1
GIFT City	Commercial- Lease	Gujarat	2.9	0.26	0.26	Launched in Q3
Orion OMR and Holiday Inn Express	Retail / Hotel	Bengaluru	3.5	0.35	0.25	Launched in Q3
GIFT, Gujarat	Hotel	Gujarat	1.1	0.15	0.15	Launched in Q4
Total			**10.9**	**1.25**	**1.15**	

Financial Review (Consolidated)

Equity Share Capital

The equity share capital of the Company as on 31st March, 2017 stood at ₹ 113.6 Crore as compared to ₹ 113.2 Crore in the previous year. The increase in the equity capital is due to the exercise of stock options by employees.

Debt Equity

The debt equity ratio of the Company for FY17 was 1.1:1 as against 1.2:1 in the previous year.

Revenue

The total revenue of the Company declined by 0.6% to ₹ 2,058.3 Crore in FY17 as compared to ₹ 2,070.6 Crore in the previous year.

EBIDTA

EBIDTA increased by 16.4% from ₹ 523 Crore in FY16 to ₹ 608.6 Crore in FY17. The EBIDTA margin stood at 29.6% in FY17 compared to 25.2% in FY16.

Finance Costs

Interest and Finance costs during the year FY17 stood at ₹ 246.5 Crore compared to ₹ 199.0 Crore in the previous financial year.

Net Profit

Net Profit increased by 20.2% from ₹ 139.1 Crore for FY16 to ₹ 167.2 Crore in FY17.

Earnings Per Share

The Company's EPS (Diluted) increased to ₹ 13.45 in FY17 from ₹ 10.83 in the previous year.

RISK MANAGEMENT

Economic Risk:

The real estate market is largely dependent on economy, interest rates, government regulations and income level among other factors. These factors can affect the existing and ongoing projects.

Mitigation Measures: The Company follows certain policies such as estimation of ROI of the project, building projects in a light asset model and doing due diligence before purchase of the land.

Liquidity Risk:

Weak Sales and delay in payments from the customers may hamper the liquidity crunch and can hamper the progress of the projects.

Mitigation Measures: Brigade ensures that all the projects are completed in the stipulated time. Even Brigade is a well-known brand in South India which ensures that the upcoming projects get good response. This helps to maintain the short term credit facilities with the vendors.

Political Risk:

The business gets affected due to the political uncertainties and change in regulations.

Mitigation Measures: Brigade diversified its business in South India and also entered into GIFT City in Gujarat to reduce the risk of regional political regulations.

Execution Risk:

Delay in regulatory clearances leads to increase in cost overrun which further delays or stalls the projects.

Mitigation Measures: The Company has a commendable record of completing all projects on time. It completes all the statutory requirements and keeps a record of all regulations and litigations during land purchase.

Human Resources

At Brigade Group, our HR Strategy is to support high performance work culture aligned to our Vision, Mission & Core Values for achieving organisational goals. This gets deployed through various HR initiatives that are aimed at driving Employee Engagement & Productivity across the organisation. In the Financial Year 2016-17, we have strengthened our approaches to drive customer & business focus through following initiatives:

- Acquisition of diverse Talent - Neo Bs (New Brigadier) & their assimilation into organisational culture & ethos through a well-designed comprehensive induction program –'Aagaaz'.
- Emphasizing importance of self-awareness and personal excellence through '7 Steps to Success' – in house developed signature program. Over 450 + brigadiers were covered in this training during the year.

- 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.
- 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.
- Structured Technical Trainings, 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.
- 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 Group, 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, 24 women employees have been hired. The current Ratio of Men: Women is 80 : 20 The No. of Women in Engineering is 41 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.

Brigade Group marked completion of 30 glorious years in service this year. In order to commemorate the occassion and greatly acknowledge the significant contributions of staff over these years in helping Brigade reach pinnacle of success, we celebrated this momentous occasion with great fervor and pride along with the Brigadiers and their families at Brigade Orchards, 130 acre sprawling integrated smart township being developed near Bangalore International Airport. Our audacious CSR initiative of planting 30,000 saplings across Bangalore in the name of our customers & employees was also set rolling on the same day. First 200 saplings were planted by Senior Brigadiers at Brigade Orchards site. As part of the 30th anniversary celebrations, the management also sponsored for all brigadiers, a holiday (3 nights, 4 days) at different locations – Domestic/International, based on the years of service completed with Brigade group. This was planned in multiple batches and whole lots of administrative efforts were meticulously managed.

Tree Planting at Brigade's 30th Anniversary Celebrations

Brigade's CSR Initiative - Scholarship Event at R V College of Engineering, Bengaluru recognising the outstanding performance of Civil Engineering Students

The year also marked completion of 10 glorious years of our association with R V College of Engineering by the virtue of which we have been rewarding the efforts of top 2 meritorious students in the Civil Engineering branch every year.

In our journey towards excellence, Brigade Group has been recognized as India's best companies to work for – 2016. In one of the India's largest workplace study conducted by The Economic Times & Great place to Work Institute, the Group has been ranked as No. 1 in the Real Estate industry, twice in a row. Brigade has received this recognition for inspiring trust among employees, instilling pride in them & putting in consistent efforts towards creating a work atmosphere that brings out the best in employees, for the benefit of the organization, society and the employees themselves. This recognition is testimony of our commitment and solidarity to the organisational goals & objectives. The outcome of the survey is a clear manifestation of our Tag line – 'Building Positive Experiences' and reinforces our strong belief that people are one of the prime movers in fuelling organisational growth & success.

HR Connect Programme - Kaffee Klatsch

People Level:

Employee focus:

Long Term:

- Create leadership pipeline – Build Strategic Competencies & Capabilities through a strong Talent Pool
- Become an 'Employer of Choice' in the Real Estate Industry
- Career progression & Succession Planning

Short Term:

- To continue to be the frontrunner in the Real Estate Industry as one of the best companies to work for
- Recruit best accessible talent. Empower with continual education & training
- To engage and retain top performing employees
- Workforce optimisation through Multi-tasking
- To meet the developmental needs of employee through Job rotation
- Keep looking at opportunities to improve turn-around time and enhance user experience

Internal Control Systems and their adequacy

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

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

Outlook

The performance of real estate sector is highly linked to the economic growth and stability. FY17 positively with several reforms by the central government will have favourable implications in the coming years. While the government has set the stage for an exceptional show in 2017 for the sector, some short to medium term challenges are to be addressed. The much awaited RERA and GST have been well addressed by the government.

FY18 is also expected to witness greater traction in the real estate segment. Implementation of GST and RERA will not only bring the transparency and efficiency in the sector but also boost the consumer sentiments.

The Group has many projects in the pipeline in South India and has ample opportunity to grow in the coming years. It had made its presence outside South India by venturing into GIFT City in Gujarat which will open the door for more avenues. It has land bank of 542 acres which will be utilised for launching new projects in the coming years.

BOARD'S REPORT

Dear Members

We have pleasure in presenting the Twenty Second Annual Report on business and operations of the Company together with the Audited Statement of Accounts for the financial year ended March 31, 2017.

FINANCIAL HIGHLIGHTS:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Total Revenue	1,74,774	1,66,811	2,05,838	2,07,067
Operating Expenditure	1,20,444	1,20,771	1,44,978	1,54,776
Earnings before Interest, Depreciation & Amortization	**54,330**	**46,040**	**60,860**	**52,291**
Depreciation & Amortization	10,871	9,798	122,55	10,592
Finance Costs	20,050	15,040	24,648	19,901
Profit Before share in profit of associate and Tax	**23,408**	**21,202**	**23,957**	**21,798**
Share of profit from associate	-	-	120	129
Profit Before Tax	**23,408**	**21,202**	**24,077**	**21,927**
Tax Expense				
Current Tax	6,099	6,436	9,267	8,348
Deferred tax charge/(credit)	797	34	(1,910)	(329)
Profit for the year	**16,512**	**14,732**	**16,720**	**13,908**
Other Comprehensive income (net of tax)	32	(74)	31	(85)
Total Comprehensive income for the year	**16,544**	**14,658**	**16,751**	**13,823**
Profit/(loss) attributable to:				
Equity holders of the Parent	-	-	15,339	12,309
Non-Controlling Interests	-	-	1,412	1,514

Details of Appropriations:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Surplus in the retained earnings as per last financial statements	**62,582**	**53,634**	**56,707**	**50,885**
Total Comprehensive income for the year (net of Non-controlling interest)	16,544	14,658	15,339	12,309
Less: Cash dividends declared and paid				
Final Dividend for FY 2014-15	-	2,255	-	2,255
Interim Dividend for FY 2015-16	-	2,263	-	2,263
Less: Tax on dividends paid				
On Final Dividend	-	451	-	451
On Interim Dividend	-	468	-	468
Add: Dividend Tax Credit availed		546	-	-
Less: Other adjustments (Net)	579	819	853	1,050
Net Surplus in the statement of profit and loss carried forward	**78,547**	**62,582**	**71,193**	**56,707**

FINANCIAL OVERVIEW:

During the financial year 2016-17, the Company has on a standalone basis, clocked a total income of ₹ 1,74,774 Lakhs as compared to ₹ 166,811 Lakhs for the previous year ended 31st March, 2016, an increase of 5% on a year-on-year basis. EBITDA has increased from ₹ 46,040 Lakhs to ₹ 54,330 Lakhs an increase of 18%. Total Comprehensive income was at ₹ 16,544 Lakhs for the financial year ended March 31, 2017 as compared to ₹ 14,658 Lakhs for the previous year, an increase by 13%.

The consolidated revenue for the Company for the financial year 2016-17 was ₹ 2,05,838 Lakhs as compared to ₹ 2,07,067 Lakhs in the previous year, a decline of 0.6% on year-on-year basis. EBITDA increased from ₹ 52,291 Lakhs in the previous year to ₹ 60,860 Lakhs, for the financial year 2016-17, an increase of 16%. Total Comprehensive income was at ₹ 16,751 Lakhs for the financial year ended 31st March, 2017 as compared to ₹ 13,823 Lakhs for the previous year, an increase by 21%.

SUBSIDIARIES/ JOINT VENTURES AND ASSOCIATES:

The Company had a total of 15 subsidiaries, 2 limited liability partnerships and 1 associate company as on March 31, 2017.

During the year under review, two wholly owned subsidiaries namely "Brigade Hotel Ventures Limited" and "Augusta Club Private Limited" were incorporated to facilitate a Scheme of Arrangement for hiving-off of the hotels business, integrated clubs and convention centres business of the Company.

Further investment in Mysore Projects Private Limited (MPPL) was made by way of subscription to shares and acquiring shares from the existing shareholders thereby making MPPL a wholly owned subsidiary of the Company.

The Company has incorporated Brigade Innovations LLP, a wholly owned subsidiary for undertaking real estate accelerator programme.

SCHEME OF ARRANGEMENT:

During the Year under review, the Board of Directors of the Company approved the hiving off of the Hospitality business in to wholly owned subsidiaries. The Scheme of arrangement was filed with both Stock Exchanges i.e. National Stock Exchange of India Limited on January 25, 2017 and BSE Limited on January 24, 2017 pursuant to Regulation 37 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company has received the observation letters from the stock exchanges. The implementation of the Scheme will be completed in the next financial year.

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 Obligation 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:

An amount of ₹ 579 Lakhs has been transferred out of the current year's profits to General Reserves towards future capital expansion.

DIVIDEND:

The Board of Directors of the Company have recommended a dividend of ₹ 2.50 (Rupees Two and fifty paisa only) (25%) per Equity Share (including special Dividend of ₹ 0.50 per Equity Share) of ₹ 10 each which is subject to the approval of the Shareholders in the ensuing Annual General Meeting of the Company.

FIXED DEPOSITS:

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

DEBENTURES:

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

DEPOSITORY SYSTEM:

Company's equity shares are tradable only in electronic form. As on March 31, 2017, 97.23% of the Company's total paid up equity share capital representing 11,05,19,927 shares are in dematerialised form.

TRANSFER TO INVESTOR PROTECTION FUND:

The Company and the Registrar & Transfer Agents of the Company have sent letters to all members whose dividend were unclaimed so as to ensure that they receive their rightful dues. During the year, the Company transferred ₹ 1,62,534/- to the Investor Education and Protection Fund, the amount in unpaid Dividend Account opened in 2008-09 which was due & payable and remained unclaimed and unpaid for a period of seven years as provided under Section 124(5) of the Companies Act, 2013.

SHARE CAPITAL:

The authorised share capital of the Company is ₹ 1,50,00,00,000/- divided into 15,00,00,000 equity shares of ₹ 10/- each. During the year, the Company had issued and allotted 4,86,125 equity shares of the Company to the eligible employees on exercise of options granted under the Brigade Enterprises Limited Employee Stock Option Scheme, 2011. Consequently, the issued, subscribed and paid-up equity share capital of the Company has increased from 11,31,78,615 equity shares of ₹ 10/- each to 11,36,64,740 equity shares of ₹ 10/- each.

RAISING OF CAPITAL:

During the year, The Board of Directors of the Company approved raising of capital of upto ₹ 500 Crores on private placement basis through various means viz. Qualified Institutional Placement, Rights Issue, Preferential Issue etc. in its meeting held on May 16, 2016 and the same was approved by the Shareholders in the 21st Annual General Meeting held on August 31, 2016.

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-2** to this Report.

OPERATIONAL REVIEW:

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

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

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

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

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

A detailed information of ongoing projects as on March 31, 2017 has been given in the Management Discussion and Analysis Report which is forming part of the Annual Report.

PROPOSED PROJECTS

The Company proposes to launch 11.53 mn. sq, ft. of new launches in the financial year 2017-18. This will comprise of 5.02 mn. sq. ft. of residential space, 5.76 Million sq. ft. of commercial space and 0.13 mn sq. ft. of hospitality space.

COMPLETED PROJECTS

During the year under review, the equivalent area constructed was 4.52 mn. sq. ft.

ONGOING PROJECTS

The Group currently has 22 ongoing real estate projects aggregating to 15.68 mn. sq, ft. of saleable area. 10 office and retail projects aggregating to 2.65 mn. sq. ft. of developable area and 5 hospitality projects of 0.81 mn. sq, ft of developable area.

BOARD OF DIRECTORS:

The Board of Directors of the Company comprises of 9 Directors of which 2 are Executive Directors, 5 Non-Executive Independent Directors and 2 Non-Executive Directors. The composition of the Board of Directors is in due compliance of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

BOARD MEETINGS

During the year under review, the Board of Directors of the Company met 7 times on the following dates:

- May 16, 2016
- June 17, 2016
- August 4, 2016
- November 14, 2016
- December 15, 2016
- February 3, 2017
- March 16, 2017

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 16, 2017.

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 (LODR) 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-3**.

APPOINTMENT/ RE-APPOINTMENT OF DIRECTORS

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

Mr. M. R. Jaishankar (DIN: 00191267), Chairman & Managing Director and Ms. Githa Shankar (DIN 01612882) Whlole-time Director have been re-appointed to their respective position for further period of five years with effect from April 1, 2017.

The Notice convening the Annual General Meeting includes the proposals for the re-appointment of the Directors Brief resume of the Directors proposed to be appointed/ re-appointed, nature of their expertise in specific functional areas and names of the Companies in which they hold directorship/ membership/ chairmanship of the Board or Committees, as stipulated under SEBI (LODR) Regulations, 2015 have been provided as an annexure to the Notice convening the Twenty Second 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 (LODR) 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 done by the entire board excluding the independent director being evaluated.

The SEBI has issued the guidance note on January 5, 2017 on Board Evaluation, based on guidelines 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 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, 2017, 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:

Mr. M. R. Jaishankar, Chairman & Managing Director, Mr. Suresh K, 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. There has been no change in the key managerial personnel during the year.

REMUNERATION DETAILS OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES:

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

The 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- 5. 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:

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

The resolution relating to annual ratification of statutory auditors appointment is part of the notice of the Twenty Second Annual General Meeting. Members may ratify the appointment of Messers S. R. Batliboi & Associates LLP, Chartered Accountants as the Statutory Auditors of the Company for the financial year 2017-18.

There are no qualifications or adverse remarks in the Statutory Auditors' Report for the financial statements for the year ended March 31, 2017 which require any explanation from the Board of DirectoRs.

SECRETARIAL STANDARDS:

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India relating to Board Meetings and Annual General Meetings.

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 2016-17 and his Report on Company's Secretarial Audit is appended as **Annexure-6** to this Report.

Secretarial Auditors Observation and Directors explanation thereto:

- In respect of prior intimation under Regulation 29(1)(d),(2) & intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Board Meeting held on May 16, 2016.

The Board of Directors of the Company in their meeting held on May 16, 2016 passed an enabling resolution subject to approval of shareholders in a general meeting for raising of capital upto ₹ 500 Crores through various means including preferential issue, qualified institutional placement, rights issue etc. at an appropriate time. The shareholders of the Company in the twenty first annual general meeting approved the passing of this enabling resolution to raise equity at the appropriate time by the Company. The same was communicated to the Stock exchanges as part of the proceedings of the annual general meeting and uploaded on the website of the Company The Board of Directors of the Company in their meeting held April 25, 2017 approved specifically the raising of funds up to Rs. 500 Crores through qualified institutional placement based on the authorisation provided by the shareholders. The Company had provided advance intimation under Regulation 29(1)(d) (2) and outcome of the meeting within the time limits stipulated under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence there was no intention on the part of the Company to deviate from SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

COST AUDITORS:

The Board of Directors of the Company have appointed M/s GNV & Associates, Cost Accountants (Firm Regn No. 000150) as Cost Auditors of the Company for the financial year 2016-17 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 (LODR) Regulations, 2015 is forming part of the 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 transactions entered into during the financial year 2016-2017 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 an 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 7** 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 2016-17 in Form No. MGT-9 is appended as **Annexure-8** 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 affirming compliance of the Code of Conduct by the Directors and senior management personnel of the Company for the financial year 2016-17 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-9** to this report.

HUMAN RESOURCES:

The Company has a total workforce of 658 as on March 31, 2017. 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 2016-17 are:

- Brigade Cosmopolis won the Best Residential Project in Bangalore in the Luxury segment at the 11th CNBC Awaaz Awards 2016.
- Brigade at No. 7 won the Best Residential Project in Hyderabad in the Ultra Luxury segment at the 11th CNBC Awaaz Awards 2016.
- Brigade Group won the Integrated Township of the Year – South and Developer of the Year- Mixed Use at the Estate Awards 2017.
- Brigade Group has been Ranked No. 1 in the Real Estate Industry and No. 39 across all Industries in India as India's Great Companies to Work for 2016 by Great Place to work Institute and the Economic Times.
- Orion East Mall won "Retail Property of the Year-South" at the 5th Indian Retail & e-Retail Awards 2016.
- Brigade Exotica received the 'Best Design Apartment Project of the Year – East Bangalore' award at the SiliconIndia Bangalore Real Estate Awards 2016.
- Brigade Group received India's Top Builders 2016 Award at CWAB Awards.
- Brigade Group won the 1st Runner Up for the South Region in the CII-National Excellence Practice Competition-2016.
- Brigade Group scored a Hat-Trick at the 6th Annual Construction Week India Awards 2016 – Mr. M.R. Jaishankar won the Real Estate Person of the Year Award, Ms. Nirupa Shankar Won the – Young Entrepreneur of the year Award and Brigade Exotica won the Runners Up Award in the High Rise Building Category.
- Orion Mall won 3 Awards at the Times Retail Icon Awards – Bangalore 2016 – Emerging Mall – Orion East, Best Marketing & Promotion – Orion Mall @ Brigade Gateway and Best CSR Activities – Orion Mall @ Brigade Gateway.
- Aspen @ Brigade Orchards, Won the ICI (BC) – Birla Super Jury Appreciation Award for Outstanding Concrete Structure of Karnataka 2016 in the Building Category.
- Mr. M.R Jaishankar was recognised as a Professional Developer par Excellence by Association of Consulting Civil Engineers (India), Bangalore Centre for his Contributions to the Society at REDECON 2016.
- Brigade won 2 Awards at the Realty Plus Excellence Awards (South) 2016 – Developer of the year – Commercial for Nalapad Brigade Centre & CSR Initiatives of the Year for the Redevelopment of Sitharampalya Lake.
- Mr. M.R. Jaishankar has been recognised as one of India's Best CEO's and ranked in the Top 100 CEO's by Business Today – PwC in the Annual ranking of India's Best CEO's 2016.
- Brigade Orchards won the Order of Merit Award at the Businessworld Smart Cities Conclave & Awards.
- Orion Mall won the Retail Property of the Year – South at the Estate Awards 2017.
- Nirupa Shankar, Director - Brigade Hospitality won the 'Restaurant owner of the Year' award and Saurabh Bakshi, General Manager - Sheraton Grand Bangalore won the 'General Manager of the Year' award at the Hospitality Leaders' Industry Choice Awards (HLICA) at the 7th edition of the Hotelier Summit India.
- Mr. Vishal Mirchandani, CEO – Retail & Commercial won the IMAGES Most Admired Shopping Centre Professional of the year Award.

ADDITIONAL INFORMATION TO SHAREHOLDERS:

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

DISCLOSURES:

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

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

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

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

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

There were no sweat equity shares issued by the Company.

ACKNOWLEDGEMENTS:

The Directors wish to place on record their appreciation and sincere thanks to all the stakeholders for the continued support and patronage. We look forward to your continued support and co-operation in the way forward.

By order of the Board

For **Brigade Enterprises Limited**

Place: Bangalore
Date: May 22, 2017

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	2016-17	2016-17	2016-17	2016-17	2016-17
Reporting currency	INR	INR	INR	INR	INR
Share capital	10	5	5	100	1,000
Other Equity	657	4,170	(38)	(17)	21
Total Assets	1,817	4,720	5	1,070	6,650
Total Liabilities	1,817	4,720	5	1,070	6,650
Investments	--	--	--	--	129
Turnover	9	--	--	3,432	3,146
Profit/(Loss) before Taxation	(123)	(93)	--	342	(133)
Provision for Taxation	--	--	--	141	(28)
Profit/ (Loss) after Taxation	(123)	(93)	--	202	(104)
Other Comprehensive income	--	--	--	--	(2)
Total Comprehensive income	(123)	(93)	--	202	(107)
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	2016-17	2016-17	2016-17	2016-17	2016-17
Reporting currency	INR	INR	INR	INR	INR
Share capital	40	288	30	3,827	1,295
Other Equity	10,812	1,060	107	10,692	(1,205)
Total Assets	20,177	3,195	331	45,411	9,745
Total Liabilities	20,177	3,195	331	45,411	9,745
Investments	--	576	--	18,375	--
Turnover	63	2,167	1,244	17,793	--
Profit/(Loss) before Taxation	(540)	417	164	4,022	(26)
Provision for Taxation	(169)	155	82	1,356	--
Profit/ (Loss) after Taxation	(371)	261	82	2,666	(26)
Other Comprehensive income	2	(1)	--	--	--
Total Comprehensive income	(369)	260	82	2,666	(26)
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	2016-17	2016-17	2016-17	2016-17	2016-17
Reporting currency	INR	INR	INR	INR	INR
Share capital	2,850	200	12,457	400	100
Other Equity	12,741	3,199	11	8,098	(1)
Total Assets	82,933	4,043	68,688	8,797	173
Total Liabilities	82,933	4,043	68,688	8,797	173
Investments	--	--	--	--	--
Turnover	15,826	--	10	--	--
Profit/(Loss) before Taxation	1,606	(80)	(18)	(2)	(1)
Provision for Taxation	640	(12)	--	1	--
Profit/ (Loss) after Taxation	966	(68)	(18)	(1)	(1)
Other Comprehensive income	--	--	--	--	--
Total Comprehensive income	966	(68)	(18)	(1)	(1)
Proposed Dividend	--	--	--	--	--
% of Shareholding	50.01%	100%	51%	100%	100%

(Amount in ₹ Lakhs)

Particulars	Augusta Club Private Limited	Brigade Innovations LLP
	16	17
Reporting period	2016-17	2016-17
Reporting currency	INR	INR
Share capital	5	385
Other Equity	(1)	--
Total Assets	4	396
Total Liabilities	4	396
Investments	--	--
Turnover	--	--
Profit/(Loss) before Taxation	(1)	(115)
Provision for Taxation	--	--
Profit/ (Loss) after Taxation	(1)	(115)
Other Comprehensive income	--	--
Total Comprehensive income	(1)	(115)
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, 2017
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	
4. Reason why the associate/joint venture is not consolidated	NA
5. Net worth attributable to shareholding as per latest audited Balance Sheet	812
6. Profit/Loss for the year	
(i) Considered in Consolidation	120
(ii) Not Considered in Consolidation	196

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

Disclosures as per SEBI Regulations relating to ESOP as on 31st March, 2017:

Sl. No.	Particulars	Disclosures
1	Options granted (outstanding as on 01/04/2016)	11,80,000
	Options granted during the year	NIL
2	Pricing Formula	Discount to the market price on the date of issue of options.
3	Options Vested during the year	5,84,700
4	Options Exercised	4,86,125
5	Total number of equity shares arising as a result of exercise of Options	4,86,125
6	Options lapsed/ forfeited	47,050
7	Variation of terms of options	N.A
8	Money realised by exercise of options	₹ 2,43,06,250
9	Total number of options in force	6,46,825
10	Employee wise details of option granted during the financial year 2016-17: 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")	14.55
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 1, 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 – ₹ 50/- per share. Weighted Average Fair value of Options is ₹ 131.68
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 31st March, 2017 : Dividend Yield (%): 1.52 Expected life of the options granted (in years)(vesting and exercise period): 7.66 Risk Free Interest Rate (%): 7.81 Volatility (%): 48.42

ANNEXURE-3

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

1) PREAMBLE

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

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

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

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

2) DEFINITIONS:

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

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

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

d. Independent Directors means Directors appointed in accordance with Section 2(47), 149 and SEBI (LODR) 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 (LODR) 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 4

Remuneration Details of Directors, Key Managerial Personnel and Employees

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

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

Sl. No.	Name of Director / KMP	Designation	Ratio of Remuneration to Median Remuneration	% Increase/ Decrease in Remuneration Y-O-Y	Comparison of KMP remuneration against the Company's performance
1	Mr. M. R. Jaishankar	Chairman & Managing Director	127.35:1	4.26%	Standalone financial statements : Total income increased by 5%. EBITDA increased by 18%. Total Comprehensive income increased by 13%. Consolidated Financial Statements: Total income reduced by 1%. EBITDA increased by 16%. Total Comprehensive income increased by 21%.
2	Ms. Githa Shankar	Wholetime Director	31.98:1	4.72%	-do-
3	Mr. M. R. Gurumurthy	Non- Executive Director	0.19:1	31.43%	Not Applicable
4	Mr. M. R. Shivram	Non- Executive Director	0.17:1	20%	Not Applicable
5	Mr. P. V. Maiya	Non-Executive Independent Director	2.42:1	41.13%	Not Applicable
6	Dr. K. R. S. Murthy	Non-Executive Independent Director	2.24:1	48.62%	Not Applicable
7	Mr. Aroon Raman	Non-Executive Independent Director	2.29:1	49.55%	Not Applicable
8	Mr. Bijou Kurien	Non-Executive Independent Director	2.32:1	47.37%	Not Applicable
9	Ms. Lakshmi Venkatachalam	Non-Executive Independent Director	2.20:1	200%	Not Applicable
10	Mr. K. Suresh	Chief Financial Officer	19.09:1	5.92%	Standalone financial statements : Total income increased by 5%. EBITDA increased by 18%. Total Comprehensive income increased by 13%. Consolidated Financial Statements : Total income reduced by 1%. EBITDA increased by 16%. Total Comprehensive income increased by 21%.
11	Mr. P. Om Prakash	Company Secretary	6.08:1	12.12%	-do-

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 2016-17 was ₹ 7.24 Lakhs

V. The percentage increase/(decrease) in the median remuneration of employees in the financial year 2016-17 was (9.50)% vis-à-vis 10.95% in the financial year 2015 -16

VI. The number of permanent employees on the rolls of Company as on March 31, 2017 was 658

VII. The average decrease in remuneration during the financial year 2016-17 was ₹ 0.92 Lakhs.

VIII. Financial performance:

Standalone financial statements:

- Total income increased by 5% as compared to the previous year
- EBITDA increased by 18% vis-à-vis the previous year
- Total Comprehensive income increase by 13% as compared to previous year

Consolidated Financial Statements:

- Total income reduced by 1% as compared to the previous year
- EBITDA increased by 16% vis-à-vis the previous year
- Total Comprehensive income increased by 21% compared to the previous year

IX. During the financial year 2016-17, the aggregate remuneration of Key Managerial Personnel decreased from ₹ 1,053.73 Lakhs to ₹ 1,047.62 Lakhs, an decrease of 1%. The performance of the Company during the financial year 2016-17 is detailed in point (VII) above. Key Managerial Personnel includes Chairman and Managing Director, Chief Financial officer and Company Secretary.

X. The closing price of the equity shares of the Company on the National Stock Exchange of India Limited as on March 31, 2017 was ₹ 231.55, a decrease of 41% over the issue price during the Initial Public Offering in 2007.

Particulars	**As on 31.03.2017**	**As on 31.03.2016**	**% Change**
Market Capitalisation (Rs. in Lakhs)	263,191	163,260	61%
Price Earnings Ratio (on standalone basis)	15.84	11.22	41%

XI. Average percentage increase in the salaries of employees other than the managerial personnel during 2016-17 was Nil %. The average percentage increase in the Key managerial remuneration during the same period was (0.58)%. The percentage increase in the managerial remuneration was on account of ESOP and the variable component of remuneration payable to the managerial personnel as per the terms and conditions of their appointment.

XII. The key parameters and the remuneration details /structure of Directors and Key Managerial Personnel are listed out in the Remuneration Policy, extract to annual return and in the Corporate Governance Report forming part of the Annual Report.

XIII. There was no employee whose remuneration was in excess of the remuneration of the highest paid director during the financial year.

XIV. 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-6

Form No. MR-3
SECRETARIAL AUDIT REPORT*
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017
[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 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Brigade Enterprises Limited** ("the Company") for the financial year ended on 31st March, 2017 according to the provisions of:

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

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

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

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

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

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

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

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

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

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

   (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;

   and

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

(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. Indian Contracts Act, 1872, Transfer of Property Act, 1882, Registration Act, 1908, Specific Relief Act, 1963

   2. State Laws such as Stamp Act, Rent Control Act, Municipal Laws, Rules and Procedures

   3. Environment (Protection) Act, 1986, Water (Prevention and Control of Pollution) Act,1974

   4. Energy Conservation Act, 2001 and other related State laws such as The Karnataka Lifts, Escalators and Passenger Conveyors Act, 2012

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

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

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

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

My opinion is based on audit evidence, explanations and information given to me during the audit and the Management Representation Letter in support 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:

(i) Allotted 4,86,125 equity shares of Rs. 10/- each to employees who exercised their option under the Employee Stock Option Plan, 2011.

(ii) Adopted Indian Accounting Standards (Ind AS)

(iii) Obtained the approval of the Board of Directors and Shareholders of the Company for raising capital upto Rs. 500 Crores on private placement basis through various means viz. Qualified Institutional Placement, Rights Issue, Preferential Issue etc. and complied with all regulatory compliances for the said issue except for prior intimation under Regulation 29(1)(d),(2) & intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(iv) Made an investment in Mysore Projects Private Limited (MSPL) by way of subscription to shares and acquiring shares from the existing shareholders thereby making MSPL a wholly owned subsidiary of the Company.

(v) Promoted two wholly owned subsidiaries namely "Brigade Hotel Ventures Limited" and "Augusta Club Private Limited".

(vi) Obtained approval of the Board of Directors for the Draft Scheme of Arrangement between the Company and its wholly owned subsidiaries namely Brigade Hospitality Services Limited, Brigade Hotel Ventures Limited and Augusta Club Private Limited for hiving-off of the hotels business, integrated clubs and convention centres business and the 'Augusta Club' business of the Company.

(vii) Invested in a subsidiary namely Brigade Innovations LLP

Place : Bengaluru
Date : May 22, 2017

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 As on the date of this report 'Observation Letter' of National Stock Exchange of India Limited and BSE Limited pursuant to Regulation 94 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been received.

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. Whereever 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 22, 2017

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

ANNEXURE 7

CSR Initiatives undertaken by the Company during the financial year 2016-17

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 ₹)
2015-16	2,50,87,76,368
2014-15	1,16,60,15,017
2013-14	98,38,00,000
Average Profit of 3 years	1,55,28,63,795

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

   2% of the average Net Profit is ₹ 3,10,57,275.90/-

5. Details of CSR spent during the financial year:

a. total amount to be spent for the financial year: ₹ 3,10,57,275.90. Total amount spent for the financials year is ₹ 4,80,00,000/-

b. amount unspent: Nil

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

-1	-2	-3	-4	-5	-6	-7	-8
Sl No.	**CSR project or activity identified**	**Sector in which the Project is covered**	**Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads:**	**Cumulative expenditure upto to the reporting period.**	**Amount spent: Direct or through implementing agency**
1	Donation to Brigade Foundation Trust	NA	(1) Local area (2) Project was undertaken in Bangalore, Karnataka State	₹ 4,30,00,000/-	Direct expenditure	-	Direct
2	Donation to Indian Music Experience Trust	NA	(1) Local area (2) Project was undertaken in Bangalore, Karnataka State	₹ 50,00,000/-	Direct expenditure	-	Direct
	Total			**₹ 4,80,00,000/-**		**₹ 4,80,00,000/-**	

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.

Not Applicable

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: 22nd May, 2017

ANNEXURE-8

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	L85110KA1995PLC019126
2	Registration Date	8th November, 1995
3	Name of the Company	Brigade Enterprises Limited
4	Category/Sub-category of the Company	Company Limited by Shares
		Indian Non Government Company
5	Address of the Registered office & contact details	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	78%
2	Hospitality	55101	9%
3	Leasing	70106	13%

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 & 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	63602739		63602739	56.20%	63482739		63,482,739	55.85%	-0.19%
b) Central Govt	-		-	0.00%	-		-	0.00%	0.00%
c) State Govt(s)	-		-	0.00%	-		-	0.00%	0.00%
d) Bodies Corp.	131517		131517	0.12%	131517		131517	0.12%	0.00%
e) Banks / FI	-		-	0.00%	-		-	0.00%	0.00%
f) Any other	-		-	0.00%	-		-	0.00%	0.00%
Sub Total (A) (1)	**63,734,256**	**-**	**63,734,256**	**56.31%**	**63,614,256**	**-**	**63,614,256**	**55.97%**	**-0.19%**
(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)	**63,734,256**	**-**	**63,734,256**	**56.31%**	**63,614,256**	**-**	**63,614,256**	**55.97%**	**-0.19%**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	4225436		4,225,436	3.73%	10214019	-	10214019	8.99%	142%
b) Banks / FI	939775		939,775	0.83%	920923		920923	0.81%	-2.00%
c) Central Govt	-		-	0.00%	-		-	0.00%	0.00%
d) State Govt(s)	-		-	0.00%	-		-	0.00%	0.00%
e) Venture Capital Funds	-		-	0.00%	-		-	0.00%	0.00%
f) Insurance Companies	-		-	0.00%	-		-	0.00%	0.00%
g) FIIs	3067920		3067920	2.71%	3454923		3454923	3.04%	12.61%
h) Foreign Venture Capital Funds	-		-	0.00%	-		-	0.00%	0.00%
i) Others (specify)	-		-	0.00%	-		-	0.00%	0.00%
Sub-total (B)(1):-	**8,233,131**	**-**	**8,233,131**	**7.27%**	**14,589,865**	**-**	**14,589,865**	**12.84%**	**77.21%**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3419508		3,419,508	3.02%	3374072		3374072	2.97%	-1.33%
ii) Overseas	-		-	0.00%	-		-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	4693901	14	4,693,915	4.15%	3,905,664	507	3,906,171	3.44%	-16.78%

Category of Shareholders	No. of Shares held at the beginning of the year Demat	Physical	Total	% of Total Shares	No. of Shares held at the end of the year Demat	Physical	Total	% of Total Shares	% Change during the year
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	29620379	3144306	32,764,685	28.95%	24,444,453	3,144,306	27,588,759	24.27%	15.80%
c) Others (specify)									
NBFC Registered with RBI	1,955		1,955	0.00%	21840	-	21,840	0.02%	1017%
Directors	257		257	0.00%	57		57	0.00%	0.00%
Non Resident Indians	297362		297,362	0.26%	272733		272733	0.24%	-8.28%
Overseas Corporate Bodies	-		-	0.00%	-		-	0.00%	0.00%
Foreign Nationals	-		-	0.00%			-	0.00%	0.00%
Clearing Members	33382		33382	0.03%	296816		296816	0.26%	789%
Employees	-		-	0.00%	-	-	-	-	-
HUF	-		-	0.00%	-	-	-	-	-
Trusts	164		164	0.00%	171		171	0.00%	0.00%
Foreign Bodies - D R	-		-	0.00%	-		-	0.00%	0.00%
Sub-total (B)(2):-	**38,066,908**	**3,144,320**	**41,211,228**	**36.41%**	**32,315,806**	**3,144,813**	**35,460,619**	**31.20%**	**-13.95%**
Total Public (B)	**46,300,039**	**3,144,320**	**49,444,359**	**43.69%**	**46,905,671**	**3,144,813**	**50,050,484**	**44.04%**	**1.23%**
C. Shares held by Custodian for GDRs & ADRs			**-**	**0.00%**				**0.00%**	**0.00%**
Grand Total (A+B+C)	**110,034,295**	**3,144,320**	**113,178,615**	**100.00%**	**110,519,927**	**3,144,813**	**113,664,740**	**100.00%**	**0.00%**

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	Shareholding at the end of the year No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1	M R JAISHANKAR	23045064	20.36%	-	23045064	20.27%	-	-0.09%
2	GITHA SHANKAR	18700500	16.52%	-	18700500	16.46%	-	-0.06%
3	NIRUPA SHANKAR	9326625	8.24%	-	9326625	8.21%	-	-0.03%
4	M R JAISHANKAR - HUF	2764125	2.44%	-	2764125	2.43%	-	-0.01%
5	MYSORE RAMACHANDRA SETTY KRISHNAKUMAR	2124069	1.88%	-	2024069	1.78%	-	-0.10%
6	M R SHIVRAM	2035847	1.80%	-	2035847	1.79%	-	-0.01%
7	M R KRISHNA KUMAR	1927618	1.70%	-	1927618	1.70%	-	0.00%
8	M R SHIVRAM	1741243	1.54%	-	1741243	1.53%	-	-0.01%
9	GURUMURTHY.M.R	1137722	1.00%	-	1137722	1.00%	-	0.00%
10	G R ARUNDHATI**	560393	0.50%	-	540393	0.48%	-	-0.02%
11	A R RUKMINI	239533	0.21%	-	239533	0.21%	-	0.00%
12	MYSORE HOLDINGS PRIVATE LIMITED	131517	0.12%	-	131517	0.12%	-	0.00%

* Reason for change in % of Shareholding is due to ESOP allotment done during the year 2016-17

** 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	MYSORE RAMACHANDRA SETTY KRISHNAKUMAR						
	At the beginning of the year	01.04.2016		2,124,069	1.88%		
	Changes during the year		Market Sale	(100,000)	(10.00)%		
	At the end of the year	31.03.2017		2,024,069	1.78%	2,024,069	1.78%
2	G R ARUNDHATI						
	At the beginning of the year	01.04.2016		560,393	0.50%		
	Changes during the year		Market Sale	(20,000)	(0.02)%		
	At the end of the year	31.03.2017		540,393	0.48%	540,393	0.48%

(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	M K MANJULA						
	At the beginning of the year	01.04.2016		3,547,687	3.13%		
	Changes during the year				0.00%		
	At the end of the year	31.03.2017		3,547,687	3.12%	3,547,687	3.12%
2	SURAJ GURUMURTHY MYSORE						
	At the beginning of the year	01.04.2016		3,150,000	2.78%		
	Changes during the year		Market Sale	(482,863)	-0.43%		
	At the end of the year	31.03.2017		2,667,137	2.35%	2,667,137	2.35%
3	M G SURAJ						
	At the beginning of the year	01.04.2016		2,619,750	2.31%		
	Changes during the year			-	0.00%		
	At the end of the year	31.03.2017		2,619,750	2.31%	2,619,750	2.31%
4	B S ADHINARAYANA GUPTHA						
	At the beginning of the year	01.04.2016		2,256,521	1.99%		
	Changes during the year		Market Sale	(2,256,187)	-1.99%		
	At the end of the year	31.03.2017		334	0.00%	334	0.00%
5	M S RAVINDRA						
	At the beginning of the year	01.04.2016		2,205,000	1.95%		
	Changes during the year			-	0.00%		
	At the end of the year	31.03.2017		2,205,000	1.95%	2,205,000	1.95%
6	MONSOON INFRASTRUCTURE & REALTY CO-INVEST LTD						
	At the beginning of the year	01.04.2016		1,800,000	1.59%		
	Changes during the year		Market Sale	(600,000)	-0.53%		0.00%
	At the end of the year	31.03.2017		1,200,000	1.06%	1,200,000	1.06%

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
7	**FRANKLIN INDIA SMALLER COMPANIES FUND**						
	At the beginning of the year	01.04.2016		1,732,745	1.53%		
	Changes during the year		Market Purchase	1,671,789	1.48%		
	At the end of the year	31.03.2017		3,404,534	3.01%	3,404,534	3.01%
8	**ICICI LOMBARD GENERAL INSURANCE COMPANY LTD**						
	At the beginning of the year	01.04.2016		1,636,174	1.45%		
	Changes during the year		Market Purchase	363,826	0.32%		
	At the end of the year	31.03.2017		2,000,000	1.77%	2,000,000	1.77%
9	**ARTHI D VUMMIDI**						
	At the beginning of the year	01.04.2016		1,634,063	1.44%		
	Changes during the year			-	0.00%		
	At the end of the year	31.03.2017		1,634,063	1.44%	1,634,063	1.44%
10	**SUMANA SANJEEVANATH**						
	At the beginning of the year	01.04.2016		1,597,274	1.41%		
	Changes during the year		Market Sale	(438,317)	-0.39%		0.00%
	At the end of the year	31.03.2017		1,158,957	1.02%	1,158,957	1.02%

* Reason for change in % of Shareholding is due to ESOP allotment done during the year 2016-17

(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	01.04.2016		23045064	20.44%		
	Changes during the year						
	At the end of the year	31.03.2017		23045064	20.27%	23045064	20.27%
2	**GITHA SHANKAR**						
	At the beginning of the year	01.04.2016		18700500	16.59%		
	Changes during the year						
	At the end of the year	31.03.2017		18700500	16.46%	18700500	16.46%
3	**M. R. GURUMURTHY**						
	At the beginning of the year	01.04.2016		1,137,722	1.00%		
	Changes during the year				0.00%		
	At the end of the year	31.03.2017		1,137,722	1.00%	1,137,722	1.00%
4	**M. R. SHIVRAM**						
	At the beginning of the year	01.04.2016		2035847	1.81%		
	Changes during the year						
	At the end of the year	31.03.2017		2035847	1.79%	2035847	1.79%

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
5	P V MAIYA						
	At the beginning of the year	01.04.2016		1,000	0.00%		
	Changes during the year						
	At the end of the year	31.03.2017		1,000	0.00%	1,000	0.00%
6	K.R.S. MURTHY						
	At the beginning of the year	01.04.2016		57	0.00%		0.00%
	Changes during the year						0.00%
	At the end of the year	31.03.2017		57	0.00%	57	0.00%
7	SURESH K						
	At the beginning of the year	01.04.2016		41,000	0.04%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year	31.03.2017		41,000	0.04%	41,000	0.04%
8	P. OM PRAKASH						
	At the beginning of the year	01.04.2016		11,650	0.02%		0.00%
	Changes during the year		Allot	5,825	0.01%		0.00%
	At the end of the year	31.03.2017		17,475	0.02%	17,475	0.02%

V. INDEBTEDNESS

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

(Amt. ₹/Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	171,561.00	-	-	171,561.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**171,561.00**	**-**	**-**	**171,561.00**
Change in Indebtedness during the financial year				
* Addition	79,280.00	-	-	79,280.00
* Reduction	(63,234.00)	-	-	(63,234.00)
Net Change	**16,046.00**	**-**	**-**	**16,046.00**
Indebtedness at the end of the financial year				
i) Principal Amount	187,607.00	-	-	187,607.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**187,607.00**	**-**	**-**	**187,607.00**

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	92.84	75.92	168.76
	(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	829.36	155.59	984.95
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	**922.20**	**231.51**	**1,153.71**
	Ceiling as per the Act	**1,157.08**	**1,157.08**	**2,314.16**

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/Lac)
		P.V.Maiya (1)	**Dr. Srinivasa Murthy (2)**	**Aroon Raman (3)**	
1	**Independent Directors**				
	Fee for attending board committee meetings	2.50	1.20	1.60	5.30
	Commission	15.00	15.00	15.00	45.00
	Others, please specify	-	-	-	-
	Total (1)	**17.50**	**16.20**	**16.60**	**50.30**
2	**Other Non-Executive Directors**	**-**	**-**	**-**	**-**
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**
	Total (B)=(1+2)	**17.50**	**16.20**	**16.60**	**50.30**
	Total Managerial Remuneration				50.30
	Overall Ceiling as per the Act				231.42

SN.	Particulars of Remuneration	Name of Directors			Total Amount (₹/Lac)
		Biju Kurien (4)	Lakshmi Venkatachalam (5)	M.R.Shivram (6)	
1	**Independent Directors**				
	Fee for attending board committee meetings	1.80	0.90		2.70
	Commission	15.00	15.00	-	30.00
	Others, please specify	-	-		-
	Total (1)	**16.80**	**15.90**	**-**	**32.70**
2	**Other Non-Executive Directors**	**-**	**-**	**-**	**-**
	Fee for attending board committee meetings	-	-	1.20	1.20
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	**-**	**-**	**1.20**	**1.20**
	Total (B)=(1+2)	**16.80**	**15.90**	**1.20**	**33.90**
	Total Managerial Remuneration				84.20
	Overall Ceiling as per the Act				231.42

SN.	Particulars of Remuneration	Name of Directors	Total Amount (Rs/Lac)
		M.R.Gurumurthy (7)	
1	**Independent Directors**		
	Fee for attending board committee meetings	-	-
	Commission	-	-
	Others, please specify	-	-
	Total (1)	**-**	**-**
2	**Other Non-Executive Directors**		
	Fee for attending board committee meetings	1.38	1.38
	Commission	-	-
	Others, please specify	-	-
	Total (2)	**1.38**	**1.38**
	Total (B)=(1+2)	**1.38**	**1.38**
	Total Managerial Remuneration		85.58
	Overall Ceiling as per the Act		231.42

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

SN.	Particulars of Remuneration			Total Amount
	Name	**Suresh K**	**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	137.82	37.18	175.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.40	6.84	7.24
	(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	**138.22**	**44.02**	**182.24**

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-9

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 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, etc.
- The building design optimizes the Window to Wall ratio 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
- 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 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
- 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.

II. Foreign Exchange Earnings & Outgo

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

Particulars	2016-17	2015-16
Earnings:		
Income from property development	119	955
Income from hospitality services	7,226	6,672
Total	**7,345**	**7,627**
Expenditure:		
i. Legal & Professional fees	827	898
ii. Advertisement & Sales Promotion	275	386
iii. Brokerage & Discounts	236	163
iv. Employee benefits expense	134	243
v. Others	129	107
Total	**1,601**	**1,797**

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 31st March, 2017 is as follows:

BOARD OF DIRECTORS

The Board of Directors of the Company comprises of 9 Directors as on 31st March, 2017. The Board is primarily responsible for the overall management of the Companies 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**

BOARD MEETINGS

The details of the Board Meetings held during the financial year 2016-17 are as follows:

Sl. No.	Date
1	Monday, 16th May, 2016
2	Friday, 17th June, 2016
3	Thursday, 4th August, 2016
4	Monday, 14th November, 2016
5	Thursday, 15th December, 2016
6	Friday, 3rd February, 2017
7	Thursday. 16th March, 2017

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 2016-2017	Attendance in the 21st Annual General Meeting held on 31st August, 2016	No. of other Directorships	No. of Committee positions held in other Companies	
						Chairman	Member
Mr. M.R. Jaishankar	8/11/1995	23045064 20.27%	7	Yes	13	Nil	Nil
Ms. Githa Shankar	8/11/1995	18700500 16.45%	7	Yes	7	Nil	Nil
Mr. M.R. Gurumurthy	8/11/1995	1137722 1.00%	6	Yes	1	Nil	Nil
Mr. M.R. Shivram	8/11/1995	3777090 3.32%	6	Yes	1	Nil	Nil
Mr. P. V. Maiya	6/3/2000	1000	6	Yes	3	2	1
Dr. Srinivasa Murthy	28/10/2009	57	6	Yes	4	1	1
Mr. Aroon Raman	29/10/2013	Nil	6	Yes	7	Nil	1
Mr. Bijou Kurien	31/1/2015	Nil	6	Yes	8	Nil	2
Ms. Lakshmi Venkatachalam	1/2/2016	Nil	6	Yes	1	Nil	Nil

- None of the Directors are the members of the Board of not more than twenty companies or more than ten committees of the Board or Chairman of five committees of the Board.
- Independent Directors are not on the Board of not more than seven listed Companies and they are non-executive directors and they confirmed that they meet the criteria as defined under Regulation 16 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149(6) of the Companies Act, 2013.
- 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 31st March, 2017. 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 2016-17 the meeting of the Independent Directors was held on 16th March, 2017 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 5, 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.

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	5	4
2.	Mr. M. R. Gurumurthy	Member	5	5
3.	Mr. Aroon Raman	Member	5	4
4.	Mr. Bijou Kurien	Member	5	4

Company Secretary is the Secretary of the Committee.

During the year under review, Five Audit Committee Meetings were held and gap between two meetings did not exceed one hundred and twenty days. Audit Committee meetings were held on 16th May, 2016, 4th August, 2016, 14th November, 2016, 15th December, 2016 and 3rd February, 2017.

The necessary quorum was present for all the meetings.

The terms of reference of the Audit Committee shall include:

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(s) in the draft audit report;
5. Reviewing, with the Management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
6. Reviewing, with the management, the 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.

The composition of the Nomination & Remuneration Committee & attendance in the meetings for the financial year 2016-17 were as follows:

Sl. No.	Name	Position	Number of Meetings	
			Held	Attended
1.	Mr. Aroon Raman	Chairman	5	5
2.	Mr. P. V. Maiya	Member	5	4
3.	Mr. Bijou Kurien	Member	5	4

Company Secretary is the Secretary of the Committee.

During the year four meetings of the Nomination & Remuneration Committee were held on 16th May, 2016, 4th August, 2016, 14th November, 2016, 3rd February, 2017 and 16th March, 2017.

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 31st March, 2017 are as follows:

Name of the Director	Salary & Perquisites (₹)	Sitting Fees (₹)	Commission (₹)	Total (₹)
Mr. M.R. Jaishankar	92,84,040	Nil	8,29,35,689	9,22,19,729
Ms. Githa Shankar	75,92,160	Nil	1,55,59,554	2,31,51,714
Mr. M.R. Gurumurthy	Nil	1,38,000	Nil	1,38,000
Mr. P. V. Maiya	Nil	2,50,000	15,00,000	17,50,000
Mr. M.R. Shivram	Nil	1,20,000	Nil	1,20,000
Dr. Srinivasa Murthy	Nil	1,20,000	15,00,000	16,20,000
Mr. Aroon Raman	Nil	1,60,000	15,00,000	16,60,000
Mr. Bijou Kurien	Nil	1,80,000	15,00,000	16,80,000
Ms. Lakshmi Venkatachalam	Nil	90,000	15,00,000	15,90,000

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.

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

1. Investor relations and redressal of Shareholders' grievances in general and relating to 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 16th May, 2016, 7th July, 2016, 14th November, 2016 and 3rd February, 2017.

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

Sl. No.	Name	Position	Number 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

Company Secretary is the Secretary to the Committee.

Details of investor complaints received and redressed during the year 2016-17 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing balance
0	57	57	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	Number of Meetings	
			Held	Attended
1.	Mr. M. R. Jaishankar	Chairman	4	4
2.	Mr. P. V. Maiya	Member	4	4
3.	Mr. Bijou Kurien	Member	4	4

Company Secretary is the Secretary of the Committee.

During the year four meetings were held on 11th April, 2016, 19th August, 2016, 26th September, 2016 and 15th October, 2016.

SHARE TRANSFER COMMITTEE

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

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

Company Secretary is the Secretary of the Committee.

During the year one meeting of Share Transfer Committee was held on 26th August, 2016.

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 one meeting of the Risk Management Committee was held on 16th May, 2016.

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

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

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

Activities of CSR Committee includes the following:

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

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

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

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

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

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

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

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

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

x) Rural development projects.

During the Year one meeting of the CSR Committee was held on 16th May, 2016.

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

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

Company Secretary is the Secretary of the Committee.

The CSR activities undertaken by the Company during the financial year 2016-17 are as follows:

- The Company had donated to Brigade Foundation Trust of ₹ 4,30,00,000/-
- The Company had donated to Indian Music Experience Trust of ₹ 50,00,000.

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

ANNUAL GENERAL MEETING:

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
2015-16	21	Wednesday, 31st August, 2016 at 11.00 a.m.	The Lalit Ashok Bangalore, Kumara, Krupa High Grounds, Bangalore – 560 001
2014-15	20	Friday, 25th September, 2015 at 11.00 a.m.	The Atria Hotel, P.B. No. 5089, No. 1, Palace Road, Bangalore- 560 001
2013-14	19	Tuesday, 5th August, 2014 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
21	31st August, 2016	i) Approval for Issue of Securities upto ₹ 500 Crores
		ii) Appointment of and remuneration payable to Ms. Pavitra Shankar, Relative of Director/Key Managerial Personnel.
20	25th September, 2015	iii) Approval for Issue of Securities for an amount not exceeding ₹ 5,00,00,00,000/-.
		iv) Approval for Increase in remuneration payable to Ms. Nirupa Shankar, relative of Director / Key Managerial personnel.
19	5th August,2014	v) Approval of Borrowing powers to the Board of Directors up to ₹ 25,00,00,00,000 in one or more tranches from banks, Financial Institutions and other lending Institutions.
		vi) Approval for issue of Securities for an amount not exceeding ₹ 5,00,00,00,000/-.
		vii) Approval and Consent of the Company for Issue of Reminder Options under the 'Brigade Employees Stock Option Plan 2011' exercisable or convertible into equity shares.
		iv) Approval of 'Brigade Employees Stock Option Plan 2011' Extended to Subsidiaries

EXTRAORDINARY GENERAL MEETING

There were no extraordinary general meetings held during the year.

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

DISCLOSURES:

1) RELATED PARTY TRANSACTIONS

There are no materially significant related party transactions entered by the Company with related parties that may have a potential conflict with the interests of the Company. Transactions with related parties during the year were done with the prior approval of the Audit Committee and are listed out in note 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.

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

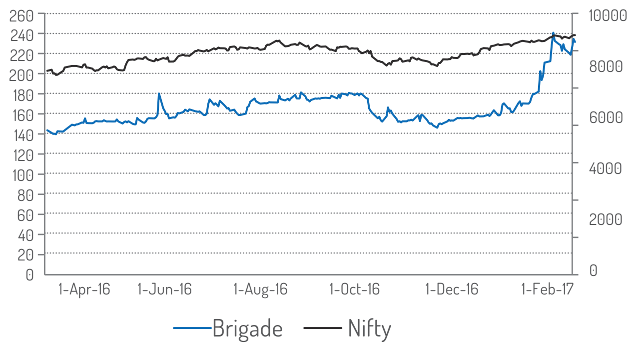
1	Registration Details	Company is registered in the State of Karnataka and The Corporate Identity Number allotted by Ministry of Corporate Affairs (MCA) is L85110KA1995PLC019126
2	Registered Office	29th & 30th Floors, World Trade Center, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bangalore – 560055
3	Compliance Officer	P. Om Prakash
4	Date, time & venue of the 22nd AGM :	Thursday, 21st September, 2017 at 10.30 a.m. at Sheraton Grand Bangalore Hotel, Brigade Gateway Campus, 26/1, Dr.Rajkumar Road, Malleswaram-Rajajinagar, Bangalore - 560055
5	Financial Year	2016-2017
6	Record Date	14th September, 2017
7	Dividend	The Board of Directors of the Company have recommended a dividend of ₹ 2.50/- (25%) per equity share (including a special dividend of ₹ 0.50 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 14th September, 2017
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

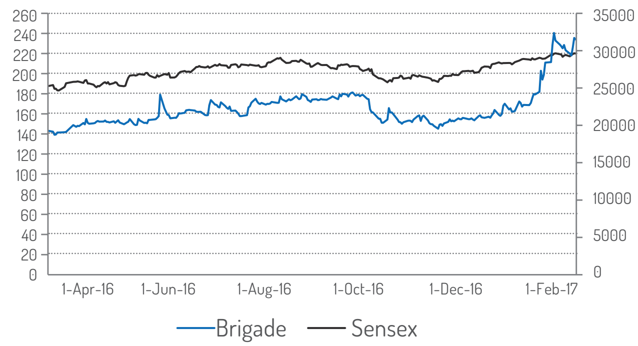
The performance of the stock in BSE Limited & National Stock Exchange of India Limited for the period from 1st April, 2016 to 31st March, 2017 was as follows:

Month	National Stock Exchange of India Limited (NSE)			BSE Limited (BSE)		
	High	Low	Total Turnover	High	Low	Total Turnover
April	170.00	135.00	25,87,15,279	169.90	138.30	2,26,24,103
May	156.90	146.00	12,57,46,325	159.00	146.20	1,03,75,911
June	188.90	147.00	45,87,82,416	186.80	147.50	5,60,29,187
July	180.00	158.00	27,22,04,455	178.30	157.00	3,70,63,620
August	177.45	156.00	18,74,01,916	177.90	156.55	2,44,84,133
September	188.90	166.80	29,65,99,961	188.95	168.90	11,46,64,698
October	187.90	171.00	12,51,74,551	188.00	172.40	88,12,589
November	182.95	139.95	10,28,57,019	180.90	146.40	92,89,000
December	164.40	145.00	4,95,88,657	163.25	145.00	2,27,02,941
January	160.00	149.50	3,73,63,297	160.00	150.65	50,91,091
February	179.85	156.05	20,68,67,563	177.30	151.00	1,55,40,625
March	248.40	169.90	1,89,12,61,769	247.80	170.70	45,29,42,160

EXCHANGE: NSE DATE: 1-4-2016 END DATE: 31-3-2017



EXCHANGE: BSE DATE: 1-4-2016 END DATE: 31-3-2017



12 DEMATERIALISATION OF SHARES

The ISIN for the Equity Shares of the Company is INE791I01019. A total of 11,05,19,927 Equity Shares aggregating to 97.23% of the total shares of the Company are in dematerialised form as on 31st March 2017.

13 REGISTRARS AND SHARE TRANSFER AGENTS:

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

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

14 SHARE TRANSFER SYSTEM:

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

15 DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2017:

Category (Amount)	No. of Shareholders	%	Amount	%
1-5000	53172	98.10	28440700	2.50
5001- 10000	489	0.90	3712580	0.33
10001- 20000	206	0.38	2972680	0.26
20001- 30000	58	0.11	1506370	0.13
30001- 40000	34	0.06	1198130	0.11
40001- 50000	28	0.05	1266090	0.11
50001- 100000	65	0.12	4831590	0.43
100001 & Above	150	0.28	1092719260	96.13
Total	**54202**	**100.00**	**1136647400**	**100**

16 CATEGORIES OF SHAREHOLDERS AS ON 31ST MARCH 2017:

Category	No. of Shares	% to Total Shares
Promoters & their Relatives	63614256	55.97
Mutual Funds	10214019	8.99
Foreign Portfolio Investors	3454923	3.04
Financial Institutions / Banks	920923	0.81
NBFC Registered with RBI	21840	0.02
Non Resident Indians	258437	0.23
Non Resident Indian Non Repatriable	14296	0.01
Indian Public	31494987	27.70
Trusts	171	0.00
Clearing Members	296816	0.26
Body Corporates	3374072	2.97
Total	**11,36,64,740**	**100.00**

Promoters / Promoter group haven't pledged any equity shares of the Company held by them in the Company during the financial year 2016-17.

17. TRANSFER OF UNCLAIMED/UNPAID DIVIDEND

During the year under review, the Company has transferred ₹ 1,62,534/- to Investor Education and Protection Fund Account which was pertaining to Unpaid Dividend Account Brigade Enterprises Limited 2008-09 and remained as unclaimed for a period of 7 years from the date of transfer to refund account (i.e. 30.08.2009).

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	2009-10	15th AGM – 23rd July, 2010	1.20	23rd August, 2017
2	2010-11	16th AGM – 11th August, 2011	1.50	11th September, 2018
3	2011-12	17th AGM – 7th August, 2012	1.50	7th September, 2019
4	2012-13	18th AGM – 31st July, 2013	1.50	1st September, 2020
5	2013-14	19th AGM – 5th August, 2014	2.00	7th September, 2021
6	2014-15	20th AGM – 25th September, 2015	2.00	30th October, 2022
7	2015-16	Declared Interim Dividend by Board at its meeting held on 14th March, 2016.	2.00	18th April, 2023

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 the following details relating to the shares held in suspense accounts which were issued in demat form.

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	47	1771
Number of shareholders who approached issuer for transfer of shares from suspense account during the year;	0	0
Number of shareholders to whom shares were transferred from suspense account during the year:	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	47	1771

The voting rights on the shares outstanding in the suspense account as on 31st March, 2017 shall remain frozen till the rightful owner of such shares claims the shares.

19. FINANCIALS RELEASE DATES FOR 2017-18

Quarter	Release Date (tentative & subject to change)
1st Quarter ending 30th June 2017	First week of August 2017
2nd Quarter ending 30th September 2017	First week of November 2017
3rd Quarter ending 31st December 2017	First week of February 2017
4th Quarter ending 31st March 2018	Second week of May 2018

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 : 22nd May, 2017

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 31st March, 2017 and that to the best of our knowledge and belief:

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

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

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2017, 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 2016-2017.

For BRIGADE ENTERPRISES LIMITED

M. R. Jaishankar	**Suresh K**	Bangalore
Chairman & Managing Director	Chief Financial Officer	22nd May, 2017

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 1st April, 2016 to 31st March, 2017. 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: 22nd May, 2017

ARTHI 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 Floor, 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 : 2016-17
7. Sector(s) that the Company is engaged in (industrial activity code-wise)

Business Activity	**Code**
Real Estate	45201
Leasing	70106
Hospitality	55101

8. List three key products/services that the Company manufactures/ provides (as in balance sheet)
   - a) Real Estate – Residential Space & Commercial space meant for sale
   - b) Leasing – Office & Retail Space
   - c) Hospitality – Hotels, Clubs & Convention Centers
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/ International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR): 11,366 lakhs

:2. Total Turnover (INR): 174,774 lakhs

3. Total profit after taxes (INR): 16,512 lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): 2%
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.
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. K. R. S. 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. K. R. S. 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 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 done 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 2016-17, a total of 57 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 minimized to less than 40% to reduce energy consumption for Air Conditioning/ Cooling in all Commercial projects

 Use of double glazed/ low e-glass as building material 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 by selecting suitable energy efficient glass to reflect solar heat from the building.

 c) 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 toilet 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.

 658 employees as on 31st March, 2017.

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

 33 contractual employees as on 31st March, 2017.

3. Please indicate the Number of permanent women employees.

 125 women employees as on 31st March, 2017.

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

 1 employee as on 31st March, 2017.

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 94%

(b) Permanent Women Employees: Around 93%

(c) Casual/Temporary/Contractual Employees: Around 70%

(d) Employees with Disabilities: 100%

Principle 4

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

   Yes.

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 31st March, 2017.

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 9** 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.

   No

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 7** 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 7** 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 70 customer complaints/ consumer cases pending in various fora as on 31st March, 2017.

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 three business segments i.e. Residential, Lease Rental and Hospitality. Based on this the products of the Company will be mainly residential space, office space, retail space and hotels. 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, Customer Feedback Form is taken from customers.

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, 2017, 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 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 thereunder. 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 we have obtained 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, 2017, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

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;

   (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 account;

   (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, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the 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 long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

iv. The Company has provided requisite disclosures in Note 40 to the standalone Ind AS financial statements as to the holding of Specified Bank Notes (SBNs) on November 08, 2016 and December 30, 2016 as well as dealings in SBNs during the period from November 08, 2016 to December 30, 2016. Based on audit procedures and relying on management representations, except for the segregation between SBNs and other denomination notes as more fully described in Note 40 to the standalone Ind AS financial statements upon which we are unable to comment on in the absence of necessary details, we report that the amounts disclosed in the said note is in accordance with the books of account maintained by the Company and produced to us for verification.

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

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

Place of Signature: Bengaluru
Date: May 22, 2017

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

To the Members of Brigade Enterprises Limited

Report on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order")

(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, the title deeds of immovable properties included in property, plant and equipment and investment property (including capital work -in-progress) are held in the name of the Company.

(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 ("the Act"). 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 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 and are interest-free. As per 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 covered in the register maintained under Section 189 of the Act, which are outstanding 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 Act 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 from the public.

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

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of customs, 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 information and explanations given to us, the dues outstanding of income tax, sales-tax, service tax, duty of customs, duty of excise or value added tax, which have not been deposited 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	2008-09	Income Tax Appellate Tribunal
		973	-	2009-10	Karnataka High Court
		298	-	2010-11	Commissioner Of Income Tax (Appeals)
		2	2	2011-12	
		499	-	2012-13	
		29	-	2013-14	
Finance Act, 1994	Service Tax	97	-	2004-06	Custom Excise & Service Tax Appellate Tribunal
		16	-	2006-08	
		81	-	2006-08	
		376	-	2008-12	
		699	-	2009-12	
Karnataka Value Added Tax, 2003	Value added tax	222	222	2006-07	The Joint Commissioner of Commercial Taxes (Appeals)
		50	50	2008-09	
		48	48	2009-10	
		435	237*	2010-11	
		115	115	2011-12	
		1,290	400**	2012-13	Karnataka Appellate Tribunal
Karnataka Tax On Entry Of Goods Act, 1979	Entry tax	113	113	2008-09	The 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 information and explanations given by the management, the Company has not defaulted in repayment of dues to banks or financial institutions. The Company has no outstanding dues to debenture holders or government.

(ix) 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 purpose for which the loan was obtained. The Company has not raised any money by way of initial public offer or 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 on the Company by its officers and employees has been noticed or reported during the year.

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

(xii) In our opinion, the Company is not a nidhi company. Accordingly, 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 Act 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 to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully/partly convertible debentures during the year. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.

(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 Act.

(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 22, 2017

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

To the Members 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, 2017 in conjunction with our audit of the standalone Ind AS 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 22, 2017

Standalone Balance Sheet as at March 31, 2017

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

	Notes	March 31, 2017	March 31, 2016	April 01, 2015
		₹	₹	₹
ASSETS				
Non-current assets				
Property, plant and equipment	3.1	29,420	22,214	24,094
Capital work-in-progress	3.2	36,990	43,483	38,946
Investment property	4	97,697	91,745	84,468
Intangible assets	5	154	173	140
Financial assets				
Investments	6	93,032	71,349	34,789
Loans	7	27,340	24,521	32,164
Other non-current financial assets	8	5,303	5,593	5,191
Other non-current assets	9	17,129	21,100	12,877
Assets for current tax (net)		768	1,329	1,196
		307,833	**281,507**	**233,865**
Current assets				
Inventories	10	153,888	167,920	153,748
Financial assets				
Loans	7	883	660	1,214
Trade receivables	11	6,165	4,586	1,615
Cash and cash equivalents	12.1	5,180	2,737	2,095
Bank balances other than cash and cash equivalents	12.2	125	294	146
Other current financial assets	8	19,503	16,358	15,429
Other current assets	9	5,722	8,868	7,614
		191,466	**201,423**	**181,861**
Total assets		**499,299**	**482,930**	**415,726**
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	13	11,366	11,318	11,274
Other equity	14	158,245	141,372	131,307
		169,611	**152,690**	**142,581**

	Notes	March 31, 2017	March 31, 2016	April 01, 2015
		₹	₹	₹
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	15	105,926	97,495	55,663
Other non current financial liabilities	16	2,884	4,574	2,762
Long term provisions	17	68	68	46
Deferred tax liabilities (net)	18	8,668	5,731	4,083
Other non-current liabilities	19	2,051	1,606	1,521
		119,597	**109,474**	**64,075**
Current liabilities				
Financial liabilities				
Borrowings	15	8,824	312	959
Trade payables	20	38,421	34,241	24,801
Other current financial liabilities	16	90,592	87,708	79,060
Other current liabilities	19	70,996	96,679	103,723
Short term provisions	17	599	512	527
Liabilities for current tax (net)		659	1,314	-
		210,091	**220,766**	**209,070**
Total equity and liabilities		**499,299**	**482,930**	**415,726**
Summary of significant accounting policies	2.1			

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 22, 2017

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K. Suresh
Chief Financial Officer

P. Om Prakash
Company Secretary

Place: Bengaluru
Date: May 22, 2017

Standalone Statement of Profit and Loss for the year ended March 31, 2017

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

	Notes	March 31, 2017	March 31, 2016
		₹	₹
Income			
Revenue from operations	21	165,477	157,827
Other income	22	9,297	8,984
Total Income		**174,774**	**166,811**
Expenses			
Sub-contractor cost		59,154	59,512
Cost of raw materials, components and stores consumed	23	7,813	14,408
Purchase of land stock		5,687	25,557
"(Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress "	24	13,290	(8,464)
Employee benefits expense	25	12,396	10,660
Depreciation and amortization expense	26	10,871	9,798
Finance costs	27	20,050	15,040
Other expenses	28	22,105	19,098
Total expenses		**151,366**	**145,609**
Profit before tax		**23,408**	**21,202**
Tax expense	18		
Current tax		6,099	6,436
Deferred tax		797	34
Total tax expense		**6,896**	**6,470**
Profit for the year		**16,512**	**14,732**
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		49	(113)
Income tax relating to above		(17)	39
Other comprehensive income ('OCI')		**32**	**(74)**
Total comprehensive income for the year (comprising profit and OCI for the year)		**16,544**	**14,658**
Earnings per equity share	29		
[nominal value of share ₹10 (March 31, 2016: : ₹10]			
Basic (₹)		14.62	13.06
Diluted (₹)		14.55	12.95
Summary of significant accounting policies	2.1		

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 22, 2017

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K. Suresh
Chief Financial Officer

P. Om Prakash
Company Secretary

Place: Bengaluru
Date: May 22, 2017

Standalone Statement of Changes in Equity for the year ended March 31, 2017

(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, 2015	1,128	11,274
Issued during the year pursuant to exercise of stock options	4	44
As at March 31, 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**

* Also refer note 13

B. Other equity*

₹

	Reserves and surplus				Total
	General reserve (note 14)	Securities premium (note 14)	Share based payments (note 14)	Retained earnings* (note 14)	
As at April 01, 2015	**8,751**	**68,839**	**83**	**53,634**	**131,307**
Profit for the year	-	-	-	14,732	14,732
Other comprehensive income**	-	-	-	(74)	(74)
Total comprehensive income for the year	**-**	**-**	**-**	**14,658**	**14,658**
Dividend (including dividend distribution tax) - refer note 30	-	-	-	(5,437)	(5,437)
Transfer from/(to) retained earnings	819	-	-	(819)	-
Compensation expense for options granted during the year (including amount cross charged to subsidiaries)	-	-	121	-	121
Transferred to securities premium on account of stock options	-	-	(83)	-	(83)
Issue of equity shares pursuant to exercise of stock options	-	260	-	-	260
Dividend Tax credit availed on dividend received from a subsidiary	-	-	-	546	546
As at March 31, 2016	**9,570**	**69,099**	**121**	**62,582**	**141,372**
Profit for the year	-	-	-	16,512	16,512
Other comprehensive income**	-	-	-	32	32
Total comprehensive income for the year	**-**	**-**	**-**	**16,544**	**16,544**
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**	**78,547**	**158,245**

* 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 ₹ 32 Lakhs [March 31, 2016: ₹ (74) 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 22, 2017

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K. Suresh
Chief Financial Officer

P. Om Prakash
Company Secretary

Place: Bengaluru
Date: May 22, 2017

Standalone Cash Flow Statement for the year ended March 31, 2017

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

	March 31, 2017 ₹	March 31, 2016 ₹
Cash flows from operating activities		
Profit before tax	23,408	21,202
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment	3,231	2,427
Amortization of intangible assets	146	160
Depreciation of investment property	7,494	7,211
Finance costs	20,050	15,040
Interest income from financial assets at amortized cost	(8,788)	(4,955)
Dividend income on investments	-	(2,696)
Loss/(Profit) on sale of property, plant and equipment and investment property	523	(2)
Provisions no longer required written back	(6)	(449)
Loans and advances written off	57	-
Bad debts written off	32	64
Share based payments to employees	114	112
Provision for bad and doubtful debts	3	-
Operating profit before working capital changes	46,264	38,114
Movements in working capital :		
Increase/ (decrease) in trade payables	4,186	9,889
Increase/ (decrease) in other financial liabilities	3,043	4,599
Increase/ (decrease) in other liabilities	(25,231)	(6,965)
Decrease / (increase) in trade receivables	(1,545)	(2,907)
Decrease / (increase) in inventories	9,007	(8,176)
Decrease / (increase) in loans	5,194	48
Decrease / (increase) in other financial assets	(450)	(833)
Decrease / (increase) in other assets	7,194	(8,768)
Increase / (decrease) in provisions	135	(106)
Cash generated from operations	47,797	24,895
Direct taxes paid, net	(4,069)	(3,604)
Net cash flow from operating activities (A)	**43,728**	**21,291**
Cash flows from investing activities		
Purchase of property, plant and equipment, investment property and intangible assets (including capital work in progress and capital advances)	(18,872)	(24,861)
Proceeds from sale of property, plant and equipment and investment property	24	368
Purchase of investments	(31,734)	(33,751)
Redemption of investments	10,051	5,365
Investments in bank deposits	(438)	(307)
Interest received	3,237	3,192

Standalone Cash Flow Statement for the year ended March 31, 2017

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

		March 31, 2017	March 31, 2016
		₹	₹
Dividends received		-	2,696
Net cash flow (used in) investing activities (B)		**(37,732)**	**(47,298)**
Cash flows from financing activities			
Proceeds from issuance of share capital (including securities premium)		255	218
Proceeds from non-current borrowings		70,769	123,637
Repayment of non-current borrowings		(63,234)	(75,575)
Increase/(decrease) of current borrowings (excluding cash credit facilities from banks), net		5,064	-
Interest paid		(19,847)	(16,099)
Dividends paid (including tax on dividend)		(8)	(4,885)
Net cash flow (used in)/from financing activities (C)		**(7,001)**	**27,296**
Net increase/(decrease) in cash and cash equivalents (A + B + C)		(1,005)	1,289
Cash and cash equivalents at the beginning of the year		2,425	1,136
Cash and cash equivalents at the end of the year (note 12.1)		**1,420**	**2,425**
Summary of significant accounting policies	**2.1**		

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 22, 2017

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K. Suresh
Chief Financial Officer

P. Om Prakash
Company Secretary

Place: Bengaluru
Date: May 22, 2017

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

(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 22, 2017.

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') notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016. The standalone financial statements of the Company are prepared and presented in accordance with Ind AS.

For all periods up to and including the year ended March 31, 2016, the Company had prepared and presented its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). The standalone financial statements for the year ended March 31, 2017 are the first financial statements prepared and presented by the Company in accordance with Ind AS. Refer to note 46 for information on first time adoption of Ind AS from April 01, 2015 by the Company.

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

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

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

(c) Property, plant and equipment

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in its Previous GAAP financial statements as deemed cost at the transition date, viz., 1 April 2015.

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 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

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

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its intangible asset as recognized in its Previous GAAP financial statements as deemed cost at the transition date, viz., 1 April 2015.

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.

(f) Investment property

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its investment property as recognized in its Previous GAAP financial statements as deemed cost at the transition date, viz., 1 April 2015.

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

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

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.

For arrangements entered into prior to 1 April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Where the Company is lessee

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

Where the Company is the lessor

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

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

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 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 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

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

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 rendered and is disclosed net of allowances.

Income from leasing

Rental income receivable under operating leases (excluding variable rental income) is recognized in the income statement on a straight-line basis over the term of the lease 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 of partnership firm investments

The Company's share in profits from a firm where the Company is a partner, is recognized basis of such firm's audited accounts, as per terms of the partnership deed.

(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

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

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 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.

iii. Minimum alternate tax (MAT)

MAT payable for a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available in the

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

statement of profit and loss as deferred tax with a corresponding asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward, in 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 Company reviews the same at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(p) 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 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

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

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. Equity 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

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

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 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.

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

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

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 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 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

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2017**

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

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 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.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

3.1 PROPERTY, PLANT AND EQUIPMENT

₹

	Freehold Land	Leasehold Land	Building	Electrical Installation and Equipment	Furniture & Fixtures	Plant & Machinery	Office Equipment	Computer Hardware	Vehicles	Total
Cost*										
At April 01,2015	**1,613**	**638**	**17,272**	**233**	**2,517**	**1,344**	**345**	**21**	**111**	**24,094**
Additions	-	-	332	45	60	39	108	276	53	913
Disposals	-	-	386	-	-	-	-	18	12	416
At March 31, 2016	**1,613**	**638**	**17,218**	**278**	**2,577**	**1,383**	**453**	**279**	**152**	**24,591**
Additions	1,312	-	5,113	857	987	1,344	773	60	-	10,446
Disposals	-	-	-	-	-	-	-	10	3	13
At March 31, 2017	**2,925**	**638**	**22,331**	**1,135**	**3,564**	**2,727**	**1,226**	**329**	**149**	**35,024**
Depreciation										
At April 01,2015	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Charge for the year	-	21	388	49	893	736	196	102	42	2,427
Disposals	-	-	22	-	-	-	-	17	11	50
At March 31, 2016	**-**	**21**	**366**	**49**	**893**	**736**	**196**	**85**	**31**	**2,377**
Charge for the year	-	7	844	305	880	733	325	102	35	3,231
Disposals	-	-	-	-	-	-	-	3	1	4
At March 31, 2017	**-**	**28**	**1,210**	**354**	**1,773**	**1,469**	**521**	**184**	**65**	**5,604**
Net book value										
As at April 01, 2015	**1,613**	**638**	**17,272**	**233**	**2,517**	**1,344**	**345**	**21**	**111**	**24,094**
As at March 31, 2016	**1,613**	**617**	**16,852**	**229**	**1,684**	**647**	**257**	**194**	**121**	**22,214**
As at March 31, 2017	**2,925**	**610**	**21,121**	**781**	**1,791**	**1,258**	**705**	**145**	**84**	**29,420**

* For property, plant and equipment existing as on the date of transition to Ind AS, i.e., April 01, 2015, the Company has used IGAAP carrying value as deemed costs.

Capitalised borrowing costs

The amount of borrowing costs capitalised during the year ended March 31, 2017 was ₹. 221 Lakhs (March 31, 2016: ₹ 1,417 Lakhs). The rate used to determine the amount of borrowing costs eligible for capitalisation was 9-14%, 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.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

3.2 CAPITAL WORK IN PROGRESS

₹

	Investment property under construction	Property, Plant and Equipment	Total
As at April 01, 2015	33,978	4,968	38,946
-Additions (subsequent expenditure)	15,567	8,255	23,822
-Capitalised during the year	(13,678)	-	(13,678)
-Transferred to inventory during the year	(5,607)	-	(5,607)
As at March 31, 2016	**30,260**	**13,223**	**43,483**
-Additions (subsequent expenditure)	11,153	6,724	17,877
-Capitalised during the year	(13,986)	(9,960)	(23,946)
-Transferred to inventory during the year	-	(424)	(424)
As at March 31, 2017	**27,427**	**9,563**	**36,990**

4 INVESTMENT PROPERTY

₹

	Freehold Land	Leasehold Land	Building	Other assets forming part of Building				Total
				Electrical Installation and Equipment	Furniture & Fixtures	Plant & Machinery	Office Equipment	
Cost*								
At April 01, 2015	**6,403**	**-**	**63,692**	**7,357**	**1,984**	**4,653**	**379**	**84,468**
Additions	-	2,810	9,090	1,043	279	1,177	89	14,488
Disposals	-	-	-	-	-	-	-	-
At March 31, 2016	**6,403**	**2,810**	**72,782**	**8,400**	**2,263**	**5,830**	**468**	**98,956**
Additions	5,061	-	5,963	1,359	72	1,529	-	13,984
Disposals	-	-	255	-	175	289	85	804
At March 31, 2017	**11,464**	**2,810**	**78,490**	**9,759**	**2,160**	**7,070**	**383**	**112,136**
Depreciation								
At April 01, 2015	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Charge for the year	-	8	3,936	1,689	717	627	234	7,211
Disposals	-	-	-	-	-	-	-	-
At March 31, 2016	**-**	**8**	**3,936**	**1,689**	**717**	**627**	**234**	**7,211**
Charge for the year	-	35	4,293	1,839	406	823	98	7,494
Disposals	-	-	89	-	47	101	29	266
At March 31, 2017	**-**	**43**	**8,140**	**3,528**	**1,076**	**1,349**	**303**	**14,439**
Net book value								
As at April 01, 2015	**6,403**	**-**	**63,692**	**7,357**	**1,984**	**4,653**	**379**	**84,468**
As at March 31, 2016	**6,403**	**2,802**	**68,846**	**6,711**	**1,546**	**5,203**	**234**	**91,745**
As at March 31, 2017	**11,464**	**2,767**	**70,350**	**6,231**	**1,084**	**5,721**	**80**	**97,697**

* For investment property existing as on the date of transition to Ind AS, i.e., April 01, 2015, the Company has used IGAAP carrying value as deemed costs.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

₹

Information regarding income and expenditure of Investment property	March 31, 2017	March 31, 2016
Rental income derived from investment properties (including other operating income)	21,194	17,696
Direct operating expenses (including repairs and maintenance) generating rental income	(4,048)	(2,490)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(268)	(329)
Profit arising from investment properties before depreciation and indirect expenses	**16,878**	**14,877**
Less:- Depreciation	(7,374)	(6,827)
Profit arising from investment properties before indirect expenses	**9,504**	**8,050**

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.

As at March 31, 2017, March 31, 2016 and April 01, 2015, the fair values of the properties are ₹ 231,627 lakhs, ₹ 178,177 lakhs and ₹ 164,350 lakhs respectively. These 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 April 1, 2015	74,776	89,574	164,350
As at March 31, 2016	94,795	96,682	191,477
As at March 31, 2017	104,717	126,910	231,627

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 technique	Significant observable inputs	Range (weighted average)		
			March 31, 2017	March 31, 2016	April 1, 2015
Office properties	DCF method	- Estimated rental value per sq. ft. per month	₹ 50-₹ 250	₹ 62-₹ 250	₹ 54-₹ 218
		- Rent growth p.a.	5%	5%	5%
		- Discount rate	8%	8%	8%
Retail properties	DCF method	- Estimated rental value per sq. ft. per month	₹ 34-₹ 90	₹ 86	₹ 82
		- Rent growth p.a.	5%	5%	5%
		- Discount rate	8%	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.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

5 INTANGIBLE ASSETS

₹

	Computer Software	Total
Cost*		
At April 01, 2015		
Additions	140	140
Disposals	193	193
At March 31, 2016	-	-
Additions	333	333
Disposals	127	127
At March 31, 2017	-	-
Amortization	**460**	**460**
At April 01, 2015		
Charge for the year	-	-
Disposals	160	160
At March 31, 2016	-	-
Charge for the year	160	160
Disposals	146	146
At March 31, 2017	-	-
Net book value	**306**	**306**
As at April 01, 2015		
As at March 31, 2016	**140**	**140**
As at March 31, 2017	**173**	**173**
	154	**154**

* For intangible assets existing as on the date of transition to Ind AS, i.e., April 01, 2015, the Company has used IGAAP carrying value as deemed costs..

6 INVESTMENTS

₹

	March 31, 2017	March 31, 2016	April 1, 2015
Unquoted			
A. Investments carried at cost			
Investment in equity instruments of subsidiaries			
100 lakhs (March 31, 2016: 100 Lakhs, April 01, 2015: 100 Lakhs) Equity shares of ₹ 10/- each fully paid up in Brigade Hospitality Services Limited	1,000	1,000	1,000
0.51 lakhs (March 31, 2016: 0.51 Lakhs, April 01, 2015: 0.51 Lakhs) Class A Equity shares of ₹ 10/- each fully paid up in Brigade Properties Private Limited	5	5	5
190.86 lakhs (March 31, 2016: 10.17 Lakhs, April 01, 2015: 10.17 Lakhs) Class C Equity shares of ₹ 10/- each fully paid up in Brigade Properties Private Limited	1,909	102	102
0.50 lakhs (March 31, 2016: 0.50 Lakhs, April 01, 2015: 0.50 Lakhs) Equity shares of ₹ 10/- each fully paid up in Brigade Infrastructure and Power Private Limited	5	5	5
0.50 lakhs (March 31, 2016: 0.50 lakhs, April 01, 2015: 0.50 lakhs) Equity shares of ₹ 10/- each fully paid up in Brigade Estates and Projects Private Limited	5	5	5
1.002 lakhs (March 31, 2016: 1.002 lakhs, April 01, 2015: 1.002 lakhs) Equity shares of ₹ 10/- each fully paid up in Brigade Tetrarch Private Limited	38	38	38
28.75 lakhs (March 31, 2016: 28.75 lakhs, April 01, 2015: 28.75 lakhs) Equity shares of ₹ 10/- each fully paid up in WTC Trades and Projects Private Limited	841	841	841

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

₹

	March 31, 2017	March 31, 2016	April 1, 2015
10 lakhs (March 31, 2016: 5 lakhs, April 01, 2015: 5 lakhs) Equity shares of ₹ 10/- each fully paid up in Orion Mall Management Company Limited	100	50	50
1.98 lakhs (March 31, 2016: 1.98 lakhs, April 01, 2015: 0.50 lakhs) Equity shares of ₹ 10/- each fully paid up in SRP Prosperita Hotel Ventures Limited (PHVL) *	8,175	8,175	5
142.51 lakhs (March 31, 2016: 142.51 lakhs, April 01, 2015: 100.01 lakhs) Equity shares of ₹ 10/- each fully paid up in BCV Developers Private Limited **	1,425	1,425	1,000
20 lakhs (March 31, 2016: 12.50 lakhs, April 01,2015 :Nil) Equity Shares of ₹ 10/- each fully paid up in Brigade (Gujarat) Projects Private Limited	200	125	-
0.51 lakhs (March 31, 2016: 0.51 lakhs, April 01, 2015: Nil) Class A Equity shares of ₹ 10/- each fully paid up in Perungudi Real Estates Private Limited	5	5	-
623.01 lakhs (March 31, 2016: 28.89 lakhs, April 01, 2015: Nil) Class B Equity shares of ₹ 10/- each fully paid up in Perungudi Real Estates Private Limited	6,230	289	-
40 lakhs (March 31, 2016: Nil, April 01, 2015: Nil) Equity Shares of ₹ 10/- each fully paid up in Mysore Projects Private Limited	400	-	-
10 lakhs (March 31, 2016: Nil, April 01, 2015: Nil) Equity shares of ₹ 10/- each fully paid in Brigade Hotel Ventures Limited	100	-	-
0.50 lakhs (March 31, 2016: Nil, April 01, 2015: Nil) Equity shares of ₹ 10/- each fully paid up in Augusta Club Private Limited	5	-	-
	20,443	**12,065**	**3,051**
Investment in partnership firms (including limited liability partnership firms)			
Capital contribution in Brigade Innovations LLP Total capital as on March 31, 2017: ₹ 499 lakhs (March 31, 2016: Nil, April 01, 2015: Nil)	499	-	-
	499	**-**	**-**
Investment in equity instruments of joint venture companies			
Nil (March 31, 2016: Nil, April 01, 2015: 17.5 lakhs) Equity shares of ₹ 10/- each fully paid up in BCV Estates Private Limited **	-	-	175
Nil (March 31, 2016: Nil, April 01, 2015: 25 lakhs) Equity shares of ₹ 10/- each fully paid up in CV Properties (Bangalore) Private Limited **	-	-	250
	-	**-**	**425**
Investment in equity instruments of associate companies			
14.8 lakhs (March 31, 2016: 11.10 lakhs, April 01, 2015: 3.70 lakhs) Equity shares of ₹ 10/- each fully paid up in Tandem Allied Services Private Limited	7	7	7
	7	**7**	**7**
Investment in debentures (in the nature of equity) of subsidiaries			
51 lakhs (March 31, 2016: 51 lakhs, April 01, 2015: 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	**5,100**	**5,100**
Total Investments carried at cost	**26,049**	**17,172**	**8,583**

* During the year ended March 31, 2016, the Company has made an equity investment of ₹ 8,170 lakhs in PHVL by way of conversion of loans given to PHVL.

** BCV Developers Private Limited ('BDPL'), a subsidiary company, along with two joint venture companies BCV Estates Private Limited ('BEPL') and CV Properties (Bangalore) Private Limited ('CPPL'), had filed a scheme of amalgamation, with the appointed date for such scheme being October 01, 2013. The scheme was sanctioned by the High Court of Karnataka on April 29, 2015 and the companies had filed the order with the Registrar of Companies on May 25, 2015. Upon such filing, BEPL and CPPL were amalgamated into BDPL and the equity shareholders of BEPL and CPPL were issued equivalent equity shares in BDPL. Consequently, in accordance with the scheme as approved by the High Court, the investments in BEPL and CPPL were merged into the investments in BDPL and accordingly disclosed above.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹
B. Investments at fair value through profit or loss			
Investment in equity instruments of other companies			
1.56 lakhs (March 31, 2016: 1.56 lakhs, April 01, 2015: 1.56 lakhs) Equity shares of ₹ 10/- each full paid up in Mangalore Energies Private Limited	16	16	16
0.05 lakhs (March 31, 2016: 0.05 lakhs, April 01, 2015: 0.05 lakhs) Equity shares of ₹ 10/- each fully paid up in Diagnostic Research Private Limited	-	-	-
2.39 lakhs (March 31, 2016: 2.39 lakhs, April 01, 2015: 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	**16**	**16**	**16**
C. Investments at amortized cost			
Investment in other equity of subsidiaries			
BCV Developers Private Limited	13,266	13,266	9,145
BCV Estates Private Limited	-	-	1,840
CV Properties (Bangalore) Private Limited	-	-	2,281
Brigade Properties Private Limited	3,682	764	994
Brigade Tetrarch Private Limited	1,284	1,284	1,280
Brigade Estates and Projects Private Limited	613	613	613
WTC Trades and Projects Private Limited	416	416	416
	19,261	**16,343**	**16,569**
Investment in government or trust securities			
Government securities	2	2	2
	2	**2**	**2**
Investment in preference shares of subsidiaries			
Nil (March 31, 2016: 95.90 lakhs, April 01, 2015: 95.90 lakhs) 0.01% Redeemable Preference shares of ₹ 10/- each fully paid up in Brigade Properties Private Limited	-	428	428
38 lakhs (March 31, 2016: Nil, April 01, 2015: Nil) 0.01% A Series Compulsory Convertible Preference shares of ₹ 100/- each fully paid up in Brigade Estates and Projects Private Limited	3,800	-	-
33 lakhs (March 31, 2016: Nil, April 01, 2015: Nil) 0.01% A Series Compulsory Convertible Preference shares of ₹ 100/- each fully paid up in Brigade (Gujarat) Projects Private Limited	3,300	-	-
81 lakhs (March 31, 2016: Nil, April 01, 2015: Nil) 0.01% A Series Compulsory Convertible Preference shares of ₹ 100/- each fully paid up in Mysore Projects Private Limited	8,100	-	-
306.80 lakhs (March 31, 2016: Nil, April 01, 2015: Nil) 0.01% Redeemable Preference Shares of ₹ 10/- each fully paid up in Brigade Properties Private Limited	2,089	-	-
	17,289	**428**	**428**
Investment in debentures of subsidiaries			
Nil (March 31, 2016: 7.33 lakhs, April 01, 2015: 24.52 lakhs) Series A Optionally convertible debentures of ₹ 100/- each fully paid up in Brigade Properties Private Limited	-	681	2,278
Nil (March 31, 2016: 31.83 lakhs, April 01, 2015: 47.03 lakhs) Series B Optionally convertible debentures of ₹ 100/- each fully paid up in Brigade Properties Private Limited	-	3,001	4,413
237.65 lakhs (March 31, 2016: 297.06 lakhs, April 01, 2015: Nil) A Series Optionally Convertible Debentures of ₹ 100/- each fully paid in Perungudi Real Estates Private Limited	23,765	29,706	-

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

	March 31, 2017	March 31, 2016	April 1, 2015
	₹	₹	₹
5 lakhs (March 31, 2016: Nil, April 01, 2015: Nil) A11 Series Fully Convertible Debentures of ₹ 100/- each fully paid in Perungudi Real Estates Private Limited	500	-	-
21.5 lakhs (March 31, 2016: Nil, April 01, 2015: Nil) 12% Fully convertible debentures of ₹ 100/- each paid up in SRP Prosperita Hotel Ventures Limited	2,150	-	-
	26,415	**33,388**	**6,691**
Investment in bonds			
400 units (March 31, 2016: 400 units, April 01, 2015: 250 units) of ₹ 10,00,000/- each fully paid up in Lakshmi Vilas Bank Limited	4,000	4,000	2,500
	4,000	**4,000**	**2,500**
Total Investments at amortized cost	**66,967**	**54,161**	**26,190**
Total Investments	**93,032**	**71,349**	**34,789**
a) Aggregate amount of quoted investments actively traded and market value thereof	-	-	-
b) Aggregate amount of other investments	93,032	71,349	34,789

7 LOANS (Unsecured, considered good)

₹

	Non-Current			Current		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Security deposit	354	289	252	508	505	502
Loans to employees	-	-	-	14	14	356
Loans to related parties	13,506	12,352	17,578	281	61	276
Deposits under joint development arrangements*	13,480	11,880	14,334	80	80	80
	27,340	**24,521**	**32,164**	**883**	**660**	**1,214**

* 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.

8 OTHER FINANCIAL ASSETS (Unsecured, considered good)

₹

	Non-Current			Current		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Receivable on sale of fixed assets	1,654	2,551	2,307	-	-	-
Margin money deposits with banks	3,649	3,042	2,884	-	-	-
Interest accrued and not due on investment in deposits	-	-	-	166	317	51
Interest accrued and not due on investment in debt instruments	-	-	-	4,930	2,115	2,587
Deferred income receivable	-	-	-	30	23	14
Unbilled revenue	-	-	-	14,377	13,903	12,777
	5,303	**5,593**	**5,191**	**19,503**	**16,358**	**15,429**

Refer Note 15 for details of unbilled revenue pledged as security for borrowings.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

9 OTHER ASSETS (Unsecured, considered good)

₹

	Non-Current			Current		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Land Advance*	12,291	16,266	9,556	-	-	-
Advance to suppliers	40	106	144	4,125	5,255	5,371
Balances with statutory / government authorities	3,347	3,331	2,398	932	3,143	1,643
Prepaid expenses	-	-	-	465	470	515
Capital advances	786	709	120	-	-	-
Other assets	665	688	659	200	-	85
	17,129	**21,100**	**12,877**	**5,722**	**8,868**	**7,614**

* 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, 2017	March 31, 2016	April 1, 2015
Raw materials, components and stores	6,036	7,202	7,101
Work-in-progress	123,375	146,956	132,874
Land stock	10,662	10,581	9,285
Stock of flats	13,815	3,181	4,488
	153,888	**167,920**	**153,748**

Refer Note 15 for details of inventories pledged as security for borrowings.

11 TRADE RECEIVABLES

₹

	March 31, 2017	March 31, 2016	April 1, 2015
Unsecured, considered good			
Trade receivables	3,122	3,612	1,066
Receivables from related parties	3,043	974	549
	6,165	**4,586**	**1,615**
Unsecured, considered doubtful			
Trade receivables	12	9	23
Provision for doubtful trade receivables	(12)	(9)	(23)
	-	-	-
Total	**6,165**	**4,586**	**1,615**

Refer Note 15 for details of trade receivables pledged as security for borrowings.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

TRADE RECEIVABLES INCLUDE RECEIVABLE DUE FROM DIRECTORS OR OTHER OFFICERS, ETC.

₹

	March 31, 2017	March 31, 2016	April 1, 2015
Dues from M/s BCV Developers Private Limited in which Company's director is a director	641	93	175
Dues from M/s Brigade Properties Private Limited in which Company's officer is a director	635	392	151
Dues from M/s WTC Trades & Projects Private Limited in which Company's director is a director	-	84	-
Dues from M/s Brigade Estates and Projects Private Limited in which Company's director is a director	-	4	4
Dues from M/s Brigade Hospitality Services Limited in which Company's director is a director	122	401	219
Dues from M/s Perungudi Real Estates Private Limited in which Company's officer is a director	535	-	-
Dues from M/s Brigade Innovations LLP in which Company's officer is a Partner	5	-	-
Dues from M/s Brookefield Real Estates and Projects Private Limited in which Company's officer is a director	1,026	-	-
Dues from M/s SRP Prosperita Hotel Ventures Limited in which Company's director is a director	79	-	-

12.1 CASH AND CASH EQUIVALENTS

₹

	March 31, 2017	March 31, 2016	April 1, 2015
Cash on hand	236	259	85
Balances with banks:			
– On current accounts	4,944	2,478	2,010
	5,180	**2,737**	**2,095**

FOR THE PURPOSE OF THE STATEMENT OF CASH FLOWS, CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING:

₹

	March 31, 2017	March 31, 2016	April 1, 2015
Balances with banks:			
– On current accounts	4,944	2,478	2,010
Cash on hand	236	259	85
Cash and cash equivalents reported in balance sheet	**5,180**	**2,737**	**2,095**
Less - cash credit facilities from banks (note 15)	(3,760)	(312)	(959)
Cash and cash equivalents reported in cash flow statement	**1,420**	**2,425**	**1,136**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

12.2 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹

	Non-Current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Balances with banks:						
– Deposits with remaining maturity of less than 12 months	-	-	-	114	275	133
– Margin money deposits	3,649	3,042	2,884	-	-	-
– Unpaid dividend account*		-	-	11	19	13
	3,649	**3,042**	**2,884**	**125**	**294**	**146**
Less: Margin money deposits with banks disclosed under other non-current financial assets (note 8)	(3,649)	(3,042)	(2,884)	-	-	-
	-	**-**	**-**	**125**	**294**	**146**

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

BREAK UP OF FINANCIAL ASSETS CARRIED AT AMORTIZED COST

₹

	March 31, 2017	March 31, 2016	April 01, 2015
Investments (note 6)	66,967	54,161	26,190
Loans (note 7)	28,223	25,181	33,378
Trade receivables (note 11)	6,165	4,586	1,615
Cash and cash equivalents (note 12.1)	5,180	2,737	2,095
Bank balances other than cash and cash equivalents (note 12.2)	125	294	146
Other financial assets (note 8)	24,806	21,951	20,620
	131,466	**108,910**	**84,044**

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, 2017	March 31, 2016	April 01, 2015
Authorised share capital (No.)			
1,500 lakhs (March 31, 2016: 1,500 lakhs, April 01, 2015: 1,500 lakhs) Equity shares of ₹ 10 each	15,000	15,000	15,000
Issued, subscribed and fully paid-up shares (No.)			
1,136 lakhs (March 31, 2016: 1,132 lakhs, April 01, 2015: 1,128 lakhs) Equity shares of ₹ 10 each	11,366	11,318	11,274
Total issued, subscribed and fully paid-up shares	**11,366**	**11,318**	**11,274**

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

Equity shares	March 31, 2017		March 31, 2016		April 01, 2015	
	No. in lakhs	₹	No. in lakhs	₹	No. in lakhs	₹
At the beginning of the year	1,132	11,318	1,128	11,274	1,123	11,225
Issued during the year pursuant to the exercise of stock options	4	48	4	44	5	49
Balance at the end of the year	**1,136**	**11,366**	**1,132**	**11,318**	**1,128**	**11,274**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

(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:

	March 31, 2017		March 31, 2016		April 01, 2015	
	No. in lakhs	% holding	No. in lakhs	% holding	No. in lakhs	% holding
Equity shares of ₹ 10 each fully paid						
M.R. Jaishankar	230	20%	230	20%	230	20%
Githa Shankar	187	17%	187	17%	187	17%
Nirupa Shankar	93	8%	93	8%	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 13 Lakhs shares (March 31, 2016:9 Lakhs shares, April 01, 2015: 5 lakh shares) during the period of 5 years immediately preceding the reporting date on exercise of options granted under ESOP wherein part consideration was received in the form of employee services.

For details of shares reserved for issue under the Employee Stock Option plan of the Company, refer note 35.

14 OTHER EQUITY

₹

	March 31, 2017	March 31, 2016	April 01, 2015
Securities premium			
Balance at the beginning of the year	69,099	68,839	
Add: Received during the year on issue of equity shares	347	260	
Balance at the end of the year	**69,446**	**69,099**	**68,839**

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.

Share based payments			
Balance at the beginning of the year	121	83	
Add: Compensation expense for options granted during the year	114	112	
Add: Amount cross charged to subsidiaries	8	9	
Less: Transferred to securities premium on exercise of stock options	(140)	(83)	
Balance at the end of the year	**103**	**121**	**83**

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.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

₹

	March 31, 2017	March 31, 2016	April 01, 2015
General reserve			
Balance at the beginning of the year	9,570	8,751	
Add: Amount transferred from surplus in the statement of profit and loss towards future capital expansion	579	819	
Balance at the end of the year	**10,149**	**9,570**	**8,751**
General reserve represents appropriation of profit.			
Retained earnings			
Balance at the beginning of the year	62,582	53,634	
Total comprehensive income for the year	16,544	14,658	
Dividend (including dividend distribution tax) - refer note 30	-	(5,437)	
Transfer to general reserve	(579)	(819)	
Dividend tax credit availed on dividend received from a subsidiary	-	546	
Balance at the end of the year	**78,547**	**62,582**	**53,634**
Total other equity	**158,245**	**141,372**	**131,307**

15 BORROWINGS

	Effective interest rate	Maturity	March 31, 2017	March 31, 2016	April 01, 2015
Non-current borrowings					
Term loan					
Term loan from banks (secured)	9-14%	2021-2025	178,783	171,248	123,186
			178,783	**171,248**	**123,186**
Less: current maturities - term loans from banks disclosed under the head "Other current financial liabilities"	9-14%	2018-2020	(72,857)	(73,753)	(67,523)
Total non-current borrowings			**105,926**	**97,495**	**55,663**
Current Borrowings					
Loan repayable on demand					
Cash credit facilities from banks (secured)	11-14%	On demand	3,760	312	959
Working capital loan from bank (secured)	9-12%	On demand	5,064	-	-
Total current borrowings			**8,824**	**312**	**959**

Note 1: Includes term loan from banks secured by way of assignment of project receivables ₹ 80,930 lakhs (March 31, 2016: ₹ 69,639 lakhs, April 01, 2015: ₹ 57,465 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 9-14% and are repayable within 60-120 instalments of upto ₹ 300 lakhs. Certain loans are further guaranteed by Company's Directors - ₹ 38,806 Lakhs (March 31, 2016: ₹ 923 Lakhs, March 31, 2015: ₹ 28,153 Lakhs) and a subsidiary company - Nil (March 31, 2016: ₹ Nil, April 01, 2015: ₹ 8,373 Lakhs).

Note 2: Includes term loan from banks and working capital loan from bank by way of mortgage of project properties ₹ 102,917 lakhs (March 31, 2016: Rs. 101,609 lakhs, April 01, 2015: Rs. 65,721 lakhs). The loans carry interest rate in the range of 9-14% and are repayable within 12-60 instalments of upto ₹ 300 lakhs. Certain loans are further guaranteed by Company's directors - Nil (March 31, 2016: ₹ 18,701 lakhs, April 01, 2015: ₹ 38,881 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 11-14% and are repayable on demand.

* Represent amounts repayable within the operating cycle. Amount repayable within twelve months is ₹ 46,928 lakhs (March 31, 2016: ₹ 35,657 lakhs, April 01, 2015: ₹ 26,606 Lakhs)

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2017**

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

.16 OTHER FINANCIAL LIABILITIES

₹

	Non-Current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Lease deposits	2,884	4,574	2,762	6,196	5,298	4,648
Current maturities of non-current borrowings (note 15)	-	-	-	72,857	73,753	67,523
Payable towards purchase of fixed assets	-	-	-	-	527	359
Employee benefits payable	-	-	-	2,877	2,297	1,900
Interest free deposits from customers	-	-	-	8,662	5,833	4,630
Total other financial liabilities	**2,884**	**4,574**	**2,762**	**90,592**	**87,708**	**79,060**

17 PROVISIONS

₹

	Long-term			Short-term		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Provision for employee benefits						
Provision for gratuity (refer note 34)	68	68	46	181	147	59
Provision for leave benefits	-	-	-	418	365	237
	68	**68**	**46**	**599**	**512**	**296**
Other provisions						
Provision for contract losses*	-	-	-	-	-	231
	-	**-**	**-**	**-**	**-**	**231**
	68	**68**	**46**	**599**	**512**	**527**

* The provision has been fully reversed during the year ended March 31, 2016

18 INCOME TAX

a) Deferred tax

₹

	March 31, 2017	March 31, 2016	April 1, 2015
Deferred tax liabilities			
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	4,283	4,088	4,024
Others	5,164	4,507	4,454
Gross deferred tax liabilities	**9,447**	**8,595**	**8,478**
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	779	724	603
MAT Credit entitlement*	-	2,140	3,792
Gross deferred tax assets	**779**	**2,864**	**4,395**
Net deferred tax liabilities	**8,668**	**5,731**	**4,083**

* Net of utilization of ₹ 2,140 lakhs (March 31, 2016: ₹ 1,652 Lakhs, April 01, 2015: ₹ 1,032 lakhs)

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

(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, 2017 and March 31, 2016 are:

Statement of profit and loss: ₹

	March 31, 2017	March 31, 2016
Profit or loss section		
Current income tax:		
Current income tax charge	6,099	6,436
Deferred tax:		
Relating to origination and reversal of temporary differences	797	34
Income tax expense reported in the statement of profit or loss	**6,896**	**6,470**
OCI section		
Deferred tax related to items recognised in OCI during in the year:		
Net loss/(gain) on remeasurements of defined benefit plans	(17)	39
Income tax charged to OCI	**(17)**	**39**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2017 and March 31, 2016: ₹

	March 31, 2017	March 31, 2016
Accounting profit before income tax	23,408	21,202
Tax on accounting profit at statutory income tax rate 34.61% (March 31, 2016: 34.61%]	8,102	7,338
Non-deductible expenses for tax purposes:		
Disallowance u/s 80G	85	31
Non taxable income for tax purposes:		
Loss from partnership firm	27	-
Dividend income exempted	-	(933)
Sec 80IB benefit availed	(860)	-
Tax effect of other non-deductible expenses/(non-taxable income), net	(458)	34
Tax expense reported in the statement of profit or loss	**6,896**	**6,470**

Reconciliation of deferred tax liabilities (net): ₹

	March 31, 2017	March 31, 2016
Opening balance	5,731	4,083
Deferred tax (credit)/charge during the period recognised in profit or loss	797	34
Deferred tax (credit)/charge during the period recognised in OCI	17	(39)
Utilisation of MAT credit entitlement	2,140	1,652
Others	(17)	1
Closing balance	**8,668**	**5,731**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

19 OTHER LIABILITIES

₹

	Non-Current			Current		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Income received in advance	1,405	963	895	490	259	328
Rent equalisation	646	643	626	-	3	8
Liability under joint development arrangement*	-	-	-	12,681	35,391	45,829
Advance from customers	-	-	-	56,886	60,174	56,737
Statutory dues payable	-	-	-	928	833	808
Unclaimed dividend**	-	-	-	11	19	13
	2,051	**1,606**	**1,521**	**70,996**	**96,679**	**103,723**

*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, 2017	March 31, 2016	April 1, 2015
Trade payable			
- Total outstanding dues of micro and small enterprises (refer note 31 for details of dues to micro and small enterprises)	1,489	2,160	1,680
- Total outstanding dues of creditors other than micro and small enterprises	36,924	32,043	23,108
Payable to related parties (refer note 33)	8	38	13
	38,421	**34,241**	**24,801**

BREAK UP OF FINANCIAL LIABILITIES CARRIED AT AMORTIZED COST

	March 31, 2017	March 31, 2016	April 1, 2015
Borrowings (non-current) (note 15)	178,783	171,248	123,186
Borrowings (current) (note 15)	8,824	312	959
Current maturity of non-current borrowings (note 15)	72,857	73,753	67,523
Trade payable (note 20)	38,421	34,241	24,801
Other financial liabilities (note 16)	20,619	18,529	14,299
	319,504	**298,083**	**230,768**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

21 REVENUE FROM OPERATIONS

₹

		March 31, 2017	March 31, 2016
Revenue from operations			
Income from property development		1,24,312	1,24,691
Income from leasing		19,695	16,801
Income from hospitality services		13,938	12,116
	(A)	1,57,945	1,53,608
Other operating revenue			
Management fees		3,518	1,370
Revenue from parking services		980	835
Commission income		1,281	524
Share in profits/ (loss) of partnership firm investments (post tax)		(79)	-
Others		1,832	1,490
	(B)	7,532	4,219
	(A)+(B)	1,65,477	1,57,827

22 OTHER INCOME

₹

	March 31, 2017	March 31, 2016
Interest income from financial assets at amortized cost:		
- Bank deposits	266	272
- Debentures (from related party)	5,307	1,992
- Loans to related parties (including notional interest income)	1,703	1,033
- Others (including unwinding of discount on financial assets)	1,512	1,658
Dividend income on investments	-	2,696
Profit on sale of fixed assets	-	2
Provision no longer required, written back	6	449
Other non-operating income	503	882
	9,297	**8,984**

23 COST OF RAW MATERIALS, COMPONENTS AND STORES CONSUMED

₹

	March 31, 2017	March 31, 2016
Inventory at the beginning of the year	7,202	7,101
Add: Purchases during the year	6,647	14,509
	13,849	**21,610**
Less: Inventory at the end of the year	(6,036)	(7,202)
Cost of raw materials, components and stores consumed	**7,813**	**14,408**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

(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, 2017	March 31, 2016
Inventories at the end of the year		
Work-in-progress - Real estate	123,375	146,956
Stock of flats	13,815	3,181
Land stock	10,662	10,581
	147,852	**160,718**
Inventories at the beginning of the year		
Work-in-progress - Real estate	146,956	132,874
Stock of flats	3,181	4,488
Land stock	10,581	9,285
	160,718	**146,647**
Cost of project transferred from capital work in progress to work in progress - real estate	424	5,607
Total	**13,290**	**(8,464)**

25 EMPLOYEE BENEFITS EXPENSE

₹

	March 31, 2017	March 31, 2016
Salaries, wages and bonus	11,135	9,734
Contribution to provident and other funds	467	328
Share based payments to employees (refer note 35)	114	112
Staff welfare expenses	680	486
	12,396	**10,660**

26 DEPRECIATION AND AMORTIZATION EXPENSE

₹

	March 31, 2017	March 31, 2016
Depreciation of property, plant and equipment (note 3.1)	3,231	2,427
Depreciation of investment property (note 4)	7,494	7,211
Amortization of intangible assets (note 5)	146	160
	10,871	**9,798**

27 FINANCE COSTS

₹

	March 31, 2017	March 31, 2016
Interest		
On borrowings	19,204	15,355
On shortfall in payment of advance income tax	11	67
Notional interest on lease deposit	424	358
Other borrowing costs	632	677
	20,271	**16,457**
Less: Interest capitalised to capital work-in-progress	(221)	(1,417)
Total*	**20,050**	**15,040**

* Gross of interest of ₹ 7,475 lakhs (March 31, 2016: ₹ 7,477 lakhs) inventorised to qualifying work in progress.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

28 OTHER EXPENSES

₹

	March 31, 2017	March 31, 2016
Legal and professional fees	1,464	1,566
Payments to auditors (refer note below)	66	56
Architect & consultancy Fees	1,103	1,563
Property tax	1,309	870
Power and fuel	1,911	1,396
Rent	250	226
Repairs & maintenance		
Building	1,192	973
Plant & machinery	181	166
Others	249	206
Insurance	319	333
Rates and taxes	122	68
License fees and plan approval charges	2,270	1,729
Brokerage and discounts	1,659	1,571
Advertisement and sales promotion	4,159	4,861
Travelling and conveyance	933	874
Training and recruitment expenses	79	106
Communication costs	238	191
Property maintenance cost	362	410
Provision for bad and doubtful debts	3	-
Bad debts written off	32	64
Loans and advances written off	57	-
Printing and stationery	138	137
Security charges	854	447
Donation (refer note below for CSR expenditure)	489	196
Directors' sitting fees and commission	86	59
Exchange difference (net)	-	47
Loss on sale of fixed assets, net	523	-
Miscellaneous expenses	2,057	983
	22,105	**19,098**
Payment to auditor:		
As auditor:		
- Audit fees	31	28
- Limited review	16	13
- Other audit fees	15	12
Reimbursement of expenses (excluding service tax)	4	3
	66	**56**

	March 31, 2017	March 31, 2016
Details of CSR expenditure:		
(a) Gross amount required to be spent during the year	311	175
(b) Amount spent		
Construction/acquisition of any asset	-	-
On purposes other than above	480	180
Total	**480**	**180**
(b) Balance amount unspent		
Construction/acquisition of any asset	-	-
On purposes other than above	-	-
Total	**-**	**-**

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2017**

(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 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, 2017	March 31, 2016
Profit after tax attributable to equity shareholders	16,512	14,732
Weighted average number of equity shares for basic EPS (No. in lakhs)	1,134	1,129
Effect of dilution: stock options granted under ESOP (No. in lakhs)	5	8
Weighted average number of equity shares adjusted for the effect of dilution (No. in lakhs)	**1,139**	**1,137**

30 DISTRIBUTION MADE AND PROPOSED

₹

	March 31, 2017	March 31, 2016
Cash dividends on equity shares declared and paid:		
	-	2,255
Final dividend for the year ended on March 31, 2016: ₹ Nil per share (Year ended March 31, 2015 – ₹ 2 per share)	-	451
Tax on final dividend	-	2,263
Interim dividend for the year ended on March 31, 2017: ₹ Nil per share (March 31, 2016: ₹ 2 per share)	-	468
Tax on interim dividend	-	**5,437**
Proposed dividends on equity shares*:	**2,842**	**-**
Final cash dividend for the year ended on March 31, 2017: ₹ 2.50 per share (March 31, 2016: ₹ Nil)	578	-
Tax on proposed dividend	**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 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

₹

	March 31, 2017	March 31, 2016	April 1, 2015
The principal amount remaining unpaid to any supplier	1,489	2,160	1,680
The amount of interest due and remaining unpaid to any supplier	-	-	-
The amount of interest paid by the Company along with the amount of the payments made to the supplier beyond the appointed day.	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year).	-	-	-
The amount of interest accrued and remaining unpaid at the end of the year.	-	-	-
The amount of further interest remaining due and payable for the earlier years.	-	-	-
	1,489	**2,160**	**1,680**

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

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

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. ₹

	March 31, 2017	March 31, 2016
Lease rent payments recognised as an expense in the statement of profit and loss	**250**	**226**

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

	March 31, 2017	March 31, 2016	April 1, 2015
Within one year	173	167	162
After one year but not more than five years	378	459	545
More than five years	2,377	2,468	2,550
	2,928	**3,094**	**3,257**

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. ₹

	March 31, 2017	March 31, 2016
Lease rentals recognised as an income in the statement of profit and loss*	**19,695**	**16,801**

*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 ₹ 578 lakhs (March 31, 2016: ₹ 1,958 lakhs).

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

	March 31, 2017	March 31, 2016	April 1, 2015
Within one year	6,591	6,679	7,745
After one year but not more than five years	10,697	8,863	9,705
More than five years	508	1,081	2,354
	17,796	**16,623**	**19,804**

b. Other Commitments

(i) As at March 31, 2017, the estimated amount of contracts (net of capital advance) remaining to be executed on capital account not provided for was ₹ 15,932 lakhs (March 31, 2016: ₹ 7,356 lakhs, April 01, 2015: ₹ 16,266 lakhs)

(ii) As at March 31, 2017, the Company has given ₹ 25,851 lakhs (March 31, 2016: ₹ 28,226 lakhs, April 01, 2015: ₹ 23,970 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.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

c. **Contingent liabilities**

₹

	March 31, 2017	March 31, 2016	April 1, 2015
Claims against the company not acknowledged as debts			
- Income tax	1,838	1,809	1,310
- Sales tax / Value added tax/ Entry tax	3,192	3,079	983
- Service tax	3,160	2,881	2,881
Letter of credit and bank guarantees	3,095	6,508	4,368
	11,285	**14,277**	**9,542**

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.

33 RELATED PARTY DISCLOSURES

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"

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

(ii) Related parties under Ind AS 24 with whom transactions have taken place during the year:		
Associates	Tandem Allied Services Private Limited	"TASPL"
Jointly controlled entities	BCV Developers Private Limited	"BDPL"
	BCV Estates Private Limited	"BEPL"
	CV Properties (Bangalore) Private Limited	"CPPL"
Key management personnel ("KMP")	Mr. M.R. Jaishankar, Chairman and Managing Director	
	Ms. Githa Shankar, Executive Director	
Relatives of KMP	Ms. Pavitra Shankar (w.e.f October 01, 2016)	
	Ms. Nirupa Shankar	
	Mr. M.K. Shivraj Harsha	
Enterprises owned or significantly influenced by KMP	Mysore Holdings Private Limited	"MHPL"
	Brigade Foundation Trust	"BFT"
	M.R. Jaishankar (HUF)	"MRJ"
	Indian Music Experience Trust	"IMET"
	Alta Collis LLC	"ACLLC"

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

KMP - Chief Financial Officer	Mr. K. Suresh
- Company Secretary	Mr. P. Om Prakash
Other Directors	Mr. M.R. Shivram
	Mr. M.R. Gurumurthy
	Mr. P.V. Maiya
	Mr. P.M. Thampi (upto November 02, 2015)
	Dr. Srinivas Murthy
	Mr. Aroon Raman
	Mr. Bijou Kurien
	Mrs. Lakshmi Venkatachalam (w.e.f February 01, 2016)
Relatives of Other Directors	Mr. M.G. Suraj
	Mrs. Latha Shivram
	Mrs. M.K. Manjula
Relatives of KMP	Mrs. Latha Suresh
	Mrs. Kavitaa Om Prakash
	Mr. Ramakrishnan Suresh

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2017**

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

II. Related party transactions

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

	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-17	183	-	1	-	29	-	-	1	-	1,000	122	-	1,000	-	-	-
	31-Mar-16	435	-	169	95	38	-	-	3	-	-	401	-	560	-	-	-
	1-Apr-15											219	-	359	-	-	-
WTPPL	31-Mar-17	96	27	-	-	243	-	-	-	-	-	-	-	-	256	-	-
	31-Mar-16	86	25	-	-	226	-	-	-	-	-	84	-	-	228	-	-
	1-Apr-15											-	12	-	204	-	-
OMMCL	31-Mar-17	37	-	-	-	536	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	39	-	-	-	452	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-
BPPL	31-Mar-17	744	1,625	-	-	-	-	-	-	-	-	635	-	-	1,192	-	-
	31-Mar-16	592	4,451	-	-	-	-	-	-	-	-	392	-	-	1,768	-	-
	1-Apr-15											151	-	-	-	-	145
BTPL*	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,149	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	6	-	-	-	-	1,021	-
	1-Apr-15											-	-	-	-	908	-
BEPPL*	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	491	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	4	-	-	-	439	-
	1-Apr-15											4	-	-	-	391	-
BIPPL	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38
	1-Apr-15											-	-	-	-	-	38
CCEL	31-Mar-17	-	-	-	72	-	-	-	-	-	-	-	1	-	-	-	-
	31-Mar-16	1	-	-	41	6	-	-	-	-	-	-	2	-	-	-	-
	1-Apr-15											-	1	-	-	-	-
BDPL	31-Mar-17	1,355	1,154	-	-	7	-	-	-	-	-	641	5	-	-	10,770	-
	31-Mar-16	1,083	1,033	-	-	1	-	-	-	-	-	93	-	-	-	9,617	-
	1-Apr-15											175	-	-	-	8,584	-
PHVL	31-Mar-17	75	108	-	-	-	-	-	-	-	-	79	-	-	97	1,095	-
	31-Mar-16	26	-	-	-	-	-	-	-	-	1,750	-	-	-	-	1,095	-
	1-Apr-15											-	-	-	-	7,515	-
PREPL	31-Mar-17	1,047	3,575	-	-	-	-	-	-	-	-	535	-	-	3,421	-	-
	31-Mar-16	-	224	-	-	-	-	-	-	-	-	-	-	-	202	-	-
	1-Apr-15											-	-	-	-	-	-
BREPPL	31-Mar-17	1,165	-	-	-	-	-	-	-	-	-	1,026	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6
	1-Apr-15											-	-	-	-	-	-
MPPL	31-Mar-17	-	244	-	-	-	-	-	-	-	-	-	-	-	219	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2017**

(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
BILLP	31-Mar-17	-	5	-	-	-	-	-	-	-	-	5	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-
BGPPL	31-Mar-17	-	3	-	-	-	-	-	-	-	-	-	-	-	2	-	200
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-
Associates TASPL	31-Mar-17	39	-	-	-	414	-	-	-	-	-	15	-	-	-	-	-
	31-Mar-16	504	13	-	21	119	-	-	-	676	-	-	36	67	340	-	-
	1-Apr-15											-	-	217	-	-	-
Enterprise Owned or significantly influenced by KMP																	
MHPL	31-Mar-17	145	-	-	-	-	-	-	-	-	-	-	2	1	-	-	-
	31-Mar-16	362	-	-	-	-	-	-	-	-	-	-	-	145	-	-	-
	1-Apr-15											-	-	846	-	-	-
BFT	31-Mar-17	-	304	-	-	-	-	-	-	-	(1,380)	-	-	-	1,658	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	2,676	180	-
	1-Apr-15											-	-	-	2,126	180	-
ACLLC	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	225	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-
IMET	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	80
KMP																	
M R Jaishankar	31-Mar-17	393	-	-	-	-	-	-	-	-	-	-	-	-	762	-	35
	31-Mar-16	-	-	-	-	-	-	-	-	500	4	-	-	1,279	762	-	9
	1-Apr-15											-	-	-	752	-	5
Githa Shankar	31-Mar-17	2,569	-	-	-	-	-	-	-	770	-	-	-	-	-	-	6
	31-Mar-16	-	-	-	-	-	-	-	-	1,800	-	-	-	1,955	674	-	6
	1-Apr-15											-	-	181	-	-	6
Suresh K	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	34	-	-	-	-	-	-	-	14	-	-	-	14	20	-	-
	1-Apr-15											-	-	-	-	-	-
P Om Prakash	31-Mar-17	59	-	-	-	-	-	-	-	67	-	-	-	8	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-
Relatives of KMP/ Other Directors																	
M.K. Shivraj Harsha	31-Mar-17	847	-	-	-	-	-	-	-	847	-	-	-	-	-	-	2
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2
	1-Apr-15											-	-	-	-	-	2

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2017**

(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
M.K. Manjula	31-Mar-17	456	-	-	-	-	-	-	-	456	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-
Latha Shivram	31-Mar-17	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	195	-	-	-	-	-	-	-	-	-	-	-	8	-	-	-
	1-Apr-15											-	-	-	-	-	-
M R Shivram	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	385	-	-	-	-	-	-	-	-	-	-	-	71	-	-	-
	1-Apr-15											-	-	-	-	-	-
Nirupa Shankar	31-Mar-17	391	-	-	-	-	-	-	-	33	-	-	-	-	271	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-
Latha Suresh	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-
Ram-akrishnan Suresh	31-Mar-17	85	-	-	-	-	-	-	-	119	-	-	-	-	10	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-
Kavitaa Om Prakash	31-Mar-17	5	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-
M.G. Suraj	31-Mar-17	18	-	-	-	-	-	-	-	-	-	-	-	36	-	-	-
	31-Mar-16	43	-	-	-	-	-	-	-	-	-	-	-	54	-	-	-
	1-Apr-15											-	-	-	-	-	-

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, 2017

(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-17	-	425
	31-Mar-16	95	-
WTPPL	31-Mar-17	16	38
	31-Mar-16	22	83
BTPL	31-Mar-17	-	1
	31-Mar-16	-	1
BEPPL	31-Mar-17	-	35
	31-Mar-16	-	-
OMMCL	31-Mar-17	38	-
	31-Mar-16	61	-
PHVL	31-Mar-17	-	9
	31-Mar-16	-	18
BDPL	31-Mar-17	3	379
	31-Mar-16	-	218
BPPL	31-Mar-17	-	388
	31-Mar-16	-	203
BGPPL	31-Mar-17	-	34
	31-Mar-16	-	69
BREPPL	31-Mar-17	-	7
	31-Mar-16	-	5
BILLP	31-Mar-17	-	79
	31-Mar-16	-	-
PREPL	31-Mar-17	-	1
	31-Mar-16	-	-
ACPL	31-Mar-17	-	1
	31-Mar-16	-	-
MPPL	31-Mar-17	-	653
	31-Mar-16	-	-
BHVL	31-Mar-17	-	1
	31-Mar-16	-	-
Associates			
TASPL	31-Mar-17	-	-
	31-Mar-16	-	23
KMP			
M R Jaishankar	31-Mar-17	-	-
	31-Mar-16	1	1
Enterprises owned or significantly influenced by KMP			
MHPL	31-Mar-17	1	-
	31-Mar-16	-	-

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

b. Remuneration -

(i) Salaries, Bonus and Contribution to PF*

₹

	March 31, 2017	March 31, 2016
KMP/ Relatives of KMP		
Mr. M.R. Jaishankar	922	884
Mrs. Githa Shankar	232	221
Mr. K. Suresh	138	130
Mr. P. Om Prakash	38	38
Ms. Pavitra Shankar	12	-
Ms. Nirupa Shankar	33	30

* 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, 2017	March 31, 2016
Other directors		
Mr. M.R. Shivram	1	1
Mr. M.R. Gurumurthy	1	1
Mr. P.V. Maiya	18	13
Mr. P.M. Thampi	-	1
Dr. Srinivas Murthy	16	11
Mr. Aroon Raman	17	11
Mr. Bijou Kurien	17	11
Mrs. Lakshmi Venkatachalam	16	10

d. Other transactions:

1 The Company has invested ₹ Nil (March 31, 2016: ₹ 29,706 lakhs) in Series A optionally convertible debentures of ₹ 100/- each fully paid up in PREPL. Also refer note 6

2 The Company had invested ₹ Nil (March 31, 2016: ₹ 294 lakhs) in equity shares of ₹ 10/- each fully paid up in PREPL. Also refer note 6.

3 The Company has invested ₹ 75 lakhs (March 31, 2016: ₹ 125 lakhs) in Equity shares ₹ 10/- each fully paid up in BGPPL. Also refer note 6.

4 The Company has invested ₹ 5 lakhs (March 31, 2016: Nil) in Equity shares ₹ 10/- each fully paid up in ACPL. Also refer note 6.

5 The Company has contributed ₹ 499 lakhs (March 31, 2016: ₹ Nil) as Capital Contribution in BILLP. Also refer note 6.

6 The Company has invested ₹ 400 lakhs (March 31, 2016: ₹ Nil) in Equity shares ₹ 10/- each fully paid up in MPPL. Also refer note 6.

7 The Company has invested ₹ 100 lakhs (March 31, 2016: ₹ Nil) in Equity Shares of ₹ 10/- each fully paid up in BHVL. Also refer note 6.

8 The Company has invested ₹ 50 lakhs (March 31, 2016: ₹ Nil) in Equity Shares of ₹ 10/- each fully paid up in OMMCL. Also refer note 6.

9 The Company has invested ₹ 8,100 lakhs (March 31, 2016: ₹ Nil) in 0.01% A series Compulsory Convertible Preference Shares of ₹ 100/- each fully paid up in MPPL. Also refer note 6.

10 The Company has invested ₹ 3,300 lakhs (March 31, 2016: ₹ Nil) in 0.01% A series Compulsory Convertible Preference Shares of ₹ 100/- each fully paid up in BGPPL. Also refer note 6.

11 The Company has invested ₹ 3,800 lakhs (March 31, 2016: ₹ Nil) in 0.01% A series Compulsory Convertible Preference Shares of ₹ 100/- each fully paid up in BEPPL. Also refer note 6.

12 The Company has invested ₹ 2,150 lakhs (March 31, 2016: ₹ Nil) in 12% Fully convertible debentures of ₹ 100/- each fully paid up in PHVL. Also refer note 6.

13 The Company has given ₹ 1,085 lakhs (March 31, 2016: ₹ 2,126 lakhs) to PHVL as Share Application money and the same has been refunded to the Company by PHVL.

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2017**

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

14 The Company has purchased ₹ Nil (March 31, 2016: ₹ 560 lakhs) and ₹ Nil (March 31, 2016: ₹ 3,358 lakhs) of Series A Optionally Convertible debentures of ₹ 100/- each fully paid up and Series B Optionally Convertible debentures of ₹ 100/- each fully paid up respectively in BPPL from Reco Begonia Pte Ltd and subsequently redeemed by BPPL. Also refer note 6.

15 The Company has invested ₹ 500 lakhs in (March 31, 2016: Nil) 11% Fully Convertible Debentures (FCD) ₹ 100/- each of Perungudi Real Estates Private Limited.

16 The Company has converted 59.41 lakhs no. (March 31, 2016: Nil) 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.

17 The Company has converted 7.33 lakhs no. (March 31, 2016: Nil) 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.

18 The Company has converted 10.74 lakhs no. (March 31, 2016: Nil) 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.

19 The Company has converted 21.09 lakhs no. (March 31, 2016: Nil) 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.

20 The Company has converted 95.90 lakhs no. (March 31, 2016: Nil) 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.

21 BPPL has redeemed ₹ Nil (March 31, 2016: 17.18 lakhs) Series A optionally convertible debentures of ₹ 100/- each fully paid up invested by the Company.

22 BPPL has redeemed ₹ Nil (March 31, 2016: 15.19 lakhs) Series B optionally convertible debentures of ₹ 100/- each fully paid up invested by the Company.

23 The Company has made equity investment of ₹ Nil (March 31, 2016: ₹ 8,170 lakhs) in PHVL by way of conversion of loans given to PHVL.

24 The Company has made donation to IMET of ₹ 50 lakhs (March 31, 2016: ₹ 180 lakhs) and BFT of ₹ 430 lakhs (March 31, 2016: ₹ Nil lakhs).

25 The Company has provided corporate guarantee of ₹ Nil (March 31, 2016: ₹ 2,000 lakhs) for the loan taken by BFT for the working capital requirements of BFT.

26 Refer note 15 for guarantees received from directors and subsidiary companies in respect of loans availed by the Company.

27 Also refer note 6 as regards to investments held as at year-end.

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.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

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, 2017

Gratuity	April 1, 2016	Expense charged to profit or loss			Benefits paid	Remeasurement (gains)/losses in other comprehensive income					Contributions by employer	March 31, 2017
		Service cost	Net interest expense	Sub-total included in profit or loss		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		
Defined benefit obligation	650	119	49	168	(17)	-	(4)	39	(78)	(43)	-	758
Fair value of plan assets	435	-	32	32	(12)	6	-	-	-	6	49	509
Net liability - Gratuity	**215**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(49)**	**-**	**249**

Changes in the defined benefit obligation and fair value of plan assets - Year ended March 31, 2016

Gratuity	April 1, 2015	Expense charged to profit or loss			Benefits paid	Remeasurement (gains)/losses in other comprehensive income					Contributions by employer	March 31, 2016
		Service cost	Net interest expense	Sub-total included in profit or loss		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		
Defined benefit obligation	437	113	34	147	(49)	-	-	11	104	115	-	650
Fair value of plan assets	332	-	27	27	(37)	2	-	-	-	2	112	435
Net liability - Gratuity	**105**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**113**	**-**	**215**

The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	March 31, 2017	March 31, 2016
Fund Managed by Insurer	100%	100%

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

The principal assumptions used in determining pension and post-employment benefit obligations for the company's plans are shown below::

	March 31, 2017	March 31, 2016
Discount rate	7%	8%
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, 2017				March 31, 2016			
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	824	701	718	798	705	602	616	685
% change compared to base due to sensitivity	9%	-7%	-5%	5%	8%	-7%	-5%	5%

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, 2017	March 31, 2016
Within the next 12 months	181	147
Between 2 and 5 years	68	68
Total expected payments	**249**	**215**

35 Share based payment

The Company provides share-based payment schemes to its employees. During the year ended March 31, 2017, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below.

The Company instituted an Employees Stock Option Scheme ('ESOP 2011') pursuant to the Board of Directors and Shareholders' resolution dated May 4, 2011 and August 11, 2011, respectively. As per ESOP 2011, the Company granted 2,424,300 (till March 31, 2016: 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: ₹

	March 31, 2017	March 31, 2016
Expense arising from equity settled share based payment transactions	122	121
Less: Cross charged to subsidiaries towards stock options to subsidiaries' employees	(8)	(9)
	114	**112**

* There were no cancellations or modifications to the plan during the year ended March 31, 2017 and March 31, 2016.

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2017**

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

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, 2017		March 31, 2016	
	No. of options (lakhs)	WAEP* ₹	No. of options (lakhs)	WAEP* ₹
Outstanding at the beginning of the year	12	50	17	50
Granted during the year	-	50	-	50
Forfeited during the year	-	50	1	50
Exercised during the year	4	50	4	50
Outstanding at the end of the year	8	50	12	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 ₹ 159.96 per share (March 31, 2016: ₹ 154.30 per share). The weighted average remaining contractual life for the stock options outstanding as at March 31, 2017 is 5.68 years (March 31, 2016: 6.69 years)

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

	March 31, 2017
Dividend yield (%)	1.52%
Expected volatility (%)	48.42%
Risk-free interest rate (%)	7.81%
Weighted average share price (₹)	131.68
Exercise price (₹)	50.00
Expected life of the options granted (in years) (vesting and exercise period)	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..

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

36. SEGMENT REPORTING

For management purposes, the Company 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 per Ind AS 108 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 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.

	For the year ended March 31, 2017				For the year ended March 31, 2016			
	Real Estate	Hospitality	Leasing	Total	Real Estate	Hospitality	Leasing	Total
Revenue								
External customers	129,033	15,317	21,194	165,544	126,553	13,683	17,696	157,932
Inter-segment		(67)		(67)		(105)		(105)
Total Revenue	**129,033**	**15,250**	**21,194**	**165,477**	**126,553**	**13,578**	**17,696**	**157,827**
Expenses								
Depreciation and amortization expense	19	3,268	7,374	10,661	30	2,672	6,826	9,528
Add: Unallocable depreciation and amortization expense				210				270
				10,871				**9,798**
Segment profit	33,139	1,402	9,504	44,045	24,116	2,884	8,050	35,050
Less: Finance costs				(20,050)				(15,040)
Less: Other unallocable expenditure				(9,884)				(7,792)
Add: Other income (including interest income)				9,297				8,984
Profit before tax				**23,408**				**21,202**
Less: Tax expense				(6,896)				(6,470)
Profit after tax				**16,512**				**14,732**
Segment assets	201,136	42,321	126,448	369,905	213,326	37,534	127,432	378,292
Add: Investments				93,032				71,349
Add: Loans to related parties				13,787				12,413
Add: Cash and cash equivalents, bank balances other than cash and cash equivalents and margin money deposits with banks				8,954				6,073
Add: Other unallocable assets				13,621				14,803
				499,299				**482,930**
Segment Liabilities	103,249	3,818	18,808	125,875	126,077	1,213	18,051	145,341
Add: non-current and current borrowings (including current maturities of non-current borrowings)				187,607				171,560
Add: Deferred tax liabilities (net)				8,668				5,731
Add: Other unallocable liabilities				7,538				7,608
				329,688				**330,240**
Other disclosures								
Capital expenditure*	-	8,879	10,846	19,725	20	8,693	17,599	26,311

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

Capital expenditure consists of additions of property, plant and equipment, investment property, intangible assets and capital work-in-progress.

As at April 1, 2015	Real Estate	Hospitality	Leasing	Total
Segment Assets	188,131	31,653	121,362	341,146
Add: Investments				34,789
Add: Loans to related parties				17,854
Add: Cash and cash equivalents, bank balances other than cash and cash equivalents and margin money deposits with banks				5,125
Add: Other unallocable assets				16,812
				415,726
Segment Liabilities	121,230	2,708	13,174	137,112
Add: non-current and current borrowings (including current maturities of non-current borrowings)				124,145
Add: Deferred tax liabilities (net)				4,083
Add: Other unallocable liabilities				7,805
				273,145

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.

37 FAIR VALUE MEASUREMENTS ₹

The details of fair value measurement of Company's financial assets/liabilities are as below:

	Level	March 31, 2017	March 31, 2016	April 1, 2015
Financial assets/liabilities measured at fair value through profit/loss:				
Investment in equity instruments of Other companies	Level 3	16	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 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..

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

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, 2017	March 31, 2016	April 1, 2015
Borrowings (non-current and current, including current maturities of non-current borrowings)	187,607	171,560	124,145
Trade payables	38,421	34,241	24,801
Other financial liabilities (current and non-current excluding current maturities of non-current borrowings)	20,619	18,529	14,299
Less: Cash and cash equivalents (including balances at bank other than cash and cash equivalents and margin money deposits with banks)	(8,954)	(6,073)	(5,125)
Net Debt (A)	**237,693**	**218,257**	**158,119**
Equity share capital	11,366	11,318	11,274
Other equity	158,245	141,372	131,307
Equity (B)	**169,611**	**152,690**	**142,581**
Equity plus net debt (C = A + B)	**407,304**	**370,948**	**300,700**
Gearing ratio (D = A / C)	**58%**	**59%**	**53%**

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.

39 DETAILS OF INVESTMENTS MADE IN THE CAPITAL OF PARTNERSHIP FIRM

Name of the firm	Name of the partner	Partner's Capital (₹)	Profit Sharing Ratio (%)
Brigade Innovations LLP	Brigade Enterprises Limited (the Company)	499	100%
	Nirupa Shankar	1	0%
	Total Capital	**500**	**100%**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

40 DISCLOSURE FOR SPECIFIED BANK NOTES

The details of Specified Bank Notes ('SBN') and Other Denomination Notes ('ODN') held and transacted during the period November 8, 2016 to December 30, 2016 are as provided in the table below :

	SBN	ODN	Total
Closing cash in hand as on November 08, 2016	108	9	117
(+) Permitted receipts	-	195	195
(-) Permitted payments	-	29	29
(-) Amount deposited in banks	108	157	265
Closing cash in hand as on December 30, 2016	-	18	18

41 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, 2017 and March 31, 2016. 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, 2017 and March 31, 2016.

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.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

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, 2017	+1%	(1,888)
	-1%	1,888
March 31, 2016	+1%	(1,448)
	-1%	1,448

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

Particulars	March 31, 2017	March 31, 2016
Opening balance	9	23
Amount provided/(reversed) during the year	3	(14)
Closing provision	12	9

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, 2017	March 31, 2016
Cash and cash equivalents	5,180	2,737
Bank balances other than cash and cash equivalents	125	294
Investments	93,032	71,349

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, 2017	March 31, 2016	April 1, 2015
Financial liabilities - current				
Borrowings (includes current maturities of non-current borrowings and working capital loan from bank)	Within operating cycle	77,921	73,753	67,523
Borrowings (includes cash credit facilities from banks)	On demand	3,760	312	959
Trade payables	Within 1 year	38,421	34,241	24,801
Other financial liabilities (excluding current maturities of non-current borrowings)	Within 1 year	17,735	13,955	11,537
Financial liabilities - non-current				
Borrowings (includes non-current borrowings)	Between 1-5 years	105,926	97,495	55,663
Other financial liabilities	Between 1-5 years	2,884	4,574	2,762

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

42 CONSTRUCTION CONTRACTS

₹

	March 31, 2017	March 31, 2016	April 1, 2015
(i) Amount of contract revenue recognised as revenue for the year	124,312	124,691	
(ii) Amounts in respect of contracts in progress at the reporting date:			
a. Aggregate amount of costs incurred and recognised profits/(losses)	336,482	352,837	239,340
b. Amount of advances received (net)	56,886	60,174	56,737

43 UNHEDGED FOREIGN CURRENCY EXPOSURE

₹

	March 31, 2017	March 31, 2016	April 1, 2015
Trade payable	244	1,407	548

44 DISCLOSURE AS PER CLAUSE 32 OF THE LISTING AGREEMENT OF THE LOANS, ADVANCES, ETC. TO SUBSIDIARIES, FELLOW SUBSIDIARIES, JOINT VENTURES, ASSOCIATES AND OTHER ENTITIES IN WHICH THE DIRECTORS ARE INTERESTED:

Name of the party	March 31, 2017		March 31, 2016		April 1, 2015	
	Closing Balance	Maximum amount due	Closing Balance	Maximum amount due	Closing Balance	Maximum amount due
Brigade Tetrarch Private Limited	1,149	1,149	1,021	1,021	908	928
Brigade Estates and Projects Private Limited	491	491	439	439	391	397
BCV Developers Private Limited	10,770	10,770	9,617	9,617	6,565	6,600
BCV Estates Private Limited	-	-	-	1,065	1,065	1,065
CV Properties (Bangalore) Private Limited	-	-	-	-	955	955
Brigade Foundation	-	-	180	180	180	180
Prosperita Hotel Ventures Limited	1,095	1,095	1,095	9,324	7,515	7,515

45 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The amendment to standard issued up to the date of issuance of the Company's financial statements, but not yet effective as of the date of the Company's financial statements is disclosed below. The Company intends to adopt the amendment to standard when it becomes effective.

Amendments to Ind AS 102 Classification and Measurement of Share-based Payment Transaction

The amendments to Ind AS 102 applies prospectively for annual periods beginning on or after April 01, 2017. As per the amendments, in estimating the fair value of a cash-settled share-based payment, the accounting for the effects of vesting and non-vesting conditions should follow the same approach as for equity-settled share-based payments. Further, where tax law or regulation requires an entity to withhold a specified number of equity instruments and the share-based payment arrangement has a 'net settlement feature', such an arrangement should be classified as equity-settled in its entirety. The Company does not anticipate that the application of the amendments in the future will have a significant impact on the Company's financial statements as the Company does not have any cash-settled share-based payment arrangements or any withholding tax arrangements with tax authorities in relation to such share-based payments.

Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 was issued in February 2016 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an 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. This standard will come into force from accounting period commencing on or after April 01, 2018. The Company will adopt the new standard on the required effective date. The directors of the Company anticipate that the application of the standard will be applicable only to certain streams of revenue and will not have a material impact on the financial statements.

Notes to Standalone Ind AS Financial Statements **for the year ended March 31, 2017**

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

Amendments to Ind AS 7 Disclosure Initiative

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments apply prospectively for annual periods beginning on or after April 01, 2017. The Company does not anticipate that the application of these amendments will have a material impact on the Company's financial statements.

46 FIRST TIME ADOPTION

These standalone financial statements, for the year ended March 31, 2017, are the first time the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP' or 'IGAAP').

Accordingly, the Company has prepared the standalone financial statements which comply with Ind AS applicable for year ending on March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2015, the Company's date of transition to Ind AS.

i. *Exemptions availed:*

(a) Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties. Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their Previous GAAP carrying value.

(b) Ind AS 27 requires investments in subsidiaries, associates and joint ventures to be recorded at cost or in accordance with Ind AS 109 in its separate financial statements. However, Ind AS 101 provides an option to measure that investment at one of the following amounts in case the Company decides to measure such investment at cost:

i. Cost as per Ind AS 27 or

ii. Deemed cost, which is:

a. Fair value at the entity's date of transition to Ind AS

b. Previous GAAP carrying amount at that date

The Company has elected to measure its investments in subsidiaries, associates and joint ventures using deemed cost at the Previous GAAP carrying amount at the date of transition to Ind AS.

(c) Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. The Company has elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Use of this exemption means that business combinations occurring prior to the transition date have not been restated and the IGAAP carrying amounts of assets and liabilities, that are required to be recognised under Ind AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with respective Ind AS.

(d) Ind AS 101 provides an option to not apply Ind AS 102 to liabilities arising from share-based payment transactions that were settled before the date of transition to Ind AS. The Company has elected to avail this exemption and apply the requirements of Ind AS 102 to all such grants under the ESOP plan, which are not settled as at the date of transition to Ind AS.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

ii. *Exceptions applied*

(a) Ind AS 101 requires an entity's estimates in accordance with Ind AS at the date of transition to Ind AS to be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. The Company's estimates as at April 01, 2015 are consistent with the estimates as at the same date made in conformity with Previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Previous GAAP:

- Investment carried at FVPL or FVOCI; and
- Impairment of financial assets based on expected credit loss model.

(b) Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

The Company has applied the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

(c) Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

The Company has applied the requirement of classification and measurement of financial assets (investment in debt instruments) as above.

The Company has prepared a reconciliation of the net profit for the previous year ended March 31, 2016 under the Previous GAAP with the total comprehensive income as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of profit and loss which is presented below: ₹

Particulars	Year ended March 31, 2016
Net profit as per Previous GAAP	**14,636**
Fair valuation of financial assets and financial liabilities	1,573
Accounting for compound financial instruments	(472)
Accounting of Joint Development Projects (net)	(978)
Impact of fair valuation of Employee Stock Option Plan ("ESOP") on share based payments to employees (net of cross charge to subsidiaries)	(59)
Employee benefit expenses [Actuarial (gain)/loss]	113
Tax expense impact of above adjustments	(81)
Net profit as per Ind AS (A)	**14,732**
Other comprehensive income	
Actuarial gain/(loss) on defined benefit obligations - Gratuity (net of tax expense)	(74)
Total (B)	**(74)**
Total comprehensive income (A+B)	**14,658**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

The Company has also prepared a reconciliation of equity as at March 31, 2016 and April 01, 2015 under the Previous GAAP with the equity as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of balance sheet which is presented below: ₹

Particulars	As at March 31, 2016	As at April 01, 2015
Equity as per Previous GAAP	**144,377**	**131,655**
Adjustments (net of tax):		
(a) Impact of fair valuation of financial assets and financial liabilities	3,455	2,414
(b) Impact of accounting for compound financial instruments	1,396	1,708
(c) Accounting of Joint Development Projects (net)	3,439	4,084
(d) Impact of fair valuation of Employee Stock Option Plan ("ESOP") on share based payments to employees (net of cross charge to subsidiaries)	23	14
(e) Reversal of proposed dividend for the year ended March 31, 2015 (including Dividend Distribution Tax)	-	2,706
Equity as per Ind-AS	**152,690**	**142,581**

Footnotes to the reconciliation of equity as at April 01, 2015 and March 31, 2016 and profit or loss and cash flows for the year ended March 31, 2016:

1 Share-based payments

Under Ind-AS, employee share-based payments should be accounted for using the fair value method. In contrast, existing IGAAP permits an option of using either the intrinsic value method or the fair value method. As regards the ESOPs granted to subsidiaries, the company is cross charging the amount as expense to subsidiaries.

2 Defined benefit liabilities

Under Previous GAAP, actuarial gains and losses were recognized in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of net defined benefit liability/asset which is recognized in other comprehensive income in the respective periods.

3 Deferred tax

IGAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under IGAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

4 JDA Accounting

Company has entered into certain joint development arrangements. In such a situation, revenue is recognised on gross basis. Since the goods exchanged under joint development arrangement i.e. land with flats are in dissimilar in nature, as per para 12 of Ind AS 18, the exchange is regarded as a transaction which generates revenue. The Company has measured revenue at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred. Since , fair value of the goods or services received cannot be measured reliably, revenue is measured in relation to transfer of constructed property to land owners on the basis of fair value of services provided to the landlord. Further, Company has recognised land with corresponding credit to “land cost payable” to account for land received under joint development arrangement.

5 Dividend and tax on dividend

Under Previous GAAP, dividend payable was recorded as a liability in the period to which it relates. Under Ind AS, dividend to holders of equity instruments is recognised as a liability in the period in which the obligation to pay is established.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2017

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

6 Financial assets and liabilities at amortized cost
Under IGAAP, there are certain assets and liabilities which are carried at nominal value. Ind AS requires to measure these assets and liabilities at fair value at inception and subsequently these assets and liabilities are measured at amortized cost. At inception date, the Company recognises difference between fair value and nominal value as expense/income and the differential expense/income on straight line basis over the life of the asset/liability.

7 Compound financial instruments
Under IGAAP, compound financial instruments, are classified on the basis of their legal form under investments. As per Ind AS, compound financial instruments are split between liability and equity components and accordingly classified in the financial statements.

8 Other comprehensive income
Under IGAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled IGAAP profit/loss to profit/loss as per Ind AS. Further, IGAAP profit/loss is reconciled to total comprehensive income as per Ind AS.

9 The transition from Previous GAAP to Ind AS has not had a material impact on the statement of cash flows.

10 The figures of the previous periods have been regrouped/reclassified, where necessary, to conform with the current year's classification.

47 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 Rs.49,999 lakhs as on May 03, 2017 against the issue of 21,978,021 equity shares of face value of Rs.10 each to qualified institutional buyers and the same were listed and admitted for trading on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited from May 05,2017.

48 The Board of Directors of the Company have approved the scheme of arrangement between 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 (hereinafter referred to as "the Scheme") 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. The Company is in the process of obtaining the necessary approvals. Pending such approvals, the Scheme has not been accounted for in the accompanying standalone Ind AS financial statements for the year ended March 31, 2017.

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.

50 The comparatives given in the standalone Ind AS financial statements have been compiled after making necessary Ind AS adjustments to the respective audited standalone financial statements under Previous GAAP to give a true and fair view in accordance with Ind AS.

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 22, 2017

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K. Suresh
Chief Financial Officer

P. Om Prakash
Company Secretary

Place: Bengaluru
Date: May 22, 2017

Consolidated Financial Statement

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 (collectively referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2017, 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 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 subsidiary 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 the 'Other Matter' 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, 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, 2017, 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.

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, as noted in the 'Other Matter' paragraph below, 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, 2017 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, 2017 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, as noted in the 'Other Matter' paragraph below:

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 in 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 subsidiaries companies and associate company incorporated in India;

iv. The Holding Company and its subsidiary companies incorporated in India have provided requisite disclosures in Note 40 to the consolidated Ind AS financial statements as to the holding of Specified Bank Notes ("SBN") on November 8, 2016 and December 30, 2016 as well as dealings in SBN during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on management representation of the Holding Company, except for the segregation between SBN and other denomination notes in the books of the Holding Company as more fully described in Note 40 to the consolidated Ind AS financial statements upon which we are unable to comment on in the absence of necessary details, we report that the amounts pertaining to the Holding Company disclosed in the said note is in accordance with the books of account maintained by the Holding Company and as produced to us for verification by the management of the Holding Company. Based on the reports of the other auditors who audited the financial statements of such subsidiary companies and whose reports have been furnished to us, regarding the holding and nature of cash transactions including SBN, we report that the amounts pertaining to such subsidiary companies included in the said note is in accordance with the books of account maintained by such subsidiary companies.

Other Matter

We did not audit the financial statements and other financial information, in respect of fourteen subsidiaries, whose Ind AS financial statements include total assets of ₹ 126,950 Lakhs and net assets of ₹ 45,522 Lakhs as at March 31, 2017, and total revenues of ₹ 24,686 Lakhs and net cash inflows of ₹ 104 Lakhs for the year ended on that date. These financial statements 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 of ₹ 120 Lakhs for the year ended March 31, 2017, as considered in the consolidated financial statements, in respect of one associate, 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, and our report in terms of Sub-section 3 of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements above, 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.

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 22, 2017

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 Ind AS financial statements of Brigade Enterprises Limited as of and for the year ended March 31, 2017, 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 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 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 Matter' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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

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

Opinion

In our opinion, the Holding Company, its subsidiary companies and associate company, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding Company 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 Matter

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to these twelve subsidiary companies and one associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such 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 22, 2017

Consolidated Balance Sheet as at March 31, 2017

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

	Notes	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹
ASSETS				
Non-current assets				
Property, plant and equipment	3.1	43,903	32,978	32,386
Capital work in progress	3.2	1,55,530	1,39,674	66,603
Investment property	4	97,699	91,745	84,468
Goodwill	5	430	430	430
Other intangible assets	5	1,033	605	689
Intangible assets under development	5	838	1,409	1,409
Financial Assets				
Investments	6	5,401	5,068	3,447
Loans	7	21,341	12,349	17,490
Other non-current financial assets	8	6,061	5,656	5,245
Deferred tax asset (net)	18.2	206	118	333
Assets for current tax (net)		1,648	1,962	1,561
Other non-current assets	9	21,114	24,767	16,846
		3,55,204	**3,16,761**	**2,30,907**
Current assets				
Inventories	10	2,26,391	2,30,669	2,10,396
Financial assets				
Investments	6	-	2,589	-
Loans	7	674	636	1,058
Trade receivables	11	3,737	4,294	1,496
Cash and cash equivalents	12.1	10,829	7,097	5,388
Bank balances other than Cash and cash equivalents	12.2	2,804	3,796	2,905
Other current financial assets	8	23,346	20,114	17,116
Other current assets	9	12,216	13,824	13,348
		2,79,997	**2,83,019**	**2,51,707**
Total assets		**6,35,201**	**5,99,780**	**4,82,614**
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	13	11,366	11,318	11,274
Other equity	14			
Attributable to Equity holders of the parent		1,58,125	1,42,463	1,34,489
Non-Controlling Interests		22,744	12,382	6,017
Total Equity		**1,92,235**	**1,66,163**	**1,51,780**

	Notes	March 31, 2017	March 31, 2016	April 1, 2015
		₹	₹	₹
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	15	1,58,847	1,50,036	78,878
Other non current financial liabilities	16	5,316	5,569	5,942
Long term provisions	17	73	71	53
Deferred tax liabilities (net)	18.1	6,399	6,307	5,285
Other non-current liabilities	19	5,881	5,894	6,134
		1,76,516	**1,67,877**	**96,292**
Current liabilities				
Financial liabilities				
Borrowings	15	22,858	17,656	6,093
Trade payables	20	51,612	42,396	29,840
Other current financial liabilities	16	97,453	92,591	82,759
Other current liabilities	19	93,125	1,11,191	1,15,259
Short term provisions	17	701	588	582
Liabilities for current tax (net)		701	1,318	9
		2,66,450	**2,65,740**	**2,34,542**
Total equity and liabilities		**6,35,201**	**5,99,780**	**4,82,614**
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 22, 2017

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K. Suresh
Chief Financial Officer

P. Om Prakash
Company Secretary

Place: Bengaluru
Date: May 22, 2017

Consolidated Statement of Profit and Loss for the year ended March 31, 2017

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

	Notes	March 31, 2017 ₹	March 31, 2016 ₹
INCOME			
Revenue from operations	21	2,02,414	2,03,792
Other income	22	3,424	3,275
Total Income		**2,05,838**	**2,07,067**
EXPENSES			
Sub-contractor cost		74,772	76,575
Cost of raw materials, components and stores consumed	23	16,014	20,974
Purchase of land stock		8,993	26,950
(Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress	24	466	(8,664)
Employee benefits expense	25	14,332	12,522
Depreciation and amortization expense	26	12,255	10,592
Finance costs	27	24,648	19,901
Other expenses	28	30,401	26,419
Total expenses		**1,81,881**	**1,85,269**
Profit before share in profit of associate and tax		**23,957**	**21,798**
Share in profit from associate		120	129
Profit before tax		**24,077**	**21,927**
Tax expense	18.3		
Current tax		9,267	8,348
Deferred tax charge/(credit) [including tax relating to share in profit from associate - ₹ 41 lakhs (March 31, 2016 - ₹ 44 lakhs)]		(1,910)	(329)
Total tax expense		**7,357**	**8,019**
Profit for the year		**16,720**	**13,908**
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		47	(129)
Income tax relating to above		(16)	44
Other comprehensive income ('OCI')		**31**	**(85)**
Total comprehensive income for the year (comprising profit and OCI for the year)		**16,751**	**13,823**

	Notes	March 31, 2017	March 31, 2016
		₹	₹
Profit for the year			
Attributable to :			
Equity holders of the parent		15,308	12,394
Non-Controlling interests		1,412	1,514
Other comprehensive income			
Attributable to :			
Equity holders of the parent		31	(85)
Non-Controlling interests		-	-
Total Comprehensive income for the year			
Attributable to :			
Equity holders of the parent		15,339	12,309
Non-Controlling interests		1,412	1,514
Earnings per equity share	29		
[nominal value of share ₹ 10 (March 31, 2016: : ₹ 10]			
Basic (₹)		13.50	10.90
Diluted (₹)		13.45	10.83
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 22, 2017

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K. Suresh
Chief Financial Officer

P. Om Prakash
Company Secretary

Place: Bengaluru
Date: May 22, 2017

Consolidated Statement of Changes in Equity for the year ended March 31, 2017

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

A. EQUITY SHARE CAPITAL

	No. in Lakhs	₹ in Lakhs
Issued, subscribed and fully paid-up share capital		
Equity shares of ₹ 10 each:		
As at April 1, 2015	1,128	11,274
Issued during the year pursuant to exercise of stock options	4	44
As at March 31, 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

Refer note 13 for details.

B. OTHER EQUITY

	Attributable to the equity holders of the parent									Non-controlling interests	Total
	Equity component of compound financial instruments	Reserves and surplus							Sub total		
		Capital reserve	Securities premium account	Debenture Redemption Reserve	Revaluation Reserve	Stock options outstanding account	General Reserve	Retained earnings*			
As at April 1, 2015	**4,378**	**-**	**69,756**	**236**	**-**	**83**	**9,152**	**50,884**	**1,34,489**	**6,017**	**1,40,506**
Profit for the period								12,394	12,394	1,514	13,908
Other comprehensive income*								(85)	(85)	-	(85)
Total comprehensive income for the year								**12,309**	**12,309**	**1,514**	**13,823**
Dividend (including dividend distribution tax) - (refer note 30)								(5,437)	(5,437)		(5,437)
Transfer to debenture redemption reserve from retained earnings				132				(132)	-		-
Transfer to general reserve from retained earnings							893	(893)	-		-
Adjustment pursuant to scheme of amalgamation		1			829			(25)	805	438	1,243
Compensation expense for options granted during the year						123			123		123
Transferred to securities premium on account of stock options						(84)			(84)		(84)
Issue of equity shares pursuant to exercise of stock options			258						258		258
Investment in equity of subsidiaries by non-controlling interests									-	4,403	4,403
Equity component of preference shares									-	10	10

	Attributable to the equity holders of the parent									Non-controlling interests	Total
	Equity component of compound financial instruments	Reserves and surplus							Sub total		
		Capital reserve	Securities premium account	Debenture Redemption Reserve	Revaluation Reserve	Stock options outstanding account	General Reserve	Retained earnings*			
As at March 31, 2016	**4,378**	**1**	**70,014**	**368**	**829**	**122**	**10,045**	**56,706**	**142,463**	**12,382**	**154,845**
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 exercise of stock options			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
As at March 31, 2017	**4,378**	**1**	**70,361**	**371**	**829**	**98**	**10,895**	**71,192**	**1,58,125**	**22,744**	**1,80,869**

Refer note 14 for details.

* As required under Ind AS compliant Schedule III, the Company has recognised remeasurment gains/(losses) on defined benefit plans (net of tax) of ₹ 31 lakhs [March 31, 2016: ₹ (85) 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 22, 2017

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K. Suresh
Chief Financial Officer

P. Om Prakash
Company Secretary

Place: Bengaluru
Date: May 22, 2017

Consolidated Cash Flow Statement for the year ended March 31, 2017

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

	Notes	March 31, 2017 ₹	March 31, 2016 ₹
Cash flow from operating activities			
Profit before tax		24,077	21,927
Adjustment to reconcile profit before tax to net cash flows:			
Depreciation and amortization expense		12,255	10,592
Share based payments to employees		122	123
Finance costs		24,648	19,901
Bad debts written off		64	69
Provision for doubtful debts		3	33
Loans and advances written off		57	-
Profit on sale of property, plant and equipment and investment property		-	(2)
Loss on sale of property, plant and equipment and investment property		535	-
Fair value gain on financial instruments at fair value through profit or loss		(213)	(13)
Share in profit from associate		(120)	(129)
Provisions no longer required written back		(6)	(449)
Interest income from financial assets at amortised cost		(2,673)	(2,030)
Dividend income on current investments		(71)	(118)
Operating profit before working capital changes		**58,678**	**49,904**
Movements in working capital :			
Increase/ (decrease) in trade payables		9,222	13,005
Increase/ (decrease) in other financial liabilities		1,353	3,047
Increase/ (decrease) in other liabilities		(18,079)	(4,308)
Increase / (decrease) in provisions		115	255
Decrease / (increase) in trade receivables		433	(2,900)
Decrease / (increase) in inventories		(243)	(14,665)
Decrease / (increase) in loans		(7,597)	6,483
Decrease / (increase) in other financial assets		(2,153)	(3,174)
Decrease / (increase) in other assets		5,614	(7,989)
Direct taxes (paid)/ refund, net		(7,560)	(5,789)
Net cash flow from operating activities (A)		**39,783**	**33,869**
Cash flows from investing activities			
Purchase of property, plant and equipment, investment property, intangible assets and intangible assets under development (including capital work in progress and capital advances)		(36,895)	(91,211)
Proceeds from sale of property, plant and equipment and investment property		36	368
Purchase of non-current investments		-	(1,500)
Purchase of current investments		-	(4,489)
Proceeds from sale of current investments		2,589	1,900
Investments in bank deposits (having original maturity of more than three months)		(2,200)	(2,184)
Redemption of bank deposits (having original maturity of more than three months)		1,819	1,141
Interest received		1,121	1,034
Dividends received		71	139
Net cash flow (used) in investing activities (B)		**(33,459)**	**(94,802)**

Consolidated Cash Flow Statement for the year ended March 31, 2017

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

	Notes	March 31, 2017 ₹	March 31, 2016 ₹
Cash flows from financing activities			
Proceeds from issuance of share capital (including securities premium)		255	218
Equity contribution in subsidiary companies by non-controlling interests		1	326
Drawings in subsidiary partnership firms by non-controlling interests		(5)	(3)
Proceeds from non-current borrowings		84,820	162,606
Repayment of non-current borrowings		(69,362)	(84,243)
Increase/(decrease) of current borrowings, net		(3,057)	11,994
Interest paid		(23,495)	(22,394)
Dividends paid on equity shares (including tax on dividend)		(8)	(5,431)
Net cash flow from financing activities (C)		**(10,851)**	**63,073**
Net increase/(decrease) in cash and cash equivalents (A + B + C)		(4,527)	2,140
Cash and cash equivalents at the beginning of the year		6,532	4,392
Cash and cash equivalents at the end of the year	12.1	**2,005**	**6,532**
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 22, 2017

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K. Suresh
Chief Financial Officer

P. Om Prakash
Company Secretary

Place: Bengaluru
Date: May 22, 2017

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

(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, 2017. 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 Bombay Stock Exchange 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 22, 2017.

2. Significant accounting policies

2.1 Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Group has adopted Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016. The consolidated Ind AS financial statements of the Group are prepared and presented in accordance with Ind AS.

For all periods up to and including the year ended March 31, 2016, the Group had prepared and presented its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). The consolidated Ind AS financial statements for the year ended March 31, 2017 are the first financial statements prepared and presented by the Group in accordance with Ind AS. Refer to note 46 for information on first time adoption of Ind AS from April 1, 2015 by the Group.

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.

2.2 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.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

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 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

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

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 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

Since there is no change in the functional currency, the Group has elected to continue with the carrying value for all of its property, plant and equipment as recognised in its Previous GAAP financial statements as deemed cost at the transition date, viz., 1 April 2015. Further, the carrying value includes land acquired pursuant to scheme of amalgamation approved by the High Court and such land has been stated at revalued amount and the corresponding revaluation surplus is credited to the revaluation reserve in accordance with such scheme.

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

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

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	-	5-10 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

Since there is no change in the functional currency, the Group has elected to continue with the carrying value for all of its intangible asset as recognized in its Previous GAAP financial statements as deemed cost at the transition date, viz., April 1, 2015.

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

Since there is no change in the functional currency, the Group has elected to continue with the carrying value for all of its investment property as recognized in its Previous GAAP financial statements as deemed cost at the transition date, viz., April 1, 2015.

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

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

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 assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2015, the Group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Where the Group is lessee

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

Where the Group is the lessor

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

(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.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

The Group collects taxes such as 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 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

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2017**

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

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, 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.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

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.

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.

(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.

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2017**

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

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. *Equity 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.

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:

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

- 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) Judgements

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 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.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

- 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 growth rate used for extrapolation purposes. These estimates are most relevant to disclosure of fair value of investment property recorded by the Group.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

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.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

3.1 Property, plant and equipment

₹

	Freehold Land	Leasehold Land	Building	Electrical Installation and Equipment	Furniture & Fixtures	Plant & Machinery	Office Equipment	Computer Hardware	Vehicles	Total
Cost*										
At April 1, 2015	4,226	638	20,688	752	2,695	2,746	445	52	144	32,386
Additions	4,077	-	333	66	90	164	128	291	70	5,219
Acquisitions (pursuant to amalgamation)	830	-	-	-	-	-	-	-	-	830
Disposals	1,430	-	832	66	50	15	6	39	20	2,458
At March 31, 2016	**7,703**	**638**	**20,189**	**752**	**2,735**	**2,895**	**567**	**304**	**194**	**35,977**
Additions	2,351	-	7,717	885	1,659	1,616	1,123	76	17	15,444
Disposals	-	-	15	10	-	6	-	10	3	44
At March 31, 2017	**10,054**	**638**	**27,891**	**1,627**	**4,394**	**4,505**	**1,690**	**370**	**208**	**51,377**
Depreciation										
At April 1, 2015	-	-	-	-	-	-	-	-	-	-
Acquisitions (pursuant to amalgamation)	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	13	630	50	1,054	986	219	124	51	3,127
Disposals	-	-	22	22	16	10	6	33	19	128
At March 31, 2016	**-**	**13**	**608**	**28**	**1,038**	**976**	**213**	**91**	**32**	**2,999**
Charge for the year	-	7	1,283	347	1,112	1,092	475	119	51	4,486
Disposals	-	-	5	-	-	2	-	3	1	11
At March 31, 2017	**-**	**20**	**1,886**	**375**	**2,150**	**2,066**	**688**	**207**	**82**	**7,474**
Net book value										
As at April 1, 2015	**4,226**	**638**	**20,688**	**752**	**2,695**	**2,746**	**445**	**52**	**144**	**32,386**
As at March 31, 2016	**7,703**	**625**	**19,581**	**724**	**1,697**	**1,919**	**354**	**213**	**162**	**32,978**
As at March 31, 2017	**10,054**	**618**	**26,005**	**1,252**	**2,244**	**2,439**	**1,002**	**163**	**126**	**43,903**

* For property, plant and equipment existing as on the date of transition to Ind AS, i.e., April 1, 2015, the Group has used Previous GAAP carrying value as deemed costs.

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 9-14%, which is the effective interest rate of the specific 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 property, plant and equipment pledged as security for borrowings.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

3.2 Capital work in progress ('CWIP')

₹

	Investment property under construction	Others	Total
As at April 1, 2015	52,298	14,305	66,603
-Additions (subsequent expenditure)	77,461	14,895	92,356
-Capitalised during the year	(13,677)	-	(13,677)
-Transferred to inventory during the year	(5,608)	-	(5,608)
As at March 31, 2016	**1,10,474**	**29,200**	**1,39,674**
-Additions (subsequent expenditure)	25,753	14,297	40,050
-Transferred from inventory during the year	-	4,945	4,945
-Capitalised during the year	(13,827)	(14,888)	(28,715)
-Transferred to inventory during the year	-	(424)	(424)
As at March 31, 2017	**1,22,400**	**33,130**	**1,55,530**

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 Company 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

CWIP includes land of ₹ 18,218 lakhs situated at Sy. No. 103-104, D68 Kundallahalli village, K.R. Puram Hobli, Bangalore East standing in the name of a subsidiary company, has been given as the primary security for the short term loan taken from bank by such subsidiary company.

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 9-14%, which is the effective interest rate of the specific borrowing.

4 INVESTMENT PROPERTY

₹

	Freehold Land	Leasehold Land	Building	Other assets forming part of Building				Total
				Electrical Installation and Equipment	Furniture & Fixtures	Plant & Machinery	Office Equipment	
Cost*								
At April 1, 2015	**6,403**	**-**	**63,692**	**7,357**	**1,984**	**4,653**	**379**	**84,468**
Additions	-	2,810	9,090	1,043	279	1,177	89	14,488
Disposals	-	-	-	-	-	-	-	-
At March 31, 2016	**6,403**	**2,810**	**72,782**	**8,400**	**2,263**	**5,830**	**468**	**98,956**
Additions	5,061	-	5,965	1,359	72	1529	-	13,986
Disposals	-	-	255	-	175	289	85	804
At March 31, 2017	**11,464**	**2,810**	**78,492**	**9,759**	**2,160**	**7,070**	**383**	**1,12,138**
Depreciation								
At April 1, 2015	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Charge for the year	-	8	3,887	1,738	717	627	234	7,211
Disposals	-	-	-	-	-	-	-	-
At March 31, 2016	**-**	**8**	**3,887**	**1,738**	**717**	**627**	**234**	**7,211**
Charge for the year	-	35	4,293	1,839	406	823	98	7,494
Disposals	-	-	89	-	47	101	29	266
At March 31, 2017	**-**	**43**	**8,091**	**3,577**	**1,076**	**1,349**	**303**	**14,439**
Net book value								
As at April 1, 2015	**6,403**	**-**	**63,692**	**7,357**	**1,984**	**4,653**	**379**	**84,468**
As at March 31, 2016	**6,403**	**2,802**	**68,895**	**6,662**	**1,546**	**5,203**	**234**	**91,745**
As at March 31, 2017	**11,464**	**2,767**	**70,401**	**6,182**	**1,084**	**5,721**	**80**	**97,699**

* For investment property existing as on the date of transition to Ind AS, i.e., April 1, 2015, the Group has used Previous GAAP carrying value as deemed costs.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

₹

Information regarding income and expenditure of Investment property	March 31, 2017	March 31, 2016
Income derived from investment properties	25,493	20,658
Direct operating expenses (including repairs and maintenance) generating rental income	(8,144)	(6,032)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(268)	(329)
Profit arising from investment properties before depreciation and indirect expenses	**17,081**	**14,297**
Less:- Depreciation	(7,491)	(6,855)
Profit arising from investment properties before indirect expenses	**9,590**	**7,442**

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.

As at March 31, 2017, March 31, 2016 and April 01, 2015, the fair values of the properties are₹ 231,627 lakhs, ₹ 178,177 lakhs and ₹ 164,350 lakhs respectively.

These valuations are based on valuations performed by an accredited independent valuer.

The Group 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 April 1, 2015	74,776	89,574	164,350
As at March 31, 2016	94,795	96,682	191,477
As at March 31, 2017	104,717	126,910	231,627

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, 2017	March 31, 2016	April 1, 2015
Office properties	DCF method	- Estimated rental value per sq. ft. per month	₹50-₹250	₹62-₹250	₹54-₹218
		- Rent growth p.a.	5%	5%	5%
		- Discount rate	8%	8%	8%
Retail properties	DCF method	- Estimated rental value per sq. ft. per month	₹34-₹90	₹86	₹82
		- Rent growth p.a.	5%	5%	5%
		- Discount rate	8%	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.

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2017**

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

5 INTANGIBLE ASSETS

₹

	Goodwill	Other Intangible Assets			Intangible assets under development
		Computer Software	License Fees	Total	
Cost*					
At April 1, 2015	**430**	**323**	**366**	**689**	**1,409**
Additions	-	231	-	231	-
Disposals	-	83	-	83	-
At March 31, 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**
Amortisation					
At April 1, 2015	**-**	**-**	**-**	**-**	**-**
Charge for the year	-	254	-	254	-
Disposals	-	22	-	22	-
At March 31, 2016	**-**	**232**	**-**	**232**	**-**
Charge for the year	-	238	37	275	-
Disposals	-	-	-	-	-
At March 31, 2017	**-**	**470**	**37**	**507**	**-**
Net book value					
As at April 1, 2015	**430**	**323**	**366**	**689**	**1,409**
As at March 31, 2016	**430**	**239**	**366**	**605**	**1,409**
As at March 31, 2017	**430**	**704**	**329**	**1,033**	**838**

* For intangible assets existing as on the date of transition to Ind AS, i.e., April 1, 2015, the Group has used Previous GAAP carrying value as deemed costs.

6 INVESTMENTS

	Current			Non-Current		
	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹
A. Investments carried at cost, unquoted						
Investment in equity shares (fully paid up)						
14.80 lakhs (March 31, 2016: 11.10 lakhs, April 1, 2015: 3.70 lakhs) Equity shares of ₹ 10/- each fully paid up in Tandem Allied Services Pvt. Ltd. (associate company) Note: Number of bonus shares issued during the year - 3.70 lakhs (March 31, 2016 - 7.40 lakhs)	-	-	-	7	7	7
Add:-Share in profit of associate [net of dividend income of ₹ Nil (March 31, 2016: ₹ 21 lakhs, April 1, 2015: ₹ Nil)]	-	-	-	800	680	572

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

	Current			Non-Current		
	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹
Total Investments carried at cost	**-**	**-**	**-**	**807**	**687**	**579**
B. Investments at Fair Value through profit or loss						
Investment in mutual funds (quoted)						
Nil (March 31, 2016 : 7,907,863.980, April 1, 2015 : Nil) units of ₹17.096 in Reliance medium Term Fund-Daily Direct Dividend Plan	-	1,352	-	-	-	-
Nil (March 31, 2016 : 420,145.318, April 1, 2015 : Nil) units of ₹100.297 in BSL Saving Fund -Daily Dividend Direct Plan- Re-investment	-	421	-	-	-	-
Nil (March 31, 2016: 385,877.548, April 1, 2015 : Nil) units of ₹105.736 in ICICI Flexible Income Plan	-	408	-	-	-	-
Nil (March 31, 2016 : 34,390.905, April 1, 2015 : Nil) units of ₹1,186.937 in Religare Invesco Medium Term Bond Fund	-	408	-	-	-	-
Investment in Bonds (quoted)						
35,000 units (March 31, 2016: 35,000 units, April 1, 2015: 35,000 units) of ₹1,000/- each fully paid up in Indian Renewable Energy Development Ltd.	-	-	-	576	363	350
Investment in equity instruments of Other Companies (unquoted)						
1.56 lakhs (March 31, 2016: 1.56 lakhs, April 1, 2015: 1.56 lakhs) Equity shares of ₹10/- each full paid up in Mangalore Energies Pvt. Ltd.	-	-	-	16	16	16
0.05 lakhs (March 31, 2016: 0.05 lakhs, April 1, 2015: 0.05 lakhs) Equity shares of ₹10/- each fully paid up in Diagnostic Research Pvt. Ltd.	-	-	-	-	-	-
2.39 lakhs (March 31, 2016: 2.39 lakhs, April 1, 2015: 2.39 lakhs) Equity shares of ₹10/- each fully paid up in AEC Promag Pvt. Ltd.	-	-	-	-	-	-
Total Investments carried at FVTPL	**-**	**2,589**	**-**	**592**	**379**	**366**
C. Investments at Amortised Cost						
Investment in Bonds (unquoted)						
400 units (March 31, 2016: 400 units, April 1, 2015: 250 units) of ₹1,000,000/- each fully paid up in Lakshmi Vilas Bank Ltd	-	-	-	4,000	4,000	2,500
Investment in Government or trust securities (unquoted)						
Government securities	-	-	-	2	2	2
Total Investments at amortised cost	**-**	**-**	**-**	**4,002**	**4,002**	**2,502**
Total Investments	**-**	**2,589**	**-**	**5,401**	**5,068**	**3,447**
Notes:						
a) Aggregate amount of quoted investments actively traded and market value thereof	-	2,589	-	576	363	350
b) Aggregate amount of other investments	-	-	-	4,825	4,705	3,097
c) Aggregate amount of impairment in value of investments	-	-	-	-	-	-

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

7 LOANS

	Non-Current			Current		
	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹
(Unsecured, considered good)						
Security deposits	173	289	203	543	505	517
Loans to related parties	-	180	2,953	43	17	103
Loans to employees	-	-	-	8	34	358
Deposits under joint development arrangements*	21,168	11,880	14,334	80	80	80
	21,341	**12,349**	**17,490**	**674**	**636**	**1,058**

* 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.

8 OTHER FINANCIAL ASSETS

	Non-Current			Current		
	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹
(Unsecured, considered good)						
Receivable on sale of fixed assets	1,654	2,551	2,307	-	-	-
Margin money deposits with banks	4,407	3,042	2,884	-	-	-
Interest accrued and not due on deposits	-	-	-	265	146	69
Unbilled revenue	-	-	-	23,049	19,923	16,969
Others	-	63	54	32	45	78
	6,061	**5,656**	**5,245**	**23,346**	**20,114**	**17,116**

9 OTHER ASSETS

	Non-Current			Current		
	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹
(Unsecured, considered good)						
Land Advance*	14,097	18,918	12,542	-	-	-
Advance to suppliers	47	7	6	5,230	6,171	8,363
Balances with statutory / government authorities	4,923	4,020	2,834	4,073	5,961	4,004
Prepaid expenses	299	-	360	781	702	719
Capital advances	1,062	709	301	-	-	-
Advances recoverable in cash or kind	21	425	144	1,932	854	25
Others	665	688	659	200	136	237
	21,114	**24,767**	**16,846**	**12,216**	**13,824**	**13,348**

* 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

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

encumbrances, including for certain properties under litigation.

10 INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹
Raw materials, components and stores	9,573	8,864	8,839
Work-in-progress	1,88,999	2,08,043	1,81,807
Land stock	13,967	10,581	15,262
Stock of flats	13,852	3,181	4,488
	2,26,391	**2,30,669**	**2,10,396**

11 TRADE RECEIVABLES

	Non-Current			Current		
	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹
Trade receivables						
- Unsecured, considered good	-	-	-	3,630	4,294	1,493
- Unsecured, considered doubtful	-	-	1	47	42	24
Receivable from related parties (refer note 33)						
- Unsecured, considered good	-	-	-	107	-	3
	-	**-**	**1**	**3,784**	**4,336**	**1,520**
Less: Provision for doubtful trade receivables	-	-	(1)	(47)	(42)	(24)
	-	**-**	**-**	**3,737**	**4,294**	**1,496**

12.1 Cash and cash equivalents

	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹
Balances with banks:			
- On current accounts	10,539	6,812	4,966
- Deposits with original maturity of less than 3 months	6	10	293
Cheques/ drafts on hand	-	3	32
Cash on hand	284	272	97
	10,829	**7,097**	**5,388**
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:			
Balances with banks:			
- On current accounts	10,539	6,812	4,966
- Deposits with original maturity of less than 3 months	6	10	293
Cheques/ drafts on hand	-	3	32
Cash on hand	284	272	97
Cash and cash equivalents reported in Balance Sheet	**10,829**	**7,097**	**5,388**
Less: Bank borrowings repayable on demand (note 15)	(8,824)	(565)	(996)

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

Cash and cash equivalents reported in Cash Flow Statement	**2,005**	**6,532**	**4,392**

12.2 Bank balances other than Cash and cash equivalents

	Non-Current			Current		
	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹
Balances with banks:						
– Deposits with maturity between 3 to 12 months	-	-	-	1,989	3,502	2,759
– Deposits with original maturity of more than 12 months	4,407	3,042	2,884	804	275	133
– On unpaid dividend account*	-	-	-	11	19	13
	4,407	**3,042**	**2,884**	**2,804**	**3,796**	**2,905**
Amount disclosed under non-current financial assets (note 8)	(4,407)	(3,042)	(2,884)	-	-	-
	-	**-**	**-**	**2,804**	**3,796**	**2,905**

*The Group can utilize the balance only towards settlement of the respective unpaid dividend.

BREAK UP OF FINANCIAL ASSETS CARRIED AT AMORTISED COST

	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹
Investments (note 6)	4,002	4,002	2,502
Loans (current) (note 7)	674	636	1,058
Loans (non-current) (note 7)	21,341	12,349	17,490
Trade receivables (note 11)	3,737	4,294	1,496
Cash and cash equivalents (note 12.1)	10,829	7,097	5,388
Bank balances other than Cash and cash equivalents (note 12.2)	2,804	3,796	2,905
Other financial assets (current) (note 8)	23,346	20,114	17,116
Other financial assets (non-current) (note 8)	6,061	5,656	5,245
	72,794	**57,944**	**53,200**

13 SHARE CAPITAL

	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹
Authorised share capital (No.)			
1,500 lakhs (March 31, 2016: 1,500 lakhs, April 1, 2015: 1,500 lakhs) Equity shares of ₹ 10 each	15,000	15,000	15,000
Issued, subscribed and fully paid-up shares (No.)			
1,136 lakhs (March 31, 2016: 1,132 lakhs, April 01, 2015: 1,128 lakhs) Equity shares of ₹ 10 each	11,366	11,318	11,274
Total issued, subscribed and fully paid-up shares	**11,366**	**11,318**	**11,274**

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

Equity shares	March 31, 2017		March 31, 2016		April 1, 2015	
	No. in lakhs	₹	No. in lakhs	₹	No. in lakhs	₹
At the beginning of the year	1,132	11,318	1,128	11,274	1,123	11,225
Issued during the year pursuant to the exercise of stock options	4	48	4	44	5	49
Balance at the end of the year	**1,136**	**11,366**	**1,132**	**11,318**	**1,128**	**11,274**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

(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 directors 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, 2017		March 31, 2016		April 1, 2015	
	No. in lakhs	% holding	No. in lakhs	% holding	No. in lakhs	% holding
Equity shares of ₹ 10 each fully paid						
M.R. Jaishankar	230	20%	230	20%	230	20%
Githa Shankar	187	17%	187	17%	187	17%
Nirupa Shankar	93	8%	93	8%	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 13 Lakhs shares (March 31, 2016: 9 lakhs shares, April 1, 2015: 5 lakh shares) during the period of 5 years immediately preceding the reporting date on exercise of options granted under ESOP wherein part consideration was received in the form of employee services.

For details of shares reserved for issue under the Employee Stock Option plan of the Company, refer note 35.

14 OTHER EQUITY

	March 31, 2017 ₹	March 31, 2016 ₹
Capital Reserve		
Balance at the beginning of the year	1	-
Add: Addition pursuant to scheme of amalgamation	-	1
	1	**1**
Securities premium account		
Balance at the beginning of the year	70,014	69,756
Add: Received during the year on issue of equity shares	347	258
Balance at the end of the year	**70,361**	**70,014**
Debenture Redemption Reserve		
Balance at the beginning of the year	368	236
Add: Amount transferred from surplus balance in the statement of profit and loss	224	132
Less: Transfer to general reserve on redemption of debentures	(221)	-
Balance at the end of the year	**371**	**368**
Revaluation Reserve		
Balance at the beginning of the year	829	-
Add: Addition pursuant to scheme of amalgamation	-	829
Balance at the end of the year	**829**	**829**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

	March 31, 2017 ₹	March 31, 2016 ₹
Share based payments		
Balance at the beginning of the year	122	83
Add: Compensation expense for options granted during the year	122	123
Less: Transferred to securities premium on exercise of stock options	(146)	(84)
Balance at the end of the year	**98**	**122**
Equity component of compound financial instruments - interest free loans		
Balance at the beginning of the year	4,378	4,378
Add: Addition during the year	-	-
Balance at the end of the year	**4,378**	**4,378**
General reserve		
Balance at the beginning of the year	10,045	9,152
Transfer from retained earnings	629	893
Transfer from debenture redemption reserve	221	-
Balance at the end of the year	**10,895**	**10,045**
Retained earnings		
Balance at the beginning of the year	56,706	50,884
Total comprehensive income for the year	15,339	12,309
Dividend (including dividend distribution tax) - (refer note 30)	-	(5,437)
Adjustment pursuant to scheme of amalgamation	-	(25)
Transfer to general reserve	(629)	(893)
Transfer to debenture redemption reserve	(224)	(132)
Balance at the end of the year	**71,192**	**56,706**
	158,125	**142,463**

15 BORROWINGS

	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹
Non-current Borrowings			
Debentures (unsecured)			
Nil (March 31, 2016: 17,95,295 April 1, 2015 : 2,355,430) 16% A series Fully Convertible Debentures (FCD) of ₹ 100 each	-	1,795	2,355
Nil (Mar 31, 2016: 11,59,677 April 1, 2015: 45,18,082) 16% B series Fully Convertible Debentures (FCD) of ₹ 100 each	-	1,160	4,518
490 (March 31, 2016: 490, April 1, 2015: 490) 16% A series Non Con-vertible Debentures (NCD) of ₹ 10,00,000 each	4,900	4,900	4,900
2,37,55,200 (March 31, 2016 : 2,96,94,000: April 1, 2015: Nil) 12% A series Fully Convertible Debentures (FCD) of ₹ 100 each	23,755	29,694	-
5,00,000 (March 31, 2016: Nil; April 1 , 2015: Nil) 12% A11 series Fully Convertible Debentures (FCD) of ₹ 100 each	500	-	-

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

	March 31, 2017 ₹	March 31, 2016 ₹	April 1, 2015 ₹
Liability component of Compound Financial instruments (unsecured)			
Compulsorily Convertible Preference shares(CCPS)	9	9	-
Loans from related parties (unsecured)			
Loans from related parties	9,367	8,366	4,695
Term Loans from banks (secured)			
Term loans from banks	196,242	182,290	133,383
	234,773	**228,214**	**149,851**
Less: Current maturities - Term loans from banks*	(75,926)	(78,178)	(70,973)
Total Non-current Borrowings	**158,847**	**150,036**	**78,878**
Current Borrowings			
Loans from banks repayable on demand			
Cash credit facilities from banks (secured)	3,760	312	996
Working capital facilities from banks (secured)	5,064	-	-
Cash credit facilities from banks (unsecured)	-	253	-
Other loans from banks			
Cash credit facilities from banks (secured)	7,434	17,091	5,097
Short term loan from bank (secured)	6,600	-	-
Total Current Borrowings	**22,858**	**17,656**	**6,093**

Notes:

Debentures

> A series fully convertible debentures have been issued at par carrying an interest rate of 16% per annum. These are mandatorily convertible into Class B equity shares at the expiry of 20 years from the date of its issue i.e. June 29, 2012, however the subsidiary company may at any time prior to the expiry of 20 years convert the A series fully convertible debentures into Class B equity shares. 1 (one) A Series fully convertible debenture would be converted to 10 (Ten) Class B equity shares. The conversion of the A series fully convertible debentures shall be solely in accordance with the provisions of the Investment Agreements and the Articles. The subsidiary company has offered to convert and/or redeem the instrument on March 31, 2019. However, the parties to the agreement have agreed to convert the A series fully convertible debentures during the year.

> B series fully convertible debentures have been issued at par carrying an interest rate of 16% per annum. These are mandatorily convertible into Class B equity shares at the expiry of 20 years from the date of its issue, however the subsidiary company may at any time prior to the expiry of 20 years convert the B series fully convertible debentures into Class B equity shares. 10 (Ten) B Series fully convertible debentures would be converted to 1 (one) Class B equity share. The conversion of the B series fully convertible debentures shall be solely in accordance with the provisions of the Investment Agreements and the Articles. The subsidiary company has offered to convert and/or redeem the instrument on March 31, 2019. However, the parties to the agreement have agreed to convert the B series fully convertible debentures during the year.

> 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.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

> A11 series fully convertible debentures have been issued at par carrying an interest rate of 12% per annum. These are mandatorily convertible 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.

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.

Term Loans

> Term loan from banks of ₹ 80,930 lakhs (March 31, 2016: ₹ 69,640 lakhs, April 1, 2015: ₹ 57,465 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 11-12% and are repayable within 60-120 instalments of upto ₹ 1,500 lakhs. Certain loans are further guaranteed by holding company's directors - ₹ 38,806 lakhs (March 31, 2016: ₹ 923 lakhs, April 1, 2015: ₹ 28,153 lakhs) and a subsidiary company ₹ Nil (March 31, 2016: ₹ Nil, April 1, 2015: ₹ 8,373 lakhs).

> Term loan from banks of ₹ 115,312 lakhs (March 31, 2016: ₹ 112,650 lakhs, April 01, 2015: 75,918 lakhs) by way of mortgage of project properties. The loans carry interest rate in the range of 9-14% and are repayable within 12-60 instalments of upto ₹ 2,000 lakhs. Certain loans are further guaranteed by holding company's directors ₹ Nil (March 31, 2016: ₹ 18,701 lakhs, April 1, 2015: ₹ 38,881 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 11%-14% and are repayable on demand.

> Cash credit facilities from banks (unsecured) are repayable on demand and carry interest rate in the range of 12-14%.

> Working capital loan from banks are secured by way of mortgage of project properties. The loans carry interest rate in the range of 11-14%.

Other loans from banks

> Cash credit facilities from banks (secured) are secured by way of charge on project specific assets of a subsidiary company. The facilities carry interest in the range of 10%-12% and are repayable in 8 quarterly instalments ranging upto ₹ 3,000 lakhs.

> Short term loan 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.

* Represent amounts repayable within the operating cycle. Amount repayable within twelve months is ₹49,997 lakhs (March 31, 2016: ₹ 52,170 lakhs; April 1, 2015: ₹ 30,056 Lakhs).

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

16 OTHER FINANCIAL LIABILITIES

	Non-Current			Current		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Lease deposits	3,070	5,405	3,554	6,516	5,392	4,700
Interest accrued but not due	1,212	164	2,388	3,231	190	4
Current maturities of non-current borrowings (note 15)	-	-	-	75,926	78,178	70,973
Payable towards purchase of fixed assets	-	-	-	-	29	41
Employee benefits payable	-	-	-	3,051	2,463	2,042
Interest free deposits from customers	1,034	-	-	8,729	6,339	4,999
	5,316	**5,569**	**5,942**	**97,453**	**92,591**	**82,759**

BREAK UP OF FINANCIAL LIABILITIES CARRIED AT AMORTISED COST

	March 31, 2017	March 31, 2016	April 1, 2015
Borrowings (non-current) (note 15)	158,847	150,036	78,878
Borrowings (current) (note 15)	22,858	17,656	6,093
Trade payable (note 20)	51,612	42,396	29,840
Other financial liabilities (current) (note 16)	97,453	92,591	82,759
Other financial liabilities (non-current) (note 16)	5,316	5,569	5,942
	336,086	**308,248**	**203,512**

17 PROVISIONS

	Long-term			Short-term		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Provision for employee benefits						
Provision for gratuity (refer note 34)	73	71	53	200	177	69
Provision for leave benefits	-	-	-	501	411	282
	73	**71**	**53**	**701**	**588**	**351**
Other provisions						
Provision for contract losses*	-	-	-	-	-	231
	-	-	-	-	-	231
	73	**71**	**53**	**701**	**588**	**582**

* The provision has been fully reversed during the year ended March 31, 2016

18 INCOME TAX

18.1 DEFERRED TAX LIABILITIES, NET

₹

	March 31, 2017	March 31, 2016	April 1, 2015
Deferred tax liabilities			
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	4,255	4,131	4,031
Impact of accounting for financial instruments at amortized cost	2,476	5,049	5,511
Others	230	238	228
Gross deferred tax liabilities	**6,961**	**9,418**	**9,770**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

	March 31, 2017	March 31, 2016	April 1, 2015
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	562	754	603
Unused tax credit - MAT Credit entitlement	-	2,357	3,882
Gross deferred tax assets	**562**	**3,111**	**4,485**
Net deferred tax liabilities	**6,399**	**6,307**	**5,285**

18.2 DEFERRED TAX ASSETS, NET

₹

	March 31, 2017	March 31, 2016	April 1, 2015
Deferred tax liabilities			
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	-	8	87
Others	-	13	11
Gross deferred tax liabilities	**-**	**21**	**98**
Deferred tax assets			
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	6	6	-
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years	8	30	22
Unused tax losses	192	103	409
Gross deferred tax assets	**206**	**139**	**431**
Net deferred tax assets	**206**	**118**	**333**

18.3 TAX EXPENSE

₹

	March 31, 2017	March 31, 2016
Components of income tax expense		
Statement of profit and loss:		
Current income tax:		
Current income tax charge	9,267	8,348
Deferred tax:		
Relating to origination and reversal of temporary differences [including tax relating to share in profit from associate - ₹41 lakhs (March 31, 2016 - ₹44 lakhs)]	(1,910)	(329)
Income tax expense reported in the statement of profit or loss	**7,357**	**8,019**
Other comprehensive income		
Deferred tax related to items recognised in OCI during in the year:		
Net loss/(gain) on remeasurements of defined benefit plans	(16)	44
Income tax expense reported in Other comprehensive income	**(16)**	**44**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

Notes:

1. **Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:** ₹

	March 31, 2017	March 31, 2016
Accounting profit before income tax	24,077	21,927
Tax on accounting profit at statutory income tax rate 34.61% (March 31, 2016: 34.61%]	8,333	7,589
Non-deductible expenses for tax purposes:		
Donation	182	8
CSR Expenditure	166	62
Non taxable income for tax purposes:		
Dividend income	(25)	(41)
Sec 80IB benefit availed	(860)	-
Tax effect of other non-deductible expenses/(non-taxable income), net	(439)	400
Tax expense reported in the Statement of profit or loss	**7,357**	**8,019**

2. **Reconciliation of deferred tax liabilities (net of deferred tax assets):** ₹

	March 31, 2017	March 31, 2016
Balance at the beginning of the year	6,189	4,952
Deferred tax charge/(credit) for the year recognised in statement of profit and loss	(1,910)	(329)
Deferred tax charge/(credit) for the year recognised in other comprehensive income	(16)	44
Utilisation of MAT Credit entitlement	2,357	1,525
Reversal of tax on conversion of debentures into equity shares	(397)	-
Others	(30)	(3)
Balance at the end of the year	**6,193**	**6,189**

19 OTHER LIABILITIES ₹

	Non-Current			Current		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Income received in advance	5,235	5,254	5,508	848	472	550
Lease equalisation reserve	646	640	626	-	3	8
Advance from customers	-	-	-	76,315	73,915	67,168
Liability under joint development arrangement*	-	-	-	12,681	35,391	45,829
Statutory dues payable	-	-	-	3,270	1,391	1,691
Payable to Investor education and protection fund when due - Unclaimed dividend **	-	-	-	11	19	13
	5,881	**5,894**	**6,134**	**93,125**	**111,191**	**115,259**

*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.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

20 TRADE PAYABLES

₹

	March 31, 2017	March 31, 2016	April 1, 2015
Trade payable			
- Total outstanding dues of micro enterprises and small enterprises (refer note 31 for details of dues to micro and small enterprises)	1,508	2,160	1,680
- Total outstanding dues of creditors other than micro enterprises and small enterprises	50,068	40,153	28,144
Payable to related parties (refer note 33)*	36	83	16
	51,612	**42,396**	**29,840**

* Represents dues of creditors other than micro enterprises and small enterprises

21 REVENUE FROM OPERATIONS

₹

	March 31, 2017	March 31, 2016
Income from property development	156,877	164,948
Income from leasing	19,242	16,416
Income from hospitality services	17,589	15,829
(A)	**193,708**	**197,193**
Other operating revenue		
Management fees	665	433
Revenue from maintenance services	3,999	3,026
Revenue from parking services	979	834
Commission income	423	231
Others	2,640	2,075
(B)	**8,706**	**6,599**
(A)+(B)	**202,414**	**203,792**

22 OTHER INCOME

₹

	March 31, 2017	March 31, 2016
Interest income from financial assets at amortised cost :		
Bank deposits	532	606
Others (including unwinding of discount on financial assets)	2,141	1,424
Dividend income on current investments	71	118
Profit on sale of fixed assets	-	2
Provision no longer required, written back	6	449
Fair value gain on financial instruments at fair value through profit or loss	213	13
Other non-operating income	461	663
	3,424	**3,275**

23 COST OF RAW MATERIALS, COMPONENTS AND STORES CONSUMED

₹

	March 31, 2017	March 31, 2016
Inventory at the beginning of the year	8,864	8,839
Add: Purchases during the year	16,723	20,999
	25,587	**29,838**
Less: Inventory at the end of the year	(9,573)	(8,864)
Cost of raw materials, components and stores consumed	**16,014**	**20,974**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

(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, 2017	March 31, 2016
Inventories at the end of the year		
Work-in-progress - Real estate	188,999	208,043
Land stock	13,967	10,581
Stock of flats	13,852	3,181
	216,818	**221,805**
Inventories at the beginning of the year		
Work-in-progress - Real estate	208,043	181,807
Land stock	10,581	15,262
Stock of flats	3,181	4,488
	221,805	**201,557**
Add: Land stock acquired pursuant to scheme of amalgamation	-	5,976
Add: Cost of project transferred from Capital Work in Progress to Work in progress	424	5,608
Less: Cost of project transferred from Work in Progress to Capital Work in progress	(4,945)	-
	466	**(8,664)**

25 EMPLOYEE BENEFIT EXPENSE

₹

	March 31, 2017	March 31, 2016
Salaries and wages	12,935	11,475
Contribution to provident and other funds	557	416
Share based payments to employees (refer note 35)	122	123
Staff welfare expenses	718	508
	14,332	**12,522**

26 DEPRECIATION AND AMORTIZATION EXPENSE

₹

	March 31, 2017	March 31, 2016
Depreciation of property, plant and equipment (note 3.1)	4,486	3,127
Depreciation on investment properties (note 4)	7,494	7,211
Amortization of intangible assets (note 5)	275	254
	12,255	**10,592**

27 FINANCE COSTS

₹

	March 31, 2017	March 31, 2016
Interest charges*		
On bank borrowings	22,030	17,541
On debentures	4,869	1,954
On loans from related parties	1,004	899
On lease deposit	444	358
On shortfall in payment of advance income tax	11	67
Other borrowing costs	674	794
	29,032	**21,613**
Less: Interest capitalised to capital work-in-progress	(4,384)	(1,712)
Total	**24,648**	**19,901**

* Gross of interest amounting to ₹ 10,206 lakhs (March 31, 2016: ₹ 11,360 lakhs) inventorised to qualifying work in progress.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

28 OTHER EXPENSES

₹

	March 31, 2017	March 31, 2016
Legal and professional fees	2,081	1,926
Payments to auditors	107	93
Architect & Consultancy Fees	1,733	1,982
Property Tax	1,333	884
Power and fuel	2,618	2,312
Rent	280	276
Repairs & Maintenance:		
Building	1,188	1,336
Plant & Machinery	549	756
Others	683	575
Insurance	455	395
Rates and taxes	750	364
License fees and plan approval charges	2,399	2,057
Brokerage and discounts	1,798	1,578
Advertisement and sales promotion	6,301	6,772
Travelling and conveyance	1,029	954
Training and recruitment expenses	72	104
Communication costs	301	243
Loans and advances written off	57	-
Property maintenance cost	362	410
Bad debts written off	64	69
Provision for doubtful debts	3	33
Printing and stationery	191	172
Security charges	1,567	1,157
Donation	525	24
CSR expenditure (refer note below)	480	180
Directors' sitting fees and commission	90	63
Exchange difference (net)	-	51
Loss on sale of fixed assets	535	-
Miscellaneous expenses	2,850	1,653
	30,401	**26,419**

Note : The gross amount to be spent by the Holding Company on Corporate Social Responsibility (CSR) is given below :

Details of CSR expenditure:

₹

	March 31, 2017	March 31, 2016
(a) Gross amount required to be spent during the year	311	175
(b) Amount spent		
Construction/acquisition of any asset	-	-
On purposes other than above	480	180
Total	**480**	**180**
(b) Balance amount unspent		
Construction/acquisition of any asset	-	-
On purposes other than above	-	-
Total	**-**	**-**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

(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, 2017	March 31, 2016
Profit after tax	15,308	12,394
Weighted average number of equity shares for basic EPS (No. in lakhs)	1,134	1,129
Effect of dilution: Stock options granted under ESOP (No. in lakhs)	5	8
Weighted average number of equity shares adjusted for the effect of dilution (No. in lakhs)	**1,139**	**1,137**

30 DISTRIBUTION MADE AND PROPOSED

₹

	March 31, 2017	March 31, 2016
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2016: ₹ Nil per share (Year ended March 31, 2015 - ₹ 2 per share)	-	2,255
Tax on final dividend	-	451
Interim dividend for the year ended on March 31, 2017: ₹ Nil per share (March 31, 2016: ₹ 2 per share)	-	2,263
Tax on interim dividend	-	468
	-	**5,437**
Proposed dividends on equity shares*:		
Final cash dividend for the year ended on March 31, 2017: ₹ 2.50 per share (March 31, 2016: ₹ Nil)	2,842	-
Tax on proposed dividend	578	-
	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 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

₹

	March 31, 2017	March 31, 2016	April 1, 2015
The principal amount remaining unpaid to any supplier	1,508	2,160	1,680
The amount of interest due and remaining unpaid to any supplier	-	-	-
The amount of interest paid by the Group along with the amount of the payments made to the supplier beyond the appointed day.	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year).	-	-	-
The amount of interest accrued and remaining unpaid at the end of the year.	-	-	-
The amount of further interest remaining due and payable for the earlier years.	-	-	-
	1,508	**2,160**	**1,680**

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

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

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.

₹

	March 31, 2017	March 31, 2016
Lease payments recognised as an expense in the statement of profit and loss	**280**	**276**

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

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Within one year	173	167	162
After one year but not more than five years	378	459	545
More than five years	2,377	2,468	2,550
	2,928	**3,094**	**3,257**

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.

	March 31, 2017	March 31, 2016
Lease rentals recognised as an income in the statement of profit and loss*	19,242	16,416

*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 ₹ 578 lakhs (March 31, 2016: ₹ 1,958 lakhs).

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

	March 31, 2017	March 31, 2016	April 1, 2015
Within one year	6,591	6,679	7,745
After one year but not more than five years	10,697	8,863	9,705
More than five years	508	1,081	2,354
	17,796	**16,623**	**19,804**

b. Other Commitments

(i) At March 31, 2017, the estimated amount of contract (net of capital advance) remaining to be executed on capital account not provided for was ₹ 27,455 lakhs (March 31, 2016: ₹ 10,312 lakhs, April 1, 2015: ₹ 29,068 lakhs)

(ii) At March 31, 2017, the Group has given ₹ 35,345 lakhs (March 31, 2016: ₹ 30,878 lakhs, April 1, 2015: ₹ 26,956 lakhs) as advances/deposits for purchase of land/joint development. Under the agreements executed with the land owners, the Group 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, 2017

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

c. **Contingent liabilities**

₹

	March 31, 2017	March 31, 2016	April 1, 2015
Claims against the Group not acknowledged as debts			
- Income tax	1,994	1,809	1,310
- Sales tax / Value added tax/ Entry tax	3,384	3,079	983
- Service tax	3,160	2,881	2,881
Letter of credit and bank guarantees	3,727	7,513	4,677
	12,265	**15,282**	**9,851**

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:

		Abbreviations
Associates	Tandem Allied Services Private Limited	"TASPL"
Jointly controlled entities	BCV Developers Private Limited (upto January 20, 2015)	"BDPL"
	BCV Estates Private Limited (upto May 25, 2015)	"BEPL"
	CV Properties (Bangalore) Private Limited (upto May 25, 2015)	"CPPL"
Enterprises having significant influence over the Group	Reco Begonia Pte. Ltd.	"RBPL"
	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 Varma, Executive Director	
	Mr. Kailash Advani, 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 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 Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

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

KMP - Chief Financial Officer	Mr. K. Suresh
	Mr. Anand Natarajan
	Mr. R. Subramaniam (w.e.f June 1, 2016)
	Mr. M Vignesh
- Company Secretary	Mr. P. Om Prakash
	Mr. Veerabhadra M Khanure
	Mr. Nagaraj K V
- Manager	Mr. Pradyumna
	Mr. Amar Mysore
Directors	Mr. M.R. Shivram
	Mr. M.R. Gurumurthy
	Mr. P.V. Maiya
	Mr. P.M. Thampi (upto November 02, 2015)
	Dr. Srinivas Murthy
	Mr. Aroon Raman
	Mr. Bijou Kurien (w.e.f January 31, 2015)
	Mrs. Lakshmi Venkatachalam (w.e.f February 01, 2016)
	Mr. M.S.Ravindra
	Ms. Meera Krishna Kumar
	Mr. Mohan Parvatikar (Resigned on January 19, 2017)
	Mr. Pradeep Kumar Panja (Appointed on January 18, 2017)
Relatives of KMP/ Directors	Mr. M.G. Suraj
	Mr. M.R. Shivram
	Ms. Latha Suresh
	Mrs. Kavitaa Om Prakash
	Mr. Ramakrishnan Suresh
	Ms. Manjeet Khera
	M.K. Manjula
	Ms. Latha Shivram

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2017**

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

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 to/ (by) / (repaid or refunded)	Trade receivable	Other financial assets	Trade payable	Other financial liabilities	Other current assets	Non-current loans	Current loans
Enterprises owned or significantly influenced by KMP																		
MHPL	31-Mar-17	145	-	-	-	-	-	-	-	-	-	-	-	2	1	-	-	-
	31-Mar-16	808	-	-	-	-	-	-	-	-	-	-	-	-	622	-	-	-
	1-Apr-15											-	-	-	846	-	-	-
BFT	31-Mar-17	6	304	-	-	425	-	-	-	-	(1,380)	5	1,658	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	3,978	-	-	-	180	-
	1-Apr-15											1	3,978	-	-	-	180	-
ACLLC	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	301	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-	-
IMET	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-	80
KMP																		
M R Jaishankar	31-Mar-17	396	-	-	-	-	-	-	-	-	-	-	762	-	-	-	-	35
	31-Mar-16	3	-	-	-	-	-	-	-	500	4	-	762	-	1,279	-	-	9
	1-Apr-15											1	752	-	-	-	-	5
Githa Shankar	31-Mar-17	2,572	-	-	-	-	-	-	-	770	-	-	674	-	-	-	-	6
	31-Mar-16	2	-	-	-	-	-	-	-	1,800	-	-	-	-	1,955	-	-	6
	1-Apr-15											1	-	-	181	-	-	-
Mr. Vineet Varma	31-Mar-17	1	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-
	31-Mar-16	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	3	-	-	-
Mr. Balram Menon	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	3	-	-	-	-
Mr. P Om Prakash	31-Mar-17	59	-	-	-	-	-	-	-	67	-	-	-	-	8	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-	-

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

(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 to/ (by) / (repaid or refunded)	Trade receivable	Other financial assets	Trade payable	Other financial liabilities	Other current assets	Non-current loans	Current loans
Mr. K Suresh	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	34	-	-	-	-	-	-	-	14	-	-	-	-	14	20	-	-
	1-Apr-15											-	-	-	-	-	-	-
Relatives of KMP																		
M.K. Shivraj Harsha	31-Mar-17	847	-	-	-	-	-	-	-	847	-	-	-	-	-	-	-	2
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2
	1-Apr-15											-	-	-	-	-	-	2
Nirupa Shankar	31-Mar-17	392	-	-	-	-	-	-	-	33	-	-	271	-	-	-	-	-
	31-Mar-16	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-		-	-
Latha Shivram	31-Mar-17	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	187	-	-	-	-	-	-	-	-	-	-	-	-	42	-	-	-
	1-Apr-15											-	-	-	-	-	-	-
M R Shivram	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	385	-	-	-	-	-	-	-	-	-	-	-	-	71	-	-	-
	1-Apr-15											-	-	-	-	-	-	-
Latha Suresh	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-	-
M.G. Suraj	31-Mar-17	18	-	-	-	-	-	-	-	-	-	-	-	-	36	-	-	-
	31-Mar-16	32	-	-	-	-	-	-	-	-	-	-	-	-	77	-	-	-
	1-Apr-15											-	-	-	109	-	-	-
M.K. Manjula	31-Mar-17	456	-	-	-	-	-	-	-	456	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-	-
Ramkrishnan Suresh	31-Mar-17	85	-	-	-	-	-	-	-	119	-	-	-	-	-	10	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-	-

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

(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 to/ (by) / (repaid or refunded)	Trade receivable	Other financial assets	Trade payable	Other financial liabilities	Other current assets	Non-current loans	Current loans
Kavitaa Om Prakash	31-Mar-17	5	-	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-	-
Ms. Manjeet Khera	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	4	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-	-
Associate company																		
TASPL	31-Mar-17	39	-	-	-	625								34				
	31-Mar-16	504	13	-	21	311	-	-	-	-	-	-	-	83	67	340	-	-
	1-Apr-15											-	217	13	-	-	-	-
Joint venture company																		
BDPL	31-Mar-17	-	1,079	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	966	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	-	-
BEPL	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	1,238	10
CPPL	31-Mar-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1-Apr-15											-	-	-	-	-	1,535	6

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

b. Reimbursement of expenses paid/ received ₹

	Year ended	Reimbu-rsement paid	Reimbu-rsement received
Associate company			
TASPL	31-Mar-17	-	-
	31-Mar-16	-	23
Joint venture company			
BDPL	31-Mar-17		
	31-Mar-16		
KMP			
M R Jaishankar	31-Mar-17	-	-
	31-Mar-16	1	1
Mrs. Githa Shankar	31-Mar-17	-	-
	31-Mar-16	-	-
Mr. Balram Menon	31-Mar-17	1	-
	31-Mar-16	5	-
Mr. Vineet Verma	31-Mar-17	2	-
	31-Mar-16	1	-
Mr. Anand Natarajan	31-Mar-17	1	-
	31-Mar-16	1	-
Enterprises owned or significantly influenced by KMP			
MHPL	31-Mar-17	1	-
	31-Mar-16	-	-
BFT	31-Mar-17	-	17
	31-Mar-16	-	-

c. Remuneration -

(i) Salaries, Bonus and Contribution to PF* ₹

	31-Mar-17	31-Mar-16
KMP/ Relatives of KMP		
Mr. M.R. Jaishankar	922	884
Mrs. Githa Shankar	232	221
Mr. K Suresh	138	130
Mr. P. Om Prakash	38	38
Ms. Pavitra Shankar	12	-
Ms. Nirupa Shankar	33	30
Mr. Vineet Verma**	111	109
Mr. Balram Menon	35	35
Mr. Anand Natrajan	23	25
Mr. Nagaraj K V	5	5
Mr. Kailash Advani	-	-
Mr. R.Subramaniam	12	-
Mr. M Vignesh	12	11
Mr. Veerabhadra M Khanure	4	3
Mr. Amar Mysore	32	32

(ii) Directors' Sitting fees and commission ₹

	31-Mar-17	31-Mar-16
Other directors		
Mr. M.R. Shivram	1	1
Mr. M.R. Gurumurthy	1	1
Mr. P.V. Maiya	18	13
Mr. P.M. Thampi	-	1
Dr. Srinivas Murthy	16	11
Mr. Aroon Raman	17	11
Mr. Bijou Kurien	17	11
Ms. Lakshmi Venkatachalam	16	10
Mr.M.S.Ravindra	1	1
Mr. Mohan Parvatikar	3	2
Ms. Meera Krishna Kumar	2	3

* 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 - ₹ 4 lakhs (March 31, 2016: ₹ 6 lakhs; March 31, 2015: ₹ 3 lakhs)

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

(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 deben-tures	Conversion of debentures	Deben-tures outstand-ing	Interest payable	Other current asset	Equity component of CCPS	Debt component of CCPS
Enterprises having significant influence over the Group										
RIPL	31-Mar-17	-	-	784	-	4,900	831	-	-	-
	31-Mar-16	-	-	784	-	4,900	164	-	-	-
	1-Apr-15	-	-	-	-	4,900	22	-	-	-
RBPL	31-Mar-17	-	-	473	1,807	-	381	-	-	-
	31-Mar-16	-	-	946	-	2,955	-	25	-	-
	1-Apr-15	-	-	-	-	6,874	2,366	-	-	-
RCPL	31-Mar-17	-	500	3,593	5,939	24,255	3,228	-	10	9
	31-Mar-16	306	29,694	224	-	29,694	190	-	10	9
	1-Apr-15	-	-	-	-	-	-	-	-	-

e. Loans made by other joint venturers (refer note below) ₹

	Year ended	Loans given during the year			Equity component of interest free loan			Liability component of interest free loan			Interest accured on borrowings		
		BDPL	BEPL	CPPL	BDPL	BEPL	CPPL	BDPL	BEPL	CPPL	BDPL	BEPL	CPPL
Anitha Purnesh	31-Mar-17	-	-	-	2,285	-	-	1,867	-	-	476	-	-
	31-Mar-16	-	-	-	2,285	-	-	1,867	-	-	225	-	-
	1-Apr-15	-	-	-	1,426	-	-	1,370	-	-	-	-	-
D M Purnesh	31-Mar-17	-	-	-	255	-	-	208	-	-	53	-	-
	31-Mar-16	-	-	-	255	-	-	208	-	-	25	-	-
	1-Apr-15	-	-	-	220	-	-	212	-	-	-	-	-
D M Shankar	31-Mar-17	-	-	-	546	-	-	446	-	-	114	-	-
	31-Mar-16	-	-	-	546	-	-	446	-	-	54	-	-
	1-Apr-15	-	-	-	388	-	-	373	-	-	-	-	-
D S Abhinand	31-Mar-17	-	-	-	320	-	-	261	-	-	67	-	-
	31-Mar-16	-	-	-	320	-	-	261	-	-	31	-	-
	1-Apr-15	-	-	-	178	-	-	171	-	-	-	-	-
D S Shravan Thejas	31-Mar-17	-	-	-	319	-	-	261	-	-	66	-	-
	31-Mar-16	-	-	-	319	-	-	261	-	-	31	-	-
	1-Apr-15	-	-	-	178	-	-	171	-	-	-	-	-
Manjula Reddy T V	31-Mar-17	-	-	-	338	-	-	276	-	-	70	-	-
	31-Mar-16	-	-	-	338	-	-	276	-	-	33	-	-
	1-Apr-15	-	-	-	248	-	-	239	-	-	-	-	-
Naveen T V	31-Mar-17	-	-	-	70	-	-	58	-	-	15	-	-
	31-Mar-16	-	-	-	70	-	-	58	-	-	7	-	-
	1-Apr-15	-	-	-	-	-	-	-	-	-	-	-	-

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

	Year ended	Loans given during the year			Equity component of interest free loan			Liability component of interest free loan			Interest accured on borrowings		
		BDPL	BEPL	CPPL	BDPL	BEPL	CPPL	BDPL	BEPL	CPPL	BDPL	BEPL	CPPL
Saraswathamma	31-Mar-17	-	-	-	777	-	-	635	-	-	162	-	-
	31-Mar-16	-	-	-	777	-	-	635	-	-	76	-	-
	1-Apr-15	-	-	-	497	-	-	477	-	-	-	-	-
Valmark Estates Pvt. Ltd.	31-Mar-17	-	-	-	844	-	-	690	-	-	176	-	-
	31-Mar-16	-	-	-	844	-	-	690	-	-	83	-	-
	1-Apr-15	-	-	-	-	-	-	-	-	-	-	-	-
Ratan B Lath	31-Mar-17	-	-	-	2,033	-	-	1,661	-	-	423	-	-
	31-Mar-16	-	-	-	2,033	-	-	1,661	-	-	200	-	-
	1-Apr-15	-	-	-	1,568	-	-	1,507	-	-	-	-	-
Tejraj Gulecha	31-Mar-17	-	-	-	2,033	-	-	1,661	-	-	423	-	-
	31-Mar-16	-	-	-	2,033	-	-	1,661	-	-	200	-	-
	1-Apr-15	-	-	-	1,568	-	-	1,507	-	-	-	-	-

Notes:

1) In respect of above disclosures for joint venture companies (BEPL and CPPL), the proportionate share of transactions and balances with the joint venturers are furnished.

2) BCV Developers Private Limited ('BDPL'), a subsidiary company, along with two joint venture companies BCV Estates Pvt. Ltd. ('BEPL') and CV Properties (Bangalore) Pvt. Ltd. ('CPPL'), had filed a scheme of amalgamation, with the appointed date for such scheme being October 1, 2013. The scheme has been sanctioned by the High Court of Karnataka on April 29, 2015 and the companies have filed the order with the Registrar of Companies on May 25, 2015. Upon such filing, BEPL and CPPL have amalgamated into BDPL and the equity shareholders of BEPL and CPPL were issued equivalent equity shares in BDPL. Consequently, during financial year ended March 31, 2016, balances in BEPL and CPPL have been merged into the balances in BDPL and accordingly disclosed above.

f. Other transactions

1. During the year ended March 31, 2017, the Holding Company has made following donation to IMET - ₹ 50 lakhs (March 31, 2016: ₹ 180 lakhs; March 31, 2015: ₹ 250 lakhs) and BFT - ₹ 430 lakhs (March 31, 2016: ₹ Nil; March 31, 2015: ₹ 50 lakhs)

2. The Holding Company has received dividend from TASPL of ₹Nil (March 31, 2016: ₹ 21 lakhs; March 31, 2015: ₹ Nil).

3. The Holding Company has provided corporate guarantee of ₹Nil for the loan taken by BFT for the working capital requirements of BFT (March 31, 2016: ₹ 2,000 lakhs; March 31, 2015: ₹ 2,000 lakhs).

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.

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2017**

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

34 DEFINED BENEFIT PLAN - GRATUITY

The Group operates defined gratuity plan for its employees. Under the plan, every employee who has completed atleast five years of service gets a gratuity on departure 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, 2017 :

Gratuity	April 1, 2016	Expense charged to profit or loss			Benefits paid	Remeasurement (gains)/losses in other comprehensive income					Contributions by employer	March 31, 2017
		Service cost	Net interest expense	Sub-total included in profit or loss		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		
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**

Changes in the defined benefit obligation and fair value of plan assets - Year ended March 31, 2016 :

Gratuity	April 1, 2015	Expense charged to profit or loss			Benefits paid	Remeasurement (gains)/losses in other comprehensive income					Contributions by employer	March 31, 2016
		Service cost	Net interest expense	Sub-total included in profit or loss		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		
Defined benefit obligation	550	135	37	172	(36)	-	7	11	113	131		818
Fair value of plan assets	428		33	-	(41)	2				2	149	570
Net liability - Gratuity	**122**			**172**						**129**		**248**

The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2017	March 31, 2016
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:

	March 31, 2017	March 31, 2016
Discount rate	6.8%	8%
Future salary benefit levels	12%	12%
Expected rate of return on assets	8%	8%

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

A quantitative sensitivity analysis for significant assumption for Gratuity plan is as shown below:

Assumptions	March 31, 2017				March 31, 2016			
	Discount Rate		Further Salary Increase		Discount Rate		Further Salary Increase	
Sensitivity Level	(1.0%)	1.0%	(1.0%)	1.0%	(1.0%)	1.0%	(1.0%)	1.0%
	INR (lakhs)	INR (lakhs)	INR (lakhs)	INR (lakhs)	INR (lakhs)	INR (lakhs)	INR (lakhs)	INR (lakhs)
Impact on defined benefit obligation - Gratuity	944.53	802.33	819.49	919.27	804.72	686.69	700.72	784.68
% change compared to base due to sensitivity	1.3%	(13.9%)	(12.1%)	(1.4%)	(1.6%)	(16.1%)	(14.3%)	(4.1%)

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:

	March 31, 2017	March 31, 2016
Within 1 year	200	177
Between 2 and 5 years	73	71
Total expected payments	**273**	**248**

The average duration of the defined benefit plan- gratuity at the end of reporting period is 9 years (March 31, 2016; 9 years)

35 Share based payment

The Company provides share-based payment schemes to its employees. During the year ended March 31, 2017, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below:

The Company instituted an Employees Stock Option Scheme ('ESOP 2011') pursuant to the Board of Directors and Shareholders' resolution dated May 4, 2011 and August 11, 2011, respectively. As per ESOP 2011, the Company granted 2,424,300 (till March 31, 2016: 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:

	March 31, 2017	March 31, 2016
Expense arising from equity settled share based payment transactions	122	123

* There were no cancellations or modifications to the plan during the year ended March 31, 2017 or March 31, 2016.

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, 2017		March 31, 2016	
	No. of options (lakhs)	WAEP* ₹	No. of options (lakhs)	WAEP* ₹
Outstanding at the beginning of the year	12	50	17	50
Granted during the year	-	50	-	50
Forfeited during the year	-	50	1	50
Exercised during the year	4	50	4	50
Outstanding at the end of the year	8	50	12	50
Exercisable at the end of the year	1	50	1	50

*Weighted Average Exercise Price

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

For options exercised during the period, the weighted average share price at the exercise date was ₹ 159.96 per share (March 31, 2016: ₹ 154.30 per share). The weighted average remaining contractual life for the stock options outstanding as at March 31, 2017 is 5.68 years (March 31, 2016: 6.69 years)

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

	March 31, 2017
Dividend yield (%)	1.52%
Expected volatility (%)	48.42%
Risk-free interest rate (%)	7.81%
Weighted average share price (₹)	131.68
Exercise price (₹)	50.00
Expected life of the options granted (in years) (vesting and exercise period)	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.

Segment reporting

	From the year ended March 31, 2017				From the year ended March 31, 2016			
	Real Estate	Hospitality	Leasing	Total	Real Estate	Hospitality	Leasing	Total
Revenue								
External Customers	159,800	19,536	26,334	205,670	165,034	18,272	21,485	204,791
Inter-segment	(2,210)	(205)	(841)	(3,256)		(172)	(827)	(999)
Total Revenue	**157,590**	**19,331**	**25,493**	**202,414**	**165,034**	**18,100**	**20,658**	**203,792**
Expenses								
Depreciation and amortisation expense	942	3,612	7,491	12,045	435	3,032	6,855	10,322
Add: Unallocable amount				210				270
				12,255				10,592
Segment Profit	44,754	1,351	9,590	55,695	35,228	3,542	7,442	46,212
Add: Other income (including interest income)				3,424				3,275
Add: Share of Profit from Associate				(120)				(129)
Less: Finance costs				(24,648)				(19,901)
Less: Other unallocable expenditure				(10,274)				(7,530)
Profit before tax				**24,077**				**21,927**
Less: Tax expense				7,357				8,019
Profit after tax				**16,720**				**13,908**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

	From the year ended March 31, 2017				From the year ended March 31, 2016			
	Real Estate	Hospitality	Leasing	Total	Real Estate	Hospitality	Leasing	Total
Segment Assets	3,01,308	70,900	2,22,812	5,95,020	2,87,474	59,194	2,12,270	5,58,938
Add: Investments				5,401				5,068
Add: Loans to related parties				43				197
Add: Cash and cash equivalents and bank balances				13,633				10,893
Add: Other unallocable assets				21,104				24,684
				6,35,201				**5,99,780**
Segment Liabilities	1,34,708	11,623	24,975	1,71,306	1,42,698	8,536	19,370	1,70,604
Add: Non-current and current borrowings (including current maturities of non-current borrowings)				2,57,631				245,870
Add: Deferred tax liabilities (net)				6,399				6,307
Add: Other unallocable liabilities				7,630				10,836
				4,42,966				**4,33,617**
Other disclosures								
Capital expenditure*	93	16,501	24,841	41,435	1,395	14,568	78,755	94,718

Capital expenditure consists of additions of property, plant and equipment, investment property, intangible assets, intangible assets under development and CWIP

As at April 1, 2015	Real Estate	Hospitality	Leasing	Total
Segment Assets	2,64,700	44,348	1,43,340	4,52,388
Add: Investments				3,447
Add: Loans to related parties				3,056
Add: Cash and cash equivalents and bank balances				8,293
Add: Other unallocable assets				15,430
				4,82,614
Segment Liabilities	1,43,430	8,605	14,341	1,66,376
Add: Non-current and current borrowings (including current maturities of non-current borrowings)				1,55,944
Add: Deferred tax liabilities (net)				5,285
Add: Other unallocable liabilities				3,229
				3,30,834

The Group is domiciled in India. The Group's revenue from operations from external customers primarily relate to operations in India and all the non-current assets of the Group are located in India.

37 FAIR VALUE MEASUREMENTS

The details of fair value measurement of Group's financial assets/liabilities are as below: ₹

	Level	March 31, 2017	March 31, 2016	April 1, 2015
Financial assets/liabilities measured at fair value through profit/loss:				
Investment in quoted investments	Level 1	576	2,952	350
Investment in unquoted equity instruments of other companies	Level 3	16	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.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

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 (non-current and current), trade payables and other financial liabilities, less cash and cash equivalents (including balances at bank other than cash and cash equivalents and margin money deposits)

₹

	March 31, 2017	March 31, 2016	April 1, 2015
Borrowings (non-current and current, including current maturities of non-current borrowings)	257,631	245,870	155,944
Trade payables	51,612	42,396	29,840
Other financial liabilities (current and non-current excluding current maturities of non-current borrowings)	26,843	19,982	17,728
Less: Cash and cash equivalents	(18,040)	(13,935)	(11,177)
(including balances at bank other than cash and cash equivalents and margin money deposits)			
Net Debt (A)	**318,046**	**294,313**	**192,335**
Equity share capital	11,366	11,318	11,274
Other equity	180,869	154,845	140,506
Equity (B)	**192,235**	**166,163**	**151,780**
Equity plus net debt (C = A + B)	**510,281**	**460,476**	**344,115**
Gearing ratio (D = A / C)	**62%**	**64%**	**56%**

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.

39 UNHEDGED FOREIGN CURRENCY EXPOSURE

₹

	March 31, 2017	March 31, 2016	April 1, 2015
Trade payable	291	1,407	548
Other payable	-	-	58

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

40 SPECIFIED BANK NOTES

The details of Specified Bank Notes ('SBN') and Other Denomination Notes ('ODN') held and transacted during the period November 8, 2016 to December 30, 2016 are as provided in the table below :

	SBN	ODN	Total
Closing cash in hand as on November 08, 2016	116	13	129
(+) Permitted receipts	-	247	247
(-) Permitted payments	5	49	54
(+) Cash withdrawn	-	4	4
(-) Amount deposited in banks	111	188	299
Closing cash in hand as on December 30, 2016	-	27	27

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 and 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 table 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 :

	Change in interest rate	Effect of profit before tax
March 31, 2017	+1%	(2,579)
	-1%	2,579
March 31, 2016	+1%	(1,795)
	-1%	1,795

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.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

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: ₹

	March 31, 2017	March 31, 2016
Opening balance	42	25
Amount provided during the year	5	17
Closing provision	47	42

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.

	March 31, 2017	March 31, 2016	April 1, 2015
Cash and cash equivalents	10,829	7,097	5,388
Bank balances other than Cash and cash equivalents	2,804	3,796	2,905
Investments - current	-	2,589	-

The table below summarises the maturity profile of the Group's financial liabilities at the reporting date, which are based on contractual undiscounted payments. ₹

	Maturity period	March 31, 2017	March 31, 2016	April 1, 2015
Financial liabilities - Current				
Borrowings (current maturities of non-current borrowings)	Between 1-5 years	25,929	26,008	40,917
Borrowings (current maturities of non-current borrowings)	Within 1 year	49,997	52,170	30,056
Current Borrowings (includes cash credit facilities from banks)	On demand	8,824	565	996
Current Borrowings (includes cash credit facilities from banks)	Between 1-5 years	7,434	17,091	5,097
Current Borrowings (includes short term loans from banks)	Within 1 year	6,600	-	-
Trade payables	Within 1 year	51,612	42,396	29,840
Other financial liabilities (excluding current maturities of non-current borrowings)	Within 1 year	21,527	14,413	11,786
Financial liabilities - Non Current				
Borrowings (includes non-current borrowings)	Between 1-10 years	158,847	150,036	78,878
Other financial liabilities	Between 1-10 years	5,316	5,569	5,942

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2017**

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

42 CONSTRUCTION CONTRACTS

₹

	March 31, 2017	March 31, 2016	April 1, 2015
(i) Amount of contract revenue recognised as revenue for the year	156,877	164,948	
(ii) Amounts in respect of contracts in progress at the reporting date:			
a. Aggregate amount of costs incurred and recognised profits/(losses)	481,455	456,547	302,909
b. Amount of advances received (net)	76,315	73,915	67,168
c. Amount of retentions	-	-	-

43 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.

44 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The amendment to standard issued up to the date of issuance of the Group's financial statements, but not yet effective as of the date of the Group's financial statements is disclosed below. The Group intends to adopt the amendment to standard when it becomes effective.

Amendments to Ind AS 102 Classification and Measurement of Share-based Payment Transaction

The amendments to Ind AS 102 applies prospectively for annual periods beginning on or after April 1, 2017. As per the amendments, in estimating the fair value of a cash-settled share-based payment, the accounting for the effects of vesting and non-vesting conditions should follow the same approach as for equity-settled share-based payments. Further, where tax law or regulation requires an entity to withhold a specified number of equity instruments and the share-based payment arrangement has a 'net settlement feature', such an arrangement should be classified as equity-settled in its entirety. The Group does not anticipate that the application of the amendments in the future will have a significant impact on the Group's financial statements as the Group does not have any cash-settled share-based payment arrangements or any withholding tax arrangements with tax authorities in relation to such share-based payments.

Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 was issued in February 2016 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an 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. This standard will come into force from accounting period commencing on or after April 1, 2018. The Group will adopt the new standard on the required effective date. The Group anticipate that the application of the standard will be applicable only to certain streams of revenue and will not have a material impact on the financial statements.

Amendments to Ind AS 7 Disclosure Initiative

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments apply prospectively for annual periods beginning on or after April 1, 2017. The Group does not anticipate that the application of these amendments will have a material impact on the Group's financial statements.

45 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.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

The following table illustrates the summarised financial information of the Group's investment in Tandem:

(i) Summary of assets and liabilities ₹

	March 31, 2017	March 31, 2016	April 1, 2015
Current assets	1,257	1,023	856
Non-current assets	2,517	1,859	1,629
Current liabilities	(752)	(562)	(406)
Non-current liabilities	(840)	(462)	(514)
Total Equity	**2,182**	**1,858**	**1,565**
Attributable to the Group (37%)	**807**	**687**	**579**

(ii) Summary of profit and loss ₹

	March 31, 2017	March 31, 2016
Total Revenue	3,140	2,517
Profit/(loss) for the year	323	346
Total comprehensive income	**316**	**338**
Attributable to the Group (37%)	**120**	**129**

(iii) Summary of cash flows ₹

	March 31, 2017	March 31, 2016
Net cash inflow/(outflow) during the year	4	31

(iv) Summary of commitments and contingent liabilities ₹

	March 31, 2017	March 31, 2016	April 1, 2015
Capital commitments	-	-	79
Contingent liabilities	-	-	2
	-	-	81
Attributable to the Group (37%)	**-**	**-**	**30**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

(b) Subsidiaries

Name of the entity	Principal activities	Country of Incorporation / Principal place of business	% Equity interest held by the Group		
			March 31, 2017	March 31, 2016	April 1, 2015
BCV Developers Private Limited	Real Estate Development	India	50.01%	50.01%	50.01%
Brigade Properties Private Limited*	Real Estate Development	India	51%	51%	51%
Brookefields Real Estates and Projects Private Limited	Real Estate Development	India	100%	100%	100%
Perungudi Real Estates Private Limited	Real Estate Development	India	51%	51%	NA
SRP Prosperita Hotel Ventures Limited	Hospitality Services	India	50.01%	50.01%	100.00%
Orion Mall Management Company Limited	Real Estate Management	India	100%	100%	100%
Brigade Hospitality Services Limited	Hospitality Services	India	100%	100%	100%
WTC Trades and Projects Private Limited	Real Estate Management	India	100%	100%	100%
Brigade Tetrarch Private Limited	Real Estate Development	India	100%	100%	100%
Brigade Estates and Projects Private Limited	Real Estate Development	India	100%	100%	100%
Brigade Infrastructure and Power Private Limited	Real Estate Development	India	100%	100%	100%
Celebration Catering and Events,LLP	Hospitality Services	India	95%	95%	95%
Brigade (Gujarat) Projects Private Limited	Real Estate Development	India	100%	100%	100%
Mysore Projects Private Limited	Real Estate Development	India	100%	NA	NA
Brigade Innovations, LLP	Real Estate Development	India	99.80%	NA	NA
Brigade Hotel Ventures Limited	Hospitality Services	India	100%	NA	NA
Augusta Club Private Limited	Hospitality Services	India	100%	NA	NA

Name of the entity	Principal activities	Country of Incorporation / Principal place of business	% Equity interest held by non-controlling interests		
			March 31, 2017	March 31, 2016	April 1, 2015
BCV Developers Private Limited	Real Estate Development	India	49.99%	49.99%	49.99%
Brigade Properties Private Limited*	Real Estate Development	India	49%	49%	49%
Perungudi Real Estates Private Limited	Real Estate Development	India	49%	49%	NA
SRP Prosperita Hotel Ventures Limited	Hospitality Services	India	49.99%	49.99%	0.00%
Celebration Catering and Events,LLP	Hospitality Services	India	5%	5%	5%
Brigade Innovations, LLP	Real Estate Development	India	0.20%	NA	NA

* The proportion of non-controlling interests in profit and loss of Brigade Properties Private Limited has changed from 49% to 42% with effect from January 1, 2016.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

45 GROUP INFORMATION (CONTINUED)

Financial information of subsidiaries that have non-controlling interests:

(i) Summary of assets and liabilities

₹

	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, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Current assets	64,276	53,733	39,264	24,659	26,733	23,190	296	233	186	381	1,277	370	151	1,730	-	396	-	-
Non-current assets	18,656	13,202	9,637	20,752	22,029	20,568	34	24	26	19,795	12,947	7,341	68,537	59,212	-	-	-	-
Current liabilities	(27,304)	(17,187)	(11,381)	(16,080)	(24,758)	(9,544)	(194)	(99)	(113)	(2,683)	(2,598)	(7,721)	(7,687)	(923)	-	(11)	-	-
Non-current liabilities	(40,037)	(35,123)	(27,935)	(14,811)	(19,797)	(29,386)	-	-	-	(6,642)	(2,606)	(1)	(48,533)	(59,413)	-	-	-	-
Total Equity	**15,591**	**14,625**	**9,585**	**14,520**	**4,207**	**4,828**	**136**	**158**	**99**	**10,851**	**9,020**	**(11)**	**12,468**	**606**	**-**	**385**	**-**	**-**
Attributable to:																		
Equity holders of the parent	10,483	10,000	5,504	7,132	893	2,901	112	143	90	6,882	4,917	(11)	6,214	281	-	384	-	-
Non-Controlling Interests	5,108	4,625	4,081	7,388	3,314	1,927	24	15	9	3,969	4,103	-	6,254	325	-	1	-	-
	15,591	**14,625**	**9,585**	**14,520**	**4,207**	**4,828**	**136**	**158**	**99**	**10,851**	**9,020**	**(11)**	**12,468**	**606**	**-**	**385**	**-**	**-**

(ii) Summary of profit and loss

₹

	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, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Total Revenue	15,826	19,395	17,793	21,358	1,244	917	63	43	10	69	-	-
Profit/(loss) for the year	966	(465)	2,666	3,030	82	113	(371)	13	(18)	19	(115)	-
Total comprehensive income	966	(465)	2,666	3,030	82	113	(369)	13	(18)	19	(115)	-
Attributable to:												
Equity holders of the parent	483	(571)	1,547	1,643	78	107	(184)	7	(9)	10	(115)	-
Non-Controlling Interests	483	106	1,119	1,387	4	6	(185)	6	(9)	9	-	-
	966	**(465)**	**2,666**	**3,030**	**82**	**113**	**(369)**	**13**	**(18)**	**19**	**(115)**	**-**

(iii) Summary of cash flows

	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, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Net Cash Inflow/(Outflow) during the year	628	(1,069)	(6)	(516)	4	(14)	(966)	849	(1,590)	1,730	377	-

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2017**

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

46 FIRST TIME ADOPTION

These consolidated financial statements, for the year ended 31 March 2017, are the first consolidated financial statements the Group has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2016, the Group prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

Accordingly, the Group has prepared the consolidated financial statements which comply with Ind AS applicable for year ending on March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these consolidated financial statements, the Group's opening balance sheet was prepared as at April 1, 2015, the Group's date of transition to Ind AS.

i. Exemptions availed:

(a) Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties. Accordingly, the Group has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

(b) Ind AS 27 requires investments in subsidiaries, associates and joint ventures to be recorded at cost or in accordance with Ind AS 109 in its separate financial statements. However, Ind AS 101 provides an option to measure that investment at one of the following amounts in case the Group decides to measure such investment at cost:

i. Cost as per Ind AS 27 or

ii. Deemed cost, which is:

a. Fair value at the entity's date of transition to Ind AS or

b. Previous GAAP carrying amount at that date.

The Group has elected to measure its investments in subsidiaries, associates and joint ventures using deemed cost at the previous GAAP carrying amount at the date of transition to Ind AS.

(c) Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. The Group has elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Use of this exemption means that Business combinations occurring prior to the transition date have not been restated and the Previous GAAP carrying amounts of assets and liabilities, that are required to be recognised under Ind AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with respective Ind AS.

(d) Ind AS 101 provides an option to not apply Ind AS 102 to liabilities arising from share-based payment transactions that were settled before the date of transition to Ind AS. The Group has elected to avail this exemption and apply the requirements of Ind AS 102 to all such grants under the ESOP plan, which are not settled as at the date of transition to Ind AS.

(e) Ind AS 101 provides an option to apply Ind AS accounting for business combinations prospectively from the date of transition, i.e., April 1, 2015. The Group has elected to avail this exemption and accordingly, the 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.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

ii. Exceptions applied:

(a) Ind AS 101 requires an entity's estimates in accordance with Ind AS at the date of transition to Ind AS to be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. The Group's estimates as at April 1, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

> Investment carried at FVPL or FVOCI; and

> Impairment of financial assets based on expected credit loss model.

(b) Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. The Group has applied the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

(c) Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Group has applied the requirement of classification and measurement of financial assets (investment in debt instruments) as above.

The Group has prepared a reconciliation of the net profit for the previous year ended March 31, 2016 under the Previous GAAP with the total comprehensive income as reported in these financial statements under Ind AS, which is presented below:

Particulars	**Year ended March 31, 2016**
Net profit as per Previous GAAP	**13,013**
Fair valuation of financial assets and financial liabilities	(376)
Accounting of joint development projects (net)	(978)
Impact of fair valuation of Employee Stock Option Plan ("ESOP") on share based payments to employees	(69)
Employee benefit expenses [Actuarial (gain)/loss]	129
Tax expense impact of above adjustments	376
Adjustment to Non-Controlling Interests	299
Net profit as per Ind AS (A)	**12,394**
Other comprehensive income	
Actuarial gain/(loss) on defined benefit obligations - Gratuity (net of tax expense)	(85)
Total (B)	**(85)**
Total comprehensive income (A+B)	**12,309**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

The Group has also prepared a reconciliation of equity as at March 31, 2016 and April 1, 2015 under the Previous GAAP with the equity as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of balance sheet which is presented below:

Particulars	As at March 31, 2016	As at April 1, 2015
Equity (including minority interests) as per Previous GAAP	**156,262**	**138,253**
Adjustments (net of tax):		
(a) Impact of fair valuation of financial assets and financial liabilities	6,471	6,737
(b) Impact of accounting for compound financial instruments	(9)	-
(c) Accounting of joint development projects (net)	3,439	4,084
(d) Reversal of proposed dividend for the year ended March 31, 2015 (including dividend distribution tax)	-	2,706
Equity (including non-controlling interests) as per Ind-AS	**166,163**	**151,780**

Footnotes to the reconciliation of equity as at April 1, 2015 and March 31, 2016 and profit or loss and cash flows for the year ended March 31, 2016:

1 Share-based payments

Under Ind-AS, employee share-based payments should be accounted for using the fair value method. In contrast, Previous GAAP permits an option of using either the intrinsic value method or the fair value method.

2 Defined benefit liabilities

Under Previous GAAP, actuarial gains and losses were recognized in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of net defined benefit liability/asset which is recognized in other comprehensive income in the respective periods.

3 Deferred tax

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Previous GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Group has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

4 JDA Accounting

The Group has entered into certain joint development arrangements. In such a situation, revenue is recognised on gross basis. Since the goods exchanged under joint development arrangement i.e. land with flats are dissimilar in nature, as per para 12 of Ind AS 18, the exchange is regarded as a transaction which generates revenue. The Group has measured revenue at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred. Since , fair value of the goods or services received cannot be measured reliably, revenue is measured in relation to transfer of constructed property to land owners on the basis of fair value of services provided to the landlord. Further, Group has recognised land with corresponding credit to "land cost payable" to account for land received under joint development arrangement.

5 Dividend and tax on dividend

Under Previous GAAP, dividend payable was recorded as a liability in the period to which it relates. Under Ind AS, dividend to holders of equity instruments is recognised as a liability in the period in which the obligation to pay is established.

6 Loans to Related Parties

The Group is required to recognise the loan as a financial asset at fair value on initial recognition. The difference between the loan amount and its fair value is treated as an equity contribution to the subsidiary.

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2017**

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

7 Compulsorily Convertible Preference Shares ("CCPS")

Under Previous GAAP, CCPS were classified as equity and dividend thereon was recognized as an appropriation to retained earnings upon distribution. Under Ind AS, CCPS has been evaluated for debt-equity split accounting based on the terms of the contract and consequently, the debt portion is recorded at amortized cost and equity portion is recognized under Other equity.

8 Other comprehensive income

Under Previous GAAP, the Group has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Previous GAAP profit/loss to profit/loss as per Ind AS. Further, Previous GAAP profit/loss is reconciled to total comprehensive income as per Ind AS.

9 The transition from Previous GAAP to Ind AS has not had a material impact on the statement of cash flows.

10 The figures of the previous periods have been regrouped/reclassified, where necessary, to conform with the current year's classification.

47 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 3, 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 from May 5, 2017.

48 The Board of Directors of the Company have approved the Scheme of Arrangement between 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 (hereinafter referred to as "the Scheme") 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. The Company is in the process of obtaining the necessary approvals. Pending such approvals, the Scheme has not been accounted for in the accompanying consolidated Ind AS financial statements for the year ended March 31, 2017.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

49. 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, 2017						Total comprehensive income for the year ended March 31, 2016					
	March 31, 2017		March 31, 2016		April 1, 2015		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 con-solidated net assets	Amount	As % of con-solidated net assets	Amount	As % of con-solidated net assets	Amount	As % of con-solidated profit or loss	Amount	As % of con-solidated other compre-hensive income	Amount	As % of con-solidated total compre-hensive income	Amount	As % of con-solidated profit or loss	Amount	As % of con-solidated other compre-hensive income	Amount	As % of con-solidated total compre-hensive income	Amount
Parent																		
Brigade Enterprises Limited	69%	169,611	82%	152,690	88%	142,581	82%	16,512	133%	32	82%	16,544	83%	14,732	88.1%	(74)	83%	14,658
Subsidiaries - Indian																		
BCV Developers Private Limited	6%	15,591	8%	14,625	6%	9,584	5%	966	0%	-	5%	966	(3%)	(465)	0.0%	-	-3%	(465)
Brigade Properties Private Limited	6%	14,519	2%	4,208	3%	4,827	13%	2,666	0%	-	13%	2,666	17%	3,030	0.0%	-	17%	3,030
Brookefields Real Estates and Projects Private Limited	0%	90	0%	307	0%	211	(0%)	(26)	0%	-	(0%)	(26)	(0%)	(12)	0.0%	-	0%	(12)
Perungudi Real Estates Private Limited	5%	12,468	0%	606	0%	-	(0%)	(18)	0%	-	(0%)	(18)	0%	19	0.0%	-	0%	19
SRP Prosperita Hotel Venture Limited	4%	10,851	5%	9,020	0%	(12)	(2%)	(371)	8%	2	(2%)	(369)	0%	13	0.0%	-	0%	13
Orion Mall Management Company Limited	0%	83	0%	(169)	0%	51	1%	202	0%	-	1%	202	(1%)	(220)	0.0%	-	-1%	(220)
Brigade Hospitality Services Limited	0%	1,021	1%	1,128	1%	906	(1%)	(104)	(8%)	(2)	(1%)	(106)	1%	225	3.6%	(3)	1%	222
WTC Trades and Projects Private Limited	1%	1,348	1%	1,087	1%	950	1%	261	(4%)	(1)	1%	260	1%	136	(1.2%)	1	1%	137
Brigade Tetrarch Private Limited	0%	667	0%	789	1%	902	(1%)	(123)	0%	-	(1%)	(123)	(1%)	(116)	0.0%	-	-1%	(116)
Brigade Estates and Projects Private Limited	2%	4,175	0%	468	0%	516	(0%)	(93)	0%	-	(0%)	(93)	(0%)	(47)	0.0%	-	0%	(47)
Brigade Infrastructure and Power Private Limited	(0%)	(33)	0%	(33)	0%	(32)	(0%)	(1)	0%	-	(0%)	(1)	0%	-	0.0%	-	0%	-
Celebration Catering and Events,LLP	0%	137	0%	158	0%	99	0%	82	0%	-	0%	82	1%	113	0.0%	-	1%	113
Brigade (Gujarat) Projects Private Limited	1%	3,399	0%	92	0%	-	(0%)	(68)	0%	-	(0%)	(68)	(0%)	(33)	0.0%	-	0%	(33)

Notes to Consolidated Ind AS Financial Statements **for the year ended March 31, 2017**

(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, 2017						Total comprehensive income for the year ended March 31, 2016					
	March 31, 2017		March 31, 2016		April 1, 2015		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 con-solidated net assets	Amount	As % of con-solidated net assets	Amount	As % of con-solidated net assets	Amount	As % of con-solidated profit or loss	Amount	As % of con-solidated other compre-hensive income	Amount	As % of con-solidated total compre-hensive income	Amount	As % of con-solidated profit or loss	Amount	As % of con-solidated other compre-hensive income	Amount	As % of con-solidated total compre-hensive income	Amount
Mysore Projects Private Limited	3%	8,498	0%	-	0%	-	(0%)	(1)	0%	-	(0%)	(1)	0%	-	0.0%	-	0%	-
Brigade Innovations, LLP	0%	385	0%	-	0%	-	(1%)	(115)	0%	-	(1%)	(115)	0%	-	0.0%	-	0%	-
Brigade Hotel Ventures Limited	0%	99	0%	-	0%	-	(0%)	(1)	0%	-	(0%)	(1)	0%	-	0.0%	-	0%	-
Augusta Club Private Limited	0%	4	0%	-	0%	-	(0%)	(1)	0%	-	(0%)	(1)	0%	-	0.0%	-	0%	-
Associates (as per equity method) - Indian																		
Tandem Allied Services Private Limited	1%	2,193	1%	1,877	1%	1,589		323	(29%)	(7)	2%	316	2%	296	9.5%	(8)	2%	288
Sub total	**100.0%**	**245,106**	**100.0%**	**186,853**	**100.0%**	**162,172**	**98.4%**	**20,090**	**100.0%**	**24**	**100.0%**	**20,114**	**100.0%**	**17,671**	**100.0%**	**(84)**	**100.0%**	**17,587**
Share of Non-controlling interest in subsidiaries:																		
- Net Assets / (Liabilities)		22,744		12,382		6,017												
- (Profit)/Loss								1,412		-		1,412		1,514		-		1,514
Elimination and consolidation adjustments		(75,615)		(33,072)		(16,409)		(4,782)		7		(4,775)		(5,277)		(1)		(5,278)
Consolidated Total		**192,235**		**166,163**		**151,780**		**16,720**		**31**		**16,751**		**13,908**		**(85)**		**13,823**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

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

50 The comparatives given in the consolidated Ind AS financial statements have been compiled after making necessary Ind AS adjustments to the respective audited financial statements under Previous GAAP to give a true and fair view in accordance with Ind AS.

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 22, 2017

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

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

K. Suresh
Chief Financial Officer

P. Om Prakash
Company Secretary

Place: Bengaluru
Date: May 22, 2017

BRIGADE

BRIGADE ENTERPRISES LIMITED

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

BUILDING POSITIVE EXPERIENCES!

Your opportunity to own a Brigade home at an attractive price
Avail 5% off on any of our Residential Projects.

Please fill in the details required below and send it to our Corp. HQ:

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

Get in touch with us at: Toll free no.: 1800 102 9977
salesenquiry@brigadegroup.com
www.BrigadeGroup.com

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, 2017.
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 Second Annual General Meeting of the members of **Brigade Enterprises Limited** will be held on Thursday, 21st September, 2017 at 10.30 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 31st March, 2017, 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 31st March, 2017, 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 31st March, 2017, the statement of profit and loss, the cash flow statement for the financial year ended 31st March, 2017, 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 ₹ 2.50 per equity share (25%) i.e., including a special dividend of ₹ 0.50 per equity share of ₹ 10/- each fully paid up for the financial year 2016-17 be and is hereby approved and declared."

3. To appoint a Director in place of Mr. M. R. Jaishankar (DIN: 00191267), who retires by rotation and being eligible, offers himself for re-appointment:

   "**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), Mr. M. R. Jaishankar (DIN: 00191267), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

4. To ratify the appointment of Statutory Auditors and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 139 read with Rule 3 of the Companies (Audit and Auditors) Rules, and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendations of the Board, approval of the Shareholders be and is hereby accorded to ratify the appointment of M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (ICAI Firm Registration No.101049W/E300004) as Statutory Auditors of the Company from the conclusion of this Twenty Second Annual General Meeting until the conclusion of Twenty Third Annual General Meeting on such remuneration as may be recommended by the Audit Committee and finalized by the Board of Directors in consultation with the Statutory Auditors."

SPECIAL BUSINESS

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 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 to re-appoint Mr. M.R. Jaishankar (DIN: 00191267), as Chairman & Managing Director of the Company for a further period of Five Years with effect from 1st April, 2017 on a gross remuneration by way of upto ₹ 2 crores per annum the details of which are provided in the explanatory statement attached to the notice and commission as a percentage of net profits based on the performance of the Company.

   RESOLVED FURTHER THAT the remuneration by way of salary, perquisites, allowances and commission shall not exceed 5% of the net profits of the Company.

   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."

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

   "**RESOLVED THAT** pursuant to the provisions of 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 to re-appoint Ms. Githa Shankar (DIN: 01612882), as a Whole-time Director of the Company for a further period of Five Years with effect from 1st April, 2017 on a gross remuneration by way of upto ₹ 1.50 crores per annum the details of which are provided in the explanatory statement attached to the notice and commission as a percentage of net profits based on the performance of the Company.

RESOLVED FURTHER THAT the remuneration by way of salary, perquisites, allowances and commission shall not exceed 5% of the net profits of the Company.

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 Section 148 and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), payment of remuneration not exceeding ₹ 1,25,000/- (Rupees One Lakh Twenty Five Thousand) apart from applicable taxes and out of pocket expenses to Messrs GNV & Associates, Cost Accountants (Firm Regn No.000150), appointed as Cost Auditors by the Board of Directors of the Company for conducting cost audit for the financial year 2016-17 (1st April 2016 to 31st March, 2017) be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution."

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

"**RESOLVED THAT** pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Share Capital and Debentures) Rules 2014 and the provisions contained in the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 (hereinafter referred to as "Regulations") or any statutory modification(s) or re-enactment of the Act, the Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 where the securities of the Company are listed and subject to any applicable approval(s), permission(s) and sanction(s) as may be necessary and subject to such condition(s) and modification(s) as may be prescribed or imposed while granting such approval(s), permission(s) and sanction(s), the approval and consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination & Remuneration Committee or any other Committee of the Board), to introduce and implement an 'Brigade Employee Stock Option Plan 2017' ('ESOP 2017' or 'the Scheme' or 'the Plan'), and to grant, offer, issue and allot in one or more tranches at any time to or to the benefit of such permanent employees of the Company and Directors of the Company (Executive Directors and Non-Executive Directors but excluding Independent Directors, Promoters/ Promoter Group Directors) who may or may not be Members of the Company, as may be decided by the Board, Options under ESOP 2017 exercisable or convertible into equity shares (hereinafter referred to as 'the securities') of the Company not exceeding in the aggregate 5% of the issued, subscribed and paid-up capital of the Company as on March 31, 2017 i.e., up to 56,83,237 (fifty six lakhs eight three thousand two hundred and thirty seven) equity shares of Rs. 10/- each of the Company (or such other adjusted number of shares for any bonus, consolidation or other re-organisation of the capital structure of the Company as may be applicable from time to time), at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with the Act and Regulations or any other applicable provisions as may be prevailing at that time.

RESOLVED FURTHER THAT,

a) the Board be and is hereby authorised to formulate, evolve, decide upon and bring into effect the scheme on such terms and conditions as contained in the Explanatory Statement to this Notice and to make any modification(s), change(s), variation(s), alteration(s), or revision(s) in the terms and conditions of the Scheme from time to time including but not limited to amendments with respect to vesting period/ schedule, exercise price/period, eligibility criteria or to suspend, withdraw, terminate or revise the Scheme;

b) the securities shall be allotted in accordance with the scheme directly to the employees;

c) any new equity shares to be issued and allotted upon exercise of options from time to time under ESOP 2017 shall rank *pari passu inter-se* in all respects with the then existing equity shares of the Company;

d) the Board be and is hereby authorised to take requisite steps for listing of the securities allotted under ESOP 2017 on the Stock Exchanges where the securities of the Company are listed; and

e) for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things, as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

f) any of the Directors and Company Secretary of the Company be and are hereby severally authorised to take the necessary steps for listing the securities under the Plan on the Stock Exchanges where the existing securities of the Company are listed as per Act and/or Regulations."

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

"**RESOLVED THAT** pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Share Capital and Debentures) Rules 2014 and the provisions contained in the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 (hereinafter referred to as " Regulations") or any statutory modification(s) or re-enactment of the Act, the Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 where the securities of the Company are listed and subject to any applicable approval(s), permission(s) and sanction(s) as may be necessary and subject to such condition(s) and modification(s) as may be prescribed or imposed while granting such approval(s), permission(s) and sanction(s), the approval and consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination & Remuneration Committee or any other Committee of the Board), to introduce and implement an 'Brigade Employee Stock Option Plan 2017' ('ESOP 2017' or 'the Scheme' or 'the Plan'), and to grant, offer, issue and allot in one or more tranches at any time to or to the benefit of such permanent employees of subsidiaries of the Company and Directors of subsidiaries of the Company (Executive Directors and Non-Executive Directors but excluding Independent Directors, Promoters/Promoter Group Directors) who may or may not be Members of the Company, as may be decided by the Board, Options under ESOP 2017 exercisable or convertible into equity shares (hereinafter referred to as 'the securities') of the Company not exceeding in the aggregate 5% of the issued, subscribed and paid-up capital of the Company as on March 31, 2017 i.e., up to 56,83,237 (fifty six lakhs eight three thousand two hundred and thirty seven) equity shares of Rs. 10/- each of the Company (or such other adjusted number of shares for any bonus, consolidation or other re-organisation of the capital structure of the Company as may be applicable from time to time), at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with the Act and Regulations or any other applicable provisions as may be prevailing at that time.

RESOLVED FURTHER THAT,

a) the Board be and is hereby authorised to formulate, evolve, decide upon and bring into effect the scheme on such terms and conditions as contained in the Explanatory Statement to this Notice and to make any modification(s), change(s), variation(s), alteration(s), or revision(s) in the terms and conditions of the Scheme from time to time including but not limited to amendments with respect to vesting period/ schedule, exercise price/period, eligibility criteria or to suspend, withdraw, terminate or revise the Scheme;

b) the securities shall be allotted in accordance with the scheme directly to the employees.

c) any new equity shares to be issued and allotted upon exercise of options from time to time under ESOP 2017 shall rank *pari passu inter-se* in all respects with the then existing equity shares of the Company;

d) the Board be and is hereby authorised to take requisite steps for listing of the securities allotted under ESOP 2017 on the Stock Exchanges where the securities of the Company are listed; and

e) for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things, as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

f) any of the Directors and Company Secretary be and are hereby severally authorised to take the necessary steps for listing the securities under the Plan on the Stock Exchanges where the existing securities of the Company are listed as per Act and/or Regulations."

Place: Bangalore
Date: 8th August, 2017

By Order of the Board
For Brigade Enterprises Limited

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

NOTES:

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the company may appoint a single person as proxy, who shall not act as proxy for any other

Member.

3. The instrument of proxy, in order to be effective, should be deposited at the Registered Office of the Company duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy form is annexed to this Report. Proxies submitted on behalf of corporates, limited liability partnerships, societies etc., must be supported by an appropriate resolution/authority, as applicable.

4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

5. Members/proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.

6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

7. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

8. The Company has fixed Thursday, 14th September, 2017 as Record Date for determining the members eligible for Dividend on Equity Shares, if declared at the Annual General Meeting.

9. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if approved by the members will be paid on or before 16th October, 2017 to those members who names appear in the Register of Members on the Record Date.

10. Members whose Shareholding is in the electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective Depository Participant(s). Members holding Shares in physical form are requested to advise any change of address or bank details immediately to our Registrars and Transfer Agent, Karvy Computershare Private Limited. Members are also encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.

11. Members are requested to send all communications relating to Shares including dividend matters to our Registrar and Share Transfer Agents at the following address:

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

12. Members are requested to note that the dividends not encashed or claimed within 7 (seven) years from the date of transfer to the Unpaid Dividend Account, will as per Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund. The details of the unclaimed dividend of the earlier years are available on our website www.brigadegroup.com. Members who haven't encashed or claimed the dividend for the earlier years are requested to approach the Company/Registrar & Transfer Agents at the earliest.

13. The Company is concerned about the environment and utilizes natural resources in a sustainable way. Members who have not registered their email addresses with their Depository Participants are requested to register their email address so that they can receive the Annual Report and other communication from the Company electronically. Members who wish to receive a physical copy of the Annual Report may write to the Company Secretary at the registered office or send an email to investors@brigadegroup.com. The Annual Report can also be downloaded from the investors section of the Company's website www.brigadegroup.com.

14. Copies of the Annual Report 2017 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 2016-17 are being sent by the permitted mode.

15. 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.

16. The certificate of the Statutory Auditors of the Company certifying that the 'Brigade Employee Stock Option Plan 2011' is being implemented in accordance with the Securities and Exchange Board of India Regulations will be available for inspection at the Annual General Meeting.

17. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding Shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding Shares in physical form shall submit their PAN details to the Registrar & Transfer Agents/Company.

18. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the Annual General Meeting.

19. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and in compliance with the 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.

20. The Company has appointed Mr. Rajshekar, Practising Company Secretary (CP No.:2468), who in the opinion of the Board is a duly qualified person, as a Scrutinizer who will collate the electronic voting process in a fair and transparent manner. The Scrutinizer shall within a period of three (3) working days from the date of conclusion of e-voting period, submit his report of the votes cast in favour or against, if any, to the Chairman of the Company. The result of the same will be disclosed at the Annual General Meeting proceedings. The e-voting results will also be uploaded in the website of the Company (www.brigadegroup.com).

21. The Route Map of the venue of the Annual General Meeting forms part of this Notice and is published in the Annual Report of the Company.

22. The Company has entered into an agreement with Karvy Computershare Private Limited (Karvy) for facilitating e-voting for the Annual General Meeting. The instructions for e-voting are as follows:

INSTRUCTIONS FOR E-VOTING:

A. In case a Member receiving an email from Karvy [for Members whose email IDs are registered with the Company/Depository Participant(s)]

i. Launch internet browser by typing the URL: https://evoting.karvy.com.

ii. Enter the login credentials (i.e. **User ID and Password** as provided separately). Your DP ID-Client ID / Folio No. will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

iii. After entering these details appropriately, Click on "LOGIN".

iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVENT" i.e., Brigade Enterprises Limited.

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Shareholders holding multiple demat accounts/folios shall choose the voting process separately for each demat accounts/folios.

ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at 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, 22nd Annual General Meeting".

xiii. The e-voting period commences on Monday, 18th September, 2017 at 9.00 a.m. to Wednesday, 20th September, 2017 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 Thursday , 14th September, 2017, 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.5:

The Board of Directors of the Company based on recommendation of Nomination and Remuneration Committee has subject to the approval of the members re-appointed of Mr. M.R. Jaishankar (DIN: 00191267) as Chairman & Managing Director of the Company for a period of 5 years with effect from 1st April, 2017.

An abstract of the terms of re-appointment are as follows:

1. Duties and Powers

   a) Mr. M R Jaishankar, Chairman and Managing 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 Chairman & Managing 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) He shall duly abide by the Code of Conduct laid down by the Company.

2. Period of Appointment: From 1st April 2017 to 31st March 2022.

3. Remuneration

   a. Basic Salary

      Basic Salary up to of ₹ 6,00,000/- p.m. (rupees six lakhs only), 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

      (1) In Addition to the salary, Mr. M R Jaishankar shall be entitled to 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.

         iii. Medical Reimbursement: Expenses incurred by the Managing Director and his family will be subject to ceiling of one month's salary.

         iv. 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. M R Jaishankar; 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 Chairman & Managing 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 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. M. R. Jaishankar satisfies all the conditions set out in Part I of Schedule V to the Act as also conditions set out under Section 196(3) of the Companies Act, 2013 for being eligible for his re-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 re-appointment of Mr. M. R. Jaishankar under Section 190 of the Companies Act, 2013.

Mr. M. R. Jaishankar is interested in the resolution set out at Item No. 5 of the Notice. Ms. Githa Shankar Whole-time Director of the Company, being related to Mr. M. R. Jaishankar, may be deemed to be interested in the resolution set out at Item No. 5 of the Notice.

The other relatives of Mr. M. R. Jaishankar may be deemed to be interested in the resolution set out at Item No. 5 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 a special 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.6:

The Board of Directors of the Company based on recommendation of Nomination and Remuneration Committee has subject to the approval of the members re-appointed of Ms. Githa Shankar (DIN: 01612882) as a Whole-time Director of the Company for a period of 5 years with effect from 1st April, 2017.

An abstract of the terms of re-appointment are as follows:

1. Duties and Powers

   a. Ms. Githa Shankar, Whole-time 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 1st April 2017 to 31st March 2022.

3. Remuneration

   a. Basic Salary

   Basic Salary up to of ₹ 5,00,000/- p.m. (rupees five lakhs only), 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

   (1) In Addition to the salary, Ms. Githa Shankar shall be entitled to 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. Githa 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 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. Githa 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 re-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 re-appointment of Ms. Githa Shankar under Section 190 of the Companies Act, 2013.

Ms. Githa Shankar is interested in the resolution set out at Item No. 6 of the Notice. Mr. M. R. Jaishankar, Chairman & Managing of the Company, being related to Ms. Githa Shankar may be deemed to be interested in the resolution set out at Item No. 6 of the Notice.

The other relatives of Ms. Githa Shankar may be deemed to be interested in the resolution set out at Item No. 6 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 a special 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 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 M/s. GNV & Associates, Cost Accountants (Firm Registration No: 000150) as the Cost Auditors of the Company for the financial year 2016-17 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 2016-17.

None of the Promoters, Directors, Key Managerial Personnel or their relatives are interested, financial or otherwise, if any in the Resolution No. 7 of the accompanying Notice except to the extent of their Shareholding, if any in the Company.

Item No. 8 & 9:

The Company proposes to introduce a new Employee Stock Option Plan (hereinafter referred to as the "ESOP 2017") for the benefit of permanent employees of the Company and its subsidiary companies and its Directors, this plan is titled "Brigade Employee Stock Option Plan 2017".

The Board of Directors at their meeting held on 8th August, 2017 approved the "Brigade Employee Stock Option Plan 2017" subject to the approval of the Members and pursuant to the Companies Act, 2013 and the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014.

The following is the explanatory statement which sets out the various disclosures as required in terms of the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014.

This plan is in addition to the "Brigade Employee Stock Option Plan 2011".

The salient features of the Plan are as under:

1) Brief description of the Plan:

This Plan shall be called the "Brigade Employee Stock Option Plan 2017 or the "Plan".

It applies to Deputy General Managers & above of the Company and its Subsidiaries (permanent employees) and Directors (excluding Independent Directors) of the Company and its Subsidiaries. Promoter, Promoter Group and their relatives are not entitled to participate in the Plan. The Nomination & Remuneration Committee shall have the powers to extend the scheme to other permanent employees of the Company & its Subsidiaries as they deem fit at the time of roll out of the Scheme.

The Plan shall be deemed to have come into force on the date of receipt of shareholders' approval. It shall continue in effect till all the Options granted under the Plan are exercised or have been extinguished or unless the Plan is terminated in accordance with the Plan.

2) Basic Objective of the Plan:

- To reward employee performance with ownership in the Company
- To attract and retain talent
- To create wealth for employee
- To enhance shareholder value.

3) Total number of options to be granted:

The number of options to be granted under ESOP 2017 shall not exceed 5% of the issued, subscribed and paid-up equity shares of the Company as on 31 March 2017 i.e., up to 56,83,237 (fifty six lakhs eight three thousand two hundred and thirty seven) equity shares of ₹ 10/- each of the Company. In the event of any corporate action(s) viz. bonus, consolidation or other reorganisation of the capital structure of the Company, number of options/ shares to be issued shall undergo fair, reasonable and appropriate adjustments pursuant to Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014. Each option when exercised would be converted into one equity share of ₹ 10/- each fully paid-up.

4) Identification of classes of employees entitled to participate in the Plan:

- Deputy General Managers and above (permanent employees) of the Company and its subsidiaries;
- A Director of the Company and its subsidiaries, whether whole time Director or not but excluding Independent Directors and Promoter Directors.
- Such other category of permanent employees of the Company

or its subsidiaries as may be approved by the Nomination & Remuneration Committee at the time of rolling out of the Scheme

However the following classes of employees are not eligible to participate in the Plan:

- An employee who is a Promoter or a person belonging to the Promoter Group;
- Employees who are relatives of Promoter / Promoter Group
- A Director who either himself or through his Relative or through any bodies corporate, directly or indirectly, holds more than ten percent of the outstanding Shares of the Company.

5) Administration of the Plan:

The Plan shall be administered directly by Nomination & Remuneration Committee of the Board in accordance with the authority delegated to the Committee by the Baard of Directors of the Company from time to time.

6) Requirements of vesting and period of vesting:

All options granted vide grant letter shall vest in accordance with the date specified in the letter.

The vesting dates in respect of the options granted under this plan shall be at the sole and absolute discretion of the Nomination & Remuneration Committee and may vary from an employee to employee or any class thereof and/ or in respect of the number or percent of options granted to an employee. There shall be a minimum vesting period of one year in all cases and over all vesting period shall be four years.

Options eligible for vesting on the basis of various parameters, may be specified in the grant letter and such options shall vest in the optionee.

7) Maximum period within which the Options shall be vested:

The maximum period within which the Options shall vest will be four years from the date of grant or such other period as decided by the Nomination & Remuneration Committee from time to time and shall be provided in the Letter of Grant to the Employees.

8) Exercise price:

Exercise price means the price of the share payable by an eligible employee exercising the option granted to him pursuant to the plan as may be determined by the Nomination and Remuneration Committee. The exercise price of an option that shall be fixed shall not be less than eighty percent (80%) of the "Market Price" as per the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014. However, the Nomination & Remuneration Committee shall have the power to fix the exercise price less than 80% of the "Market Price" as per the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 based on market conditions at the time of roll out of the scheme.

9) Exercise period and process of exercise:

Exercise period in relation to an option means the time period after vesting within which an employee should exercise his right to apply for a share against an option vested in him pursuant to the plan. The exercise period will be for a period of five years from the date of vesting of Options. The Optionee shall give a written application to the company secretary & compliance officer with the full consideration of the option to be exercised. The options shall not be permitted to be exercised after the expiry of the above mentioned exercise period. After this date, all the options vested and remains unexercised under the scheme will lapse

10) Appraisal process for determining the eligibility of employees to the Plan:

The Nomination & Remuneration Committee shall, based on the various criteria for the quantum of issue of Options under the Plan which primarily includes the following:

a) Performance

b) Performance Evaluation

c) Longevity

Apart from the above the Nomination & Remuneration Committee may from time to time taking into consideration other factors as may be necessary.

11) Maximum number of options to be issued per Employee and in aggregate:

The number of options that may be granted per employee of the Company under the Plan, in any financial year shall be less than 1% of the issued equity share capital. The total number of equity shares to be allotted to employees of the Company and its subsidiaries pursuant to the exercise of stock options under the Plan shall not exceed 56,83,237 equity shares.

12) Maximum quantum of benefits to be provided per employee under the Plan:

The Maximum quantum of benefits underlying the options issued to an employee shall be equal to the difference between the Option Exercise Price and the Market Price of the shares on the exercise date.

13) Whether the Plan involves new issue of shares by the Company or secondary acquisition by the Trust or both:

The Plan involves only new issue of shares by the Company.

14) The amount of loan to be provided for implementation of the Plan by the Company to the Trust, its tenure, utilization, repayment terms, etc.:

The plan is not administered through the Trust and further grant of loan is not contemplated under the Plan by the Company.

15) Maximum percentage of secondary acquisition (subject to limits specified in the regulations) that can be made by the Trust for the purpose of the Plan:

This is not applicable as the Plan is not administered through a Trust.

16) Accounting Policies:

The Company shall comply with the accounting policies specified in the requirements of the 'Guidance Note on Accounting for employee share-based Payments' (Guidance Note) or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein. Where the existing Guidance Note or Accounting Standard do not prescribe accounting treatment or disclosure requirements for any of the schemes covered under these regulations then the company shall comply with the relevant Accounting Standard as may be prescribed by the ICAI from time to time.

17) Method of Valuation:

To calculate the employee compensation cost, the Company shall use Fair Value Method for the valuation of the stock options granted.

The Plan provides for issue of shares to be offered to persons other than existing Members of the Company, consent of the Members is being sought pursuant to Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 and as per Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

As per the SEBI Regulation, a separate resolution is required to be passed if the benefits of the Employee Stock Option Scheme are to be extended to the employees of subsidiaries subject to terms and conditions as mentioned herein.

The draft copy of the Plan is available for inspection by the Members at the registered office of the Company on all working days (except Saturdays, Sundays and public holidays) between 11.00 a.m. to 4.00 p.m. upto the date of closing of e-voting i.e., Wednesday, September 20, 2017.

The Board recommends the Special Resolution set out at Item No.8 & 9 of the Notice for approval by the Shareholders.

None of the Promoters, Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in these resolutions except to the extent of their entitlements, if any, under the Plan and to the extent of their shareholding as Members, if any.

Place: Bangalore
Date: 8th August, 2017

By Order of the Board
For Brigade Enterprises Limited

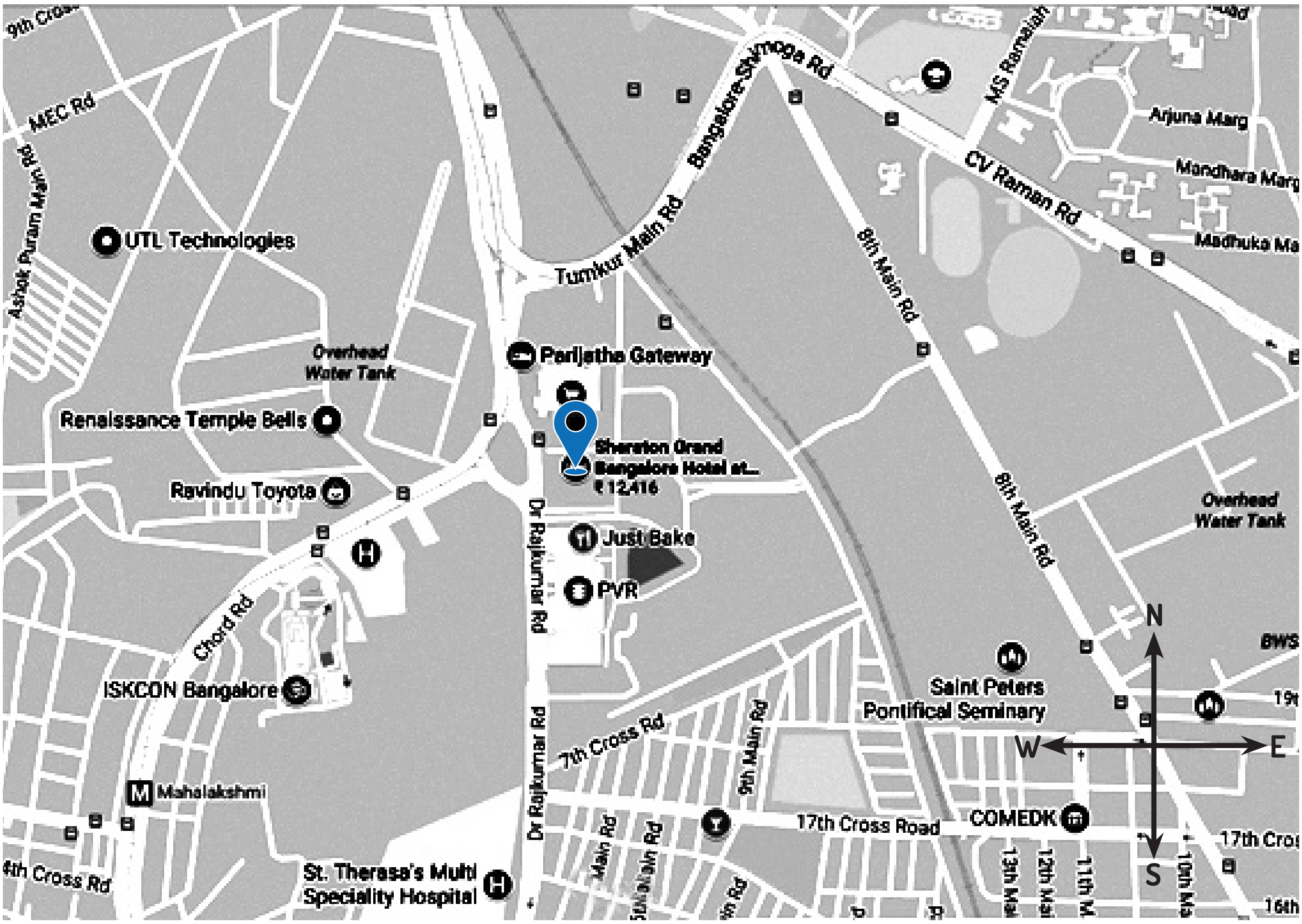
P. Om Prakash
Company Secretary & Compliance Officer

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 22nd Annual General Meeting {Pursuant to Regulation 36 of the SEBI (LODR) Regulations, 2015}

Name of the Director	Mr. M.R. Jaishankar	Ms. Githa Shankar
Date of Birth	22/4/1954	23/1/1954
Age (in years)	63	63
Date of Appointment	8/11/1995	8/11/1995
Qualification	Bachelors in Science and Masters in Business Administration	Bachelors in Arts, Bachelors in Library Science and a Masters in Business Administration
No. of equity shares held in the Company	23045064	18700500
Expertise in functional areas	He has over 4 decades of rich experience in real estate industry	She has over 3 decades of experience in the fields of advertising, stock broking, insurance, education and real estate
Directorships held in other Companies	1. Brigade Hospitality Services Limited 2. Mysore Holdings Private Limited 3. Brigade Estates & Projects Private Limited 4. Brigade Tetrarch Private Limited 5. Brigade Infrastructure & Power Private Limited 6. BCV Developers Private Limited 7. WTC Trades & Projects Private Limited 8. Orion Mall Management Company Limited 9. Brigade (Gujarat) Projects Private Limited 10. Smart Cities India Foundation 11. Mysore projects Private Limited 12. Brigade Hotel Ventures Limited 13. Augusta Club Private Limited	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
Committee positions held in other Companies	NIL	NIL

Route Map to AGM Venue



BRIGADE

FORM NO. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

BRIGADE ENTERPRISES LIMITED

CIN: L85110KA1995PLC019126

29th & 30th Floor, 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 22nd Annual General Meeting of the Company, to be held on Thursday, 21st September, 2017 at 10:30 a.m. at Sheraton Grand Hotel Bangalore, 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 31st March, 2017.		
2	Declaration of Dividend.		
3	Re-appointment of Mr. M.R. Jaishankar, as a Director liable to retire by rotation		
4	Annual ratification of the appointment of M/s S.R. Batliboi & Associates LLP, Chartered Accountants (Registration No. 101049W/E300004) as Statutory Auditors and authorizing the Board of Directors to fix their remuneration.		
Special Business			
5	Re-appointment of Mr. M.R. Jaishankar, as Chairman & Managing Director of the Company		
6	Re-appointment of Ms. Githa Shankar, as Whole Time Director of the Company		
7	Approve the remuneration payable to M/s GNV & Associates, Cost Auditors for the Financial Year 2016-17.		
8	Brigade Employee Stock Option Plan 2017		
9	Brigade Employee Stock Option Plan 2017 to subsidiaries		

Signed this...... day of......... 2017

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

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 22nd Annual General Meeting of the Company held on Thursday, 21st September, 2017 at 10:30 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.

Notes

Notes

The Brigade Team receiving the Great Place To Work For 2017 Award

The World Trade Center Kochi was inaugurated by Shri Pinarayi Vijayan, Hon'ble Chief Minister of Kerala in the presence of Mr. Ghazi Abu Nahl- Chairman World Trade Centers Association and the Brigade Team.

BRIGADE

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