

BRIGADE HOSPITALITY SERVICES LIMITED

ANNUAL REPORT 2015-2016

NOTICE

Notice is hereby given that the Twelfth Annual General Meeting of **Brigade Hospitality Services Limited** will be held on Tuesday, 30th August, 2016 at 9.30 a.m. at the Board Room, 30th Floor, World Trade Center, 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 Audited Balance Sheet and Audited Profit & Loss Account for the financial year ended 31st March, 2016 and the reports of the Board of Directors and the Auditors thereon.
2. To appoint the Directors in place of Mr. Balaram Menon who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Directors in place of Ms. Nirupa Shankar who retires by rotation and being eligible, offers herself for re-appointment.
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 B.K. Ramadhyani & Co., Chartered Accountants (Registration No. 0028785) as Statutory Auditors of the Company from the conclusion of Twelfth Annual General Meeting until the conclusion of the Thirteenth Annual General Meeting on such remuneration as may be finalized by the Board of Directors in consultation with the Statutory Auditors."

SPECIAL BUSINESS

5. To Consider and thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 203 of the Companies Act, 2013 read with schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval be and hereby given for the re-appointment of Mr. Vineet Verma as a Whole-time Director (Executive Director) of the Company for a period of 3 years with effect from 1st December,

2015 on an overall remuneration of Rs.1,19,69,130/- (Rupees one crore nineteen lakhs sixty nine thousand one hundred and thirty only) per annum as detailed below:

- i. Basic Salary : Rs.2,27,990/- per month
- ii. Allowance: Rs.4,63,975/- per month
- iii. Annual Benefits: Rs.2,48,590/- per annum
- iv. Retiral Benefits : Rs.1,53,130/- per annum
- v. Annual Performance Linked Pay :Rs.22,27,990/- per annum
- vi. Perquisites & other benefits : Rs.10,35,840/- per annum

RESOLVED FURTHER THAT Mr. M.R. Jaishankar, Chairman & Managing Director and Mr. P. Om Prakash, Company Secretary of the Company be and are hereby authorized to do all such acts, deeds and things as may be necessary for effecting the aforesaid resolution in his absolute discretion and to sign, execute all necessary documents, applications, returns as may be required."

6. To Consider and thought fit , to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 181 and other applicable provisions, if any of the Companies Act, 2013, the consent of the Shareholders be and is hereby accorded to the Board of Directors of the Company to contribute and/or donate an amount upto Rs.5 Crores (Rupees Five Crores only) in one or more tranches, in any financial year, either directly or through a non profit organization, or in any other way as considered appropriate by the Board to Brigade Foundation Trust or to such other institutions including any bona fide charitable and other funds as may be deemed fit and appropriate by the Board of Directors of the Company from time to time.

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 that may be necessary to give effect to this resolution."

Place: Bangalore
Date: 3rd May, 2016

By Order of the Board
For Brigade Hospitality Services Limited

Sd/-
P. Om Prakash
Company Secretary

Registered Office
29th Floor, World Trade Center
Brigade Gateway Campus, 26/1,
Dr. Rajkumar Road
Malleswaram-Rajajinagar
Bangalore - 560055

NOTES:

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the company may appoint a single person as proxy, who shall not act as proxy for any other Member.
3. The instrument of proxy, in order to be effective, should be deposited at the Registered Office of the Company duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy form is annexed to this Report.
4. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.

Statement pursuant to Section 102 of the Companies Act, 2013:

Item No.5:

Board of Directors of the Company based on recommendation of Nomination and Remuneration Committee has proposed for re-appointment of Mr. Vineet Verma as a Whole-time Director (Executive Director) of the Company for a period of 3 years with effect from 1st December, 2015 on an overall remuneration of Rs.1,19,69,130/- (Rupees one crore nineteen lakhs sixty nine thousand one hundred and thirty only) per annum, subject to approval of the Shareholders in the General Meeting.

Mr. Vineet Verma, 56 years, holds a graduate degree in Science and he is a professional have rich experience in the fields of hospitality & business management including hotels, business clubs and food courts. He was actively involved in activities of several Chambers of Commerce. He was also the member, governing Body of concern for Kolkata, a Leading NGO in West Bengal.

Prior approval of Shareholders is necessary approval of Board of Directors for Re-appointment Mr. Vineet Verma, as a Whole-time Director (Executive Director) with proposed remuneration of Rs.1,19,69,130/- p.a. pursuant to the Provisions of Section 196, 197 and 203 read with Schedule V to the Companies Act, 2013.

The Disclosure pursuant to Schedule V of the Companies Act, 2013 are as follows:

SI. No	Particulars	Descriptions
I. General Information:		
1.	Nature of industry	Hospitality Industry
2.	Date or expected date of commencement of commercial production	01/06/2004
3.	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA
4.	Financial performance based on given indicators	
5.	Foreign Investments or Collaborations, if any	NA
II. Information about the appointee:		
1.	Background details	Appointed as a Whole-time Director (Executive Director) from 1 st December, 2012
2.	Past remuneration	Rs.1,11,26,540/-
3.	Recognition or awards	Felicitated by the Bangalore Chamber of Industry & Commerce at their 38 th AGM

		for his contribution during 2014-15 as Chairman of the Tourism, Media & Leisure Committee
4.	Job Profile and his Suitability	His professional and rich experience in the hospitality and retail business for nearly 3 decades makes him the perfect fit for the position of Whole-time Director (Executive Director)
5.	Remuneration Proposed	Rs.1,19,69,130/-
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	His professional and rich experience in the hospitality and retail business makes him the perfect fit for the said position
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial Personnel, if any.	NA
III. Other information:		
1.	Reasons of loss or inadequate profits	The Company is in the process of scaling up its operations due to which profits are inadequate to pay the minimum required limits of remuneration.
2.	Stapes take or proposed to be taken for improvement	The process of scaling up operations is on and the benefits of the same will be reflected in the coming years.
3.	Expected increase in productivity and profits in measurable terms	The scale of operations of the Company is expected to grow exponentially in the coming years. The sales and profits are expected to grow at a CAGR of 25% both on sales as well as profitability

The Board of Directors recommend the resolution No.5 approval by the Shareholders as a **Special Resolution**.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested either financially or otherwise in the Resolution.

Item No.6:

Your Company is proposing to authorise the Board of Directors of the Company ("the Board") to contribute upto Rs.5 crores in any financial year for charitable purposes, either directly or through any non profit organization or in any other way considered appropriate.

Pursuant to provisions of Section 181 of the Companies Act, 2013, the Board may contribute to bona fide charitable and other funds provided that prior permission of the Company in a general meeting is necessary for making contributions the aggregate of which, in any financial year, exceeds 5% of the average net profits of the Company as determined in accordance with the provisions of Section 198 of Companies Act, 2013 for the three immediately preceding financial years.

Subject to approval of the Shareholders of the Company, the Board may contribute to bona fide charitable and other funds in one or more tranches to Brigade Foundation Trust or to such other institutions from time to time, an amount exceeding 5% of the average net profits of the Company for the three immediately preceding financial years, subject to the maximum of Rs.5 Crores in a financial year. Accordingly, it is proposed to obtain members' approval by way of an Ordinary Resolution for contributing upto Rs.5 Crores in any financial year as the Board may deemed fit.

None of the Promoters, Directors, Key Managerial Personnel or their relatives are interested, financial or otherwise, if any in the Resolution No.6 of the accompanying Notice except to the extent of their Shareholding, if any in the Company.

The Directors recommend the Resolution No.6 of the Notice for consent and approval by the Shareholders as an **Ordinary Resolution**.

Place: Bangalore
Date: 3rd May, 2016

By Order of the Board
For Brigade Hospitality Services Limited

Sd/-
P. Om Prakash
Company Secretary

Registered Office
29th Floor, World Trade Center
Brigade Gateway Campus, 26/1,
Dr. Rajkumar Road
Malleswaram-Rajajinagar
Bangalore - 560055

BRIGADE HOSPITALITY SERVICES LTD.
CIN: U55101KA2004PLC034060
Regd. Off. : 29th Floor, World Trade Center, Brigade Gateway Campus,
26/1, Dr.Rajkumar Road, Malleswaram-Rajajinagar, Bangalore 560 055

Twelfth Annual General Meeting on 30th August, 2016 at 9.30 a.m.

ATTENDANCE SLIP

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

CLID/ Folio No. :

DPID. :

No. of Shares held :

I certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the Twelfth Annual General Meeting of the Company being held on Tuesday, 30th August, 2016 at 9.30. a.m. at the Board Room, 30th Floor, World Trade Center, Brigade Gateway Campus, 26/1, Dr.Rajkumar Road, Malleswaram-Rajajinagar, Bangalore 560 055

Name of the Member/Proxy
(in Block Letters)

Signature of Member / Proxy

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

BRIGADE HOSPITALITY SERVICES LTD.
CIN: U55101KA2004PLC034060
Regd. Off. : 29th Floor, World Trade Center, Brigade Gateway Campus,
26/1, Dr.Rajkumar Road, Malleswaram-Rajajinagar, Bangalore 560 055

Twelfth Annual General Meeting - 30th August, 2016 at 9.30 a.m.

PROXY FORM

CLID/ Folio No. :

DPID. :

No. of Shares held :

I/ We _____ of _____ in the district of _____ being Member(s) of Brigade Hospitality Services Limited hereby appoint _____ of _____ in the district of _____ or failing him/her appoint _____ of _____ in the district of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the Twelfth Annual General Meeting of the Company to be held on Tuesday, 30th August, 2016 at 9.30 a.m. at the Board Room, 30th Floor, World Trade Center, Brigade Gateway Campus, 26/1, Dr.Rajkumar Road, Malleswaram-Rajajinagar, Bangalore- 560 055 and at any adjournment thereof.

Name of the Member/Proxy
(in Block Letters)

Signature of Member / Proxy

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

BOARD'S REPORT

Dear Members

We have pleasure in presenting the Twelfth Annual Report on business and operations of the Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2016.

FINANCIAL HIGHLIGHTS:

The financial highlights of the Company for the year ended 31st March, 2016 is as follows:

(Rupees in lakhs)		
Particulars	2015-16	2014-15
Total Income	3948	4064
Total Expenditure	3673	3835
Depreciation	352	438
Prior period adjustments	-	-
Profit before tax	275	229
Provision for : Current Tax	36	33.70
Prior year Tax	-	-
Deferred Tax	6.47	-
Net Profit/(Loss) after Tax	233	195
Balance in Profit & Loss Account brought forward from previous year	(75)	(270)
Balance carried to Balance Sheet	158	(75)

FINANCIAL OVERVIEW:

During the year Company achieved a turnover of Rs.3948 lakhs as against Rs.4064 lakhs during the previous year, a decrease by 2.85%. The net profit after tax was at Rs.233 lakhs as against Rs.195 lakhs in the previous year, an increase by 19.48%.

All the existing units of the Company are in the process of scaling up its operations. The benefits of the same will be reflected in better sales growth and profitability margins in the near future.

HOLDING/ SUBSIDIARIES AND ASSOCIATES:

The Company is a wholly owned subsidiary of Brigade Enterprises Limited. Celebrations Catering & Events LLP is a subsidiary of the Company as per Accounting Standards.

FINANCIAL STATEMENTS OF SUBSIDIARIES AND ASSOCIATE COMPANIES:

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 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 subsidiary associates as required in Form AOC-1 is attached as **Annexure-1** to this Report.

TRANSFER TO RESERVES:

An amount of Rs.73,78,452/- has been transferred out of the current year's profits to General Reserves.

DIVIDEND:

Directors have not recommended any dividend for the year.

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.

SHARE CAPITAL:

There has been no change in the Share Capital of the Company during the year.

DEBENTURES:

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

BOARD OF DIRECTORS:

The Board of Directors of the Company comprises of Seven Directors of which 2 are Executive Directors and 5 Non-Executive Directors in which 2 Directors are categorised as Independent 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. Balaram Menon, (DIN: 01421431) and Ms. Nirupa Shankar (DIN: 02750342) Directors of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for reappointment.

The Board of Directors at their meeting held on 24th April, 2015 have appointed Mr. Mohan Parvatikar (DIN: 00235941) as an Additional Director of the Company in the category of Independent Director with effect from 24th April, 2015 and he has re-appointed in the Eleventh Annual General Meeting held on 23rd September, 2015.

The above Independent Director have given declarations that he meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

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

BOARD MEETINGS:

During the year under review, the Board of Directors of the Company met 4 times on the following dates:

Dates on which Board Meetings were Held	Total Strength of the Board	No of Directors Present
24 th April, 2015	6 (Six)	5(Five)
23 rd July, 2015	7 (Seven)	7 (Seven)
17 th October, 2015	7 (Seven)	4(Four)
19 th January, 2016	7 (Seven)	6(Six)

ATTENDANCE OF DIRECTORS AT BOARD MEETINGS AND ANNUAL GENERAL MEETING:

The Board of Directors of the Company have attended the Board & Annual General Meetings as per the following details:

Name of the Director	Board meetings attended in the financial year 2015-2016	Attendance in the 11th Annual General Meeting held on 23rd September, 2015
Mr. M.R Jaishankar	4(Four)	Yes
Ms. Githa Shankar	3(Three)	Yes
Ms. Nirupa Shankar	2(Two)	Yes
Mr. Vineet Verma	4(Four)	Yes
Mr. M.S. Ravindra	2(Two)	Yes
Mr. P. Balaram Menon	4(Four)	Yes
Mr. Mohan Parvatikar	3(Three)	Yes

AUDIT COMMITTEE:

The Audit Committee of the Company comprises of the following members as on 31st March, 2016. During the year your Board had reconstituted the Committee upon induction of Independent Director in accordance with section 177 of the Companies Act, 2013:

1. Mr. Balaram Menon - Chairman
2. Mr. M. S. Ravindra - Member
3. Mr. M. R. Jaishankar - Member
4. Mr. Mohan Parvatikar - Member

NOMINATION & REMUNERATION COMMITTEE:

During the year your Board had changed the nomenclature of the Remuneration Committee to Nomination & Remuneration Committee and reconstituted the Committee on the induction of a new Independent Director. The members of the Committee are as follows:

1. Mr. Balaram Menon - Chairman
2. Mr. M. S. Ravindra - Member
3. Mr. Mohan Parvatikar - Member

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 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-2**.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors hereby confirms that:

- a) in the preparation of the annual financial statements for the year ended 31st March, 2016, 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) there are proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

CHANGES IN KEY MANAGERIAL PERSONNEL:

During the year under review the Board of Directors has re-appointed Mr. Vineet Verma as an Executive Director of the Company for a period of 3 years with effect from 1st December, 2015 subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company. There are no other changes in the Key Management Personnel. Mr. Ananda Natarajan is the CFO & Mr. P. Om Prakash is the Company Secretary who were the Key Management Personnel in the previous year as well,

PARTICULARS OF EMPLOYEES:

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

STATUTORY AUDITORS:

The members of the Company at the Tenth Annual General Meeting held on 4th August, 2014 approved the appointment of M/s. B. K. Ramadhyani & Co, Chartered Accountants (Registration No. 0028785), Statutory Auditors of the Company for a period of 5 years till the conclusion of Fifteenth 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 Twelfth Annual General Meeting. Members may ratify the appointment of

M/s. B. K. Ramadhyani & Co, Chartered Accountants as the Statutory Auditors of the Company for the financial year 2016-17.

There are no qualifications or adverse remarks in the Statutory Auditors' Report for the financial statements for the year ended 31st March, 2016 which require any explanation from the Board of Directors.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The related party transactions entered during the financial year 2015-16 as detailed in Notes to Accounts of the financial Statements and which are carried at arms length basis and in normal course of business.

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 2015-16 in Form No. MGT-9 is appended as **Annexure-4** to this Report.

MATERIAL CHANGES AND COMMITMENTS:

There were no material changes and commitments for the period under review, which affects the financial position of the company.

SIGNIFICANT OR MATERIAL ORDERS:

During the financial year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in the future.

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:

The Board of Directors and Audit Committee have been entrusted with the responsibility for establishing policies to monitor and evaluate risk management systems of the Company. As a part of their scope, the Deloitte Haskins & Sells, LLP, Internal Auditors of the Company undertake the evaluation of processes in different departments/units of the Company and the same is presented to the Audit Committee/ Board of Directors on a quarterly basis.

The business risks identified are reviewed by the Audit 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 Board of Directors of the Company on a periodic basis.

CORPORATE SOCIAL RESPONSIBILITY:

The provisions relating to Corporate Social Responsibility are not applicable to the Company as on 31st March, 2016. However the Company and the Group have been engaged in Corporate Social Responsibility activities in and around its operating properties of the Company.

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

A. CONSERVATION OF ENERGY:

The Company is engaged in service sector, has limited scope for energy conservation. Emphasis is being laid on employing techniques which result in conservation of energy. At work place, emphasis is more on installation of energy efficient lights and using natural light to a maximum extent.

B. TECHNOLOGY ABSORPTION: NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, the Company has neither earned nor used any foreign exchange.

HUMAN RESOURCES:

Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes. Your Company has currently 298 employees. A significant effort has also been undertaken to develop leadership as well as technical/functional capabilities in order to meet future talent requirement.

Brigade Enterprises Limited, the Holding Company has framed a policy for Prevention of Sexual Harassment in the organization. The policy is applicable for all Companies in the Group. The

"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, there were no such instances reported in the Company.

ACKNOWLEDGEMENTS:

The Directors wish to place on record their appreciation and sincere thanks to all the stakeholders for the continued support and patronage. We look forward to your support and co-operation as the Company marches ahead with its growth plans.

By order of the Board
For **Brigade Hospitality Services Limited**

Place: Bangalore
Date : 3rd May, 2016

Sd/-
Vineet Verma
Executive Director
DIN: 06362115

Sd/-
Nirupa Shankar
Director
DIN: 02750342

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 Rs Lakhs)

Particulars	Celebration Catering and Events, LLP
Reporting period	2015-16
Reporting currency	INR
Share capital	30
Reserves & surplus	128
Total Assets	257
Total Liabilities	257
Investments	--
Turnover	917
Profit before Taxation	169
Provision for Taxation	57
Profit after Taxation	112
Proposed Dividend	--
% of Shareholding	95%

Notes:

1. Name of subsidiary which is yet to commence the operations: **NA**
2. Names of subsidiaries which have been liquidated or sold during the year: **NA**

Annexure-2

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

1) PREAMBLE

Brigade Group 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 units/segments.

Brigade Hospitality Services Limited 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 Hospitality Services 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 of the Companies Act, 2013.

- 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 & Remuneration Committee means the Committee constituted pursuant to the provisions of Section 178 of the Companies Act, 2013.

3) POLICY SCOPE

The remuneration policy is the guiding principle on the basis of which the Nomination & 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 & 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 & 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

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 & Remuneration Committee on basis of individual's qualification, experience, expertise, core competencies, job profile, positive attributes and industry standards.

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 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 3:

INFORMATION AS PER SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) AMENDMENT RULES, 2011 AND FORMING PART OF THE BOARD'S REPORT FOR THE YEAR ENDED 31ST MARCH 2016									
S. No.	Name of the Employee	Designation	Qualification	Age (Years)	Joining Date	Experience (Years)	Gross Remuneration (Rs. in lacs) Annual	Last Employment	Last Designation
1	Vineet Verma	Executive Director	B. Sc.	57	31.07.06	36.8	102.71	Bengal Ambuja, Kolkata	Chief Executive Officer

ANNEXURE-4									
FORM NO. MGT 9									
EXTRACT OF ANNUAL RETURN									
As on financial year ended on 31.03.2016									
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	U55101KA2004PLC034060							
2	Registration Date	1st June, 2004							
3	Name of the Company	Brigade Hospitality Services 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 Floor, World Trade Center, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bangalore - 560 055 +91 8041379200 Email: omprakash@brigadegroup.com							Tel:
6	Whether listed company	No							
7	Name, Address & contact details of the Registrar & Transfer Agent, if any	NA							
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	Restaurants and mobile food services activities				561		55.80%		
1	Accommodation activities				551		21.89%		
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 Enterprises Limited 29th & 30th Flr, World Trade Center, 26/1, Brigade Gateway, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bangalore-560 055		L85110KA1995PLC019126		Holding Company		99.90%		2(46)	
IV. SHAREHOLDING 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		10,000	10,000	0.10%		10,000	10,000	0.10%	0.00%
b) Central Govt		-	-	0.00%		-	-	0.00%	0.00%
c) State Govt(s)		-	-	0.00%		-	-	0.00%	0.00%
d) Bodies Corp.		99,90,000	99,90,000	99.90%		99,90,000	99,90,000	99.90%	0.00%
e) Banks / FI		-	-	0.00%		-	-	0.00%	0.00%
f) Any other		-	-	0.00%		-	-	0.00%	0.00%
Sub Total (A) (1)		1,00,00,000	1,00,00,000	100.00%		1,00,00,000	1,00,00,000	100.00%	0.00%
(2) Foreign									
a) NRI Individuals		-	-	0.00%		-	-	0.00%	0.00%
b) Other Individuals		-	-	0.00%		-	-	0.00%	0.00%
c) Bodies Corp.		-	-	0.00%		-	-	0.00%	0.00%
d) Any other		-	-	0.00%		-	-	0.00%	0.00%

[illegible]

(ii) Shareholding of Promoters								
SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Brigade Enterprises Ltd.	99,89,600	99.90%	-	99,89,600	99.90%	-	0.00%
2	Mr. M.R. Jaishankar	5000	0.05%	-	5000	0.05%	-	0.00%
3	Ms. Githa Shankar	5000	0.05%	-	5000	0.05%	-	0.00%
4	Brigade Enterprises Ltd. jointly with Mr. M. R. Jaishankar	100	0.00%	-	100	0.00%	-	0.00%
5	Brigade Enterprises Ltd. jointly with Ms. Githa Shankar	100	0.00%	-	100	0.00%	-	0.00%
6	Brigade Enterprises Ltd. jointly with Ms. Nirupa Shankar	100	0.00%	-	100	0.00%	-	0.00%
7	Brigade Enterprises Ltd. jointly with Mr.Vineet Verma	100	0.00%	-	100	0.00%	-	0.00%
(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	
	At the beginning of the year	01.04.2015		1,00,00,000	100.00%			
	Changes during the year		No Change		0.00%			
	At the end of the year	31.03.2016		1,00,00,000	100.00%	1,00,00,000	100.00%	
(iv) Shareholding Pattern of top ten Shareholders : NIL								
(Other than Directors, Promoters and Holders of GDRs and ADRs)								
(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	Mr. M.R. Jaishankar							
	At the beginning of the year	01.04.2015		5,000	0.05%			
	Changes during the year		No Change					
	At the end of the year	31.03.2016		5,000	0.05%	5,000	0.05%	
2	Ms. Githa Shankar							
	At the beginning of the year	01.04.2015		5,000	0.05%			0.00%
	Changes during the year		No Change					0.00%
	At the end of the year	31.03.2016		5,000	0.05%	5,000	0.05%	
V. INDEBTEDNESS								
Indebtedness of the Company including interest outstanding/accrued but not due for payment.								
								(Amt. Rs./Lacs)
Particulars		Secured Loans excluding deposits		Unsecured Loans		Deposits		Total Indebtedness
Indebtedness at the beginning of the financial year								
i) Principal Amount		-		-		-		-
ii) Interest due but not paid		-		-		-		-
iii) Interest accrued but not due		-		-		-		-
Total (i+ii+iii)								

Change in Indebtedness during the financial year							
* Addition	-		-		-		-
* Reduction	-		-		-		-
Net Change	-		-		-		-
Indebtedness at the end of the financial year							
i) Principal Amount	-		-		-		-
ii) Interest due but not paid	-		-		-		-
iii) Interest accrued but not due	-		-		-		-
Total (i+ii+iii)	-		-		-		-
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		Vineet Verma			(Rs/Lac)	
	Designation		Whole -Time Director				
1	Gross salary		-			-	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		1,02,71,307.00			1,02,71,307.00	
	(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		-			-	
	- others, specify		-			-	
5	Others, please specify					-	
	Total (A)		1,02,71,307.00			1,02,71,307.00	
	Ceiling as per the Act						
B. Remuneration to other Directors: NIL							
C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD							
SN.	Particulars of Remuneration		Name of Key Managerial Personnel			Total Amount	
	Name		Ananda Natarajan			(Rs/Lac)	
	Designation		CFO				
1	Gross salary		-				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		25,20,320.00			25,20,320.00	
	(b) Value of perquisites u/s 17(2) Income-tax Act,		-			-	
	(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		25,20,320.00			25,20,320.00	

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL								
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			Nil					
Punishment								
Compounding								
B. DIRECTORS								
Penalty								
Punishment								
Compounding								
C. OTHER OFFICERS IN DEFAULT								
Penalty								
Punishment								
Compounding								

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BRIGADE HOSPITALITY SERVICES LIMITED**

Report on the Standalone Financial Statements:

We have audited the accompanying standalone financial statements of Brigade Hospitality Services Limited ("the Company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements:

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

Auditor's Responsibility:

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also



includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2016, and its profits and its cash flows for the year ended on that date

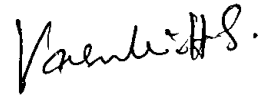
Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 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 A**" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by the 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, the statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on the record by the Board of Directors, none of the directors is disqualified as on that date 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 B**".
 - (g) With respect to other matters to be included in the Auditors 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 does not have any pending litigations which would impact its financial position;



- ii. The Company did not have any long-term contracts as required under the applicable law or accounting standards, for material foreseeable losses. The Company has not entered into any derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For B.K. RAMADHYANI & CO LLP
Chartered Accountants
Firm Registration No. 002878S/S200021



VASUKI H S
Partner
Membership No. 212013

B.K.RAMADHYANI & CO LLP
Chartered Accountants

4B, Chitrapur Bhavan,
8th Main, 15th Cross,
Malleswaram
Bangalore-560 055

Date: May 03, 2016

BK RAMADHYANI & CO. LLP
CHARTERED ACCOUNTANTS
Reg. No. 002878S / S200021
No. 68, # 4-B, Chitrapur Bhavan,
8th Main, 15th Cross, Malleswaram,
BANGALORE - 560 055.

ANNEXURE-A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT TO THE MEMBERS OF BRIGADE HOSPITALITY SERVICES LIMITED.

- 1) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed asset
(b) According to the information and explanation given to us by the management the Company has a regular program of physical verification of fixed assets at reasonable intervals. As informed, the management are in the process of physically verifying all the fixed assets of the Company during the year. We have been informed by the management that as at March 31, 2016 pending completion of the physical verification if there are material discrepancies observed will be adjusted and appropriately accounted in the books of accounts in the next financial year.
(c) According to the information and explanation given to us and as represented to us by the company, the title deeds of Immoveable properties are held in the name of the Company.
- 2) The Company has a program of physical verification of inventory which is conducted at reasonable intervals by the management and as informed to us there were no material discrepancies noticed on such verification.
- 3) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, hence clause 3(iii) (a) to (c) of the Order is not applicable.
- 4) In our opinion and according to the information and explanations given to us, the company has not advanced any loan, or made any investments or given any guarantee and security as applicable vide provisions of section 185 and 186 of the Companies Act, 2013 and hence clause 3(iv) of the Order is not applicable.
- 5) The Company has not accepted any deposits as applicable under the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other provisions of the Companies Act and rules framed under. Accordingly, the provisions of clause 3(v) of the said Order are not applicable.
- 6) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 148 of the Companies Act, 2013 for the products of the company. Accordingly, the provisions of clause 3(vi) of the said Order are not applicable.
- 7) (a) According to the records of the Company, the Company is regular in depositing 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 any other statutory dues to the appropriate authorities. As at March 31, 2016 there are no statutory dues outstanding for a period of more than six months from the date they became payable.




- (b) According to the records of the Company and according to the information and explanation given to us, there are no dues outstanding on account of any disputes in respect of income tax or service tax or duty of customs or duty of excise or value added tax
- 8) The Company has not taken any loans from financial institutions, banks, Government or issued debentures. Accordingly, the provisions of clause 3(viii) of the said Order are not applicable.
- 9) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.
- 10) According to the information and explanation given to us, there are no frauds reported by the Company or any fraud on the company by its officers or employees has been noticed or reported during the year. Accordingly, the provisions of clause 3(x) of the said Order are not applicable.
- 11) According to the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- 12) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the said Order are not applicable.
- 13) In our opinion and according to the information and explanation given to us and as represented to us by the management, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the said Order are not applicable.
- 15) As represented to us by the management and according to the information and explanation given to us by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the said Order are not applicable.



16) According to the information and explanation given, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly clause 3(xvi) of the Order is not applicable to the Company.

For B.K. RAMADHYANI & CO LLP
Chartered Accountants
Firm Registration No. 002878S/S200021



VASUKI H S
Partner
Membership No. 212013

Date: May 03, 2016

BK RAMADHYANI & CO. LLP
CHARTERED ACCOUNTANTS
Reg. No. 002878S / S200021
No. 68, # 4-B, Chitrapur Bhavan,
8th Main, 15th Cross, Malleswaram,
BANGALORE - 560 055.

ANNEXURE-B REFERRED TO IN PARAGRAPH 2 (f) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT TO THE MEMBERS OF BRIGADE HOSPITALITY SERVICES 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 Hospitality Services Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Company's 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, 2016, 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 B.K. RAMADHYANI & CO LLP
Chartered Accountants
Firm Registration No. 002878S/S200021



VASUKI H S
Partner
Membership No. 212013

Date: May 03, 2016


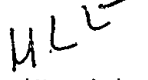
BRIGADE HOSPITALITY SERVICES LIMITED
BALANCE SHEET AS AT MARCH 31, 2016



Particulars	Note No.	As at March 31, 2016		As at March 31, 2015	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	3	10,00,00,000		10,00,00,000	
(b) Reserves and Surplus	4	<u>1,57,69,210</u>	11,57,69,210	<u>(75,18,530)</u>	9,24,81,470
(2) Non - current liabilities					
(a) Deferred tax liabilities (Net)	5	6,46,583		-	
(b) Other long term liabilities	6	48,62,67,642		50,71,73,807	
(c) Long term provisions	7	<u>-</u>	48,69,14,225	<u>-</u>	50,71,73,807
(3) Current Liabilities					
(a) <u>Trade payables</u>	8				
(i) total outstanding dues of micro enterprises and small enterprises		-		-	
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,66,41,843		1,99,14,803	
(b) Other current liabilities	9	6,78,03,612		7,12,10,941	
(c) Short term provisions	10	<u>26,20,565</u>	8,70,66,021	<u>25,30,047</u>	9,36,55,791
TOTAL			<u><u>68,97,49,456</u></u>		<u><u>69,33,11,068</u></u>
II. ASSETS					
(1) Non - current assets					
(a) Fixed Assets					
(i) Tangible assets	11	41,15,21,843		44,86,29,064	
(ii) Intangible assets	11	-		1,24,68,149	
(iii) Capital work in progress	12	<u>1,84,46,254</u>		<u>1,84,46,254</u>	
		42,99,68,097		47,95,43,467	
(b) Non - current investments	13	1,50,72,219		94,98,481	
(c) Long term loans and advances	14	<u>5,73,14,278</u>	50,23,54,594	<u>6,16,29,643</u>	55,06,71,591
(2) Current Assets					
(a) Inventories	15	32,59,149		93,88,974	
(b) Trade receivables	16	1,26,22,747		1,37,40,044	
(c) Cash and bank balances	17	14,17,50,938		9,18,22,138	
(d) Short term loans and advances	18	2,97,62,028		2,76,88,321	
(e) Other current assets	19	<u>-</u>	18,73,94,862	<u>-</u>	14,26,39,477
TOTAL			<u><u>68,97,49,456</u></u>		<u><u>69,33,11,068</u></u>
Summary of significant accounting policies and other explanatory information	1 to 35				

In Accordance with our Report attached
For B K Ramadhyani & Co LLP
Chartered Accountants
Firm number: 0028785 / S200021
Vasuki H S
Partner
Bangalore
Date: May 3, 2016

B K RAMADHYANI & CO. LLP
CHARTERED ACCOUNTANTS
No. 63, # 4-B, Chitrapur Bhavan,
8th Main, 15th Cross, Malleswaram,
BANGALORE - 560 055.

For and on behalf of the Board of Directors of Brigade Hospitality Services Limited


(Vineet Verma)
Executive Director

(Anand Natarajan)
Chief Financial Officer


(Nirupa Shankar)
Director

(Om Prakash)
Company Secretary

BRIGADE HOSPITALITY SERVICES LIMITED
STATEMENT OF PROFIT & LOSS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

Particulars	Note No.	Current Period		Previous Period	
		Rs.	Rs.	Rs.	Rs.
I. Revenue from Operations	21		36,27,73,273		38,70,32,389
II Other income	22		3,20,62,847		1,93,99,368
III Total revenue (I + II)			<u>39,48,36,120</u>		<u>40,64,31,757</u>
IV Expenses					
Cost of materials consumed	23		6,59,96,580		7,04,08,085
Employee benefits expense	24		10,25,98,985		10,44,12,117
Depreciation expense	25		3,51,94,015		4,38,33,100
Other expenses	26		16,35,12,218		16,48,87,542
Total Expenses			<u>36,73,01,798</u>		<u>38,35,40,844</u>
V Profit/(Loss) before prior period items and tax (III-IV)			2,75,34,322		2,28,90,913
VI Prior period items (net)			-		-
VII Profit/(Loss) before extraordinary items and tax (V-VI)			2,75,34,322		2,28,90,913
VIII Extraordinary Items			-		-
IX Profit/(Loss) before tax (VII - VIII)			2,75,34,322		2,28,90,913
X Tax expense:					
(1) Current tax		36,00,000		33,70,800	
(2) Prior year tax		-		-	
(3) Deferred tax (credit)/ charge		<u>6,46,582</u>		<u>-</u>	
			42,46,582		33,70,800
XI Profit for the year (IX - X)			2,32,87,740		1,95,20,113
XII Earning per equity share:	27				
Basic & Diluted			2.33		1.95
Summary of significant accounting policies and other explanatory information	1 to 35				

In Accordance with our Report attached
For B K Ramadhyani & Co LLP
Chartered Accountants
Firm number: 0028785 / S200021

Vasuki H S.

Vasuki H S

Partner

Bangalore

Date: May 3, 2016

B K RAMADHYANI & CO. LLP.
CHARTERED ACCOUNTANTS

No. 68, # 4-B, Chitrapur Bhavan,
8th Main, 15th Cross, Malleswaram,
BANGALORE - 560 055.

For and on behalf of the Board of Directors of Brigade Hospitality Services Limited

(Vineet Verma)

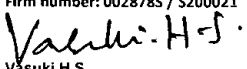
(Vineet Verma)
Executive Director

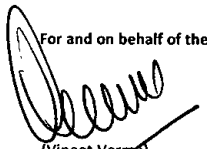
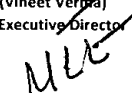
(Anand Natarajan)
Chief Financial Officer

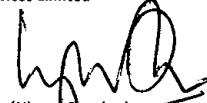
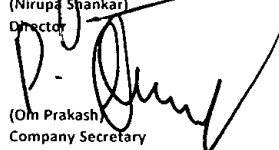
(Nirupa Shankar)
Director
(Om Prakash)
Company Secretary

BRIGADE HOSPITALITY SERVICES LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2016

Particulars	Current Period		Previous Period	
	Rs.	Rs.	Rs.	Rs.
Cash flows from operating activities				
Profit/(Loss) before taxation		2,75,34,320		2,28,90,913
Adjustments for:				
Depreciation expense	3,51,94,015		4,27,16,550	
Amortisation expense	42,23,073		11,16,551	
Loss on sale of fixed assets (net)	46,78,550		(36,72,706)	
Share of loss/(Profit) from LLP	(1,06,73,401)		(60,45,320)	
Interest received	(1,03,15,210)		(21,34,691)	
Membership fees amortised	(3,41,00,463)		(4,09,37,735)	
		(1,09,93,435)		(89,57,352)
		1,65,40,885		1,39,33,561
(Increase)/ decrease in trade and other receivables	1,01,090		(76,34,729)	
(Increase)/ decrease in inventories	61,29,825		(22,70,787)	
Increase/ (decrease) in trade and other payables	(86,80,586)		1,06,95,101	
		(24,49,671)		7,89,585
		1,40,91,213		1,47,23,147
Income taxes paid/(refund)		50,02,287		47,99,869
Net cash from operating activities		90,88,926		99,23,278
Cash flows from investing activities				
Purchase of property, plant and equipment (including capital advances)	96,78,257		(82,84,391)	
Proceeds from sale of property, plant and equipment	24,548		3,14,78,651	
Utilisation of F & FE Reserve	-		-	
Purchase of investments	(55,73,736)		(32,88,617)	
Interest received	1,03,15,210		21,34,691	
Reduction in margin money deposit	-		-	
Share of profit from LLP	1,06,73,401		60,45,320	
Deferred revenue expenses	4,37,080		23,02,596	
Net cash from investing activities		2,55,54,760		3,03,88,249
Cash flows from financing activities				
Proceeds from new membership	1,52,85,114		1,84,78,035	
Net cash from financing activities		1,52,85,114		1,84,78,035
Net increase/(decrease) in cash and cash equivalents		4,99,28,809		5,87,89,562
Cash and cash equivalents at beginning of the year		9,18,22,138		3,30,32,576
Cash and cash equivalents at end of year		<u>14,17,50,938</u>		<u>9,18,22,138</u>

In Accordance with our Report attached
For B K Ramadhyani & Co LLP
Chartered Accountants
Firm number: 0028785 / S200021

Vasuki H S
Partner
Bangalore
Date: May 3, 2016

For and on behalf of the Board of Directors of Brigade Hospitality Services Limited

(Vineet Verma)
Executive Director

(Anand Natarajan)
Chief Financial Officer


(Nirupa Shankar)
Director

(Om Prakash)
Company Secretary

B K RAMADHYANI & CO. LLP
CHARTERED ACCOUNTANTS
No. 68, # 4-B, Chitrangudi Bhavan,
8th Main, 15th Cross, Malleswaram,
BANGALORE - 560 055.

BRIGADE HOSPITALITY SERVICES LIMITED
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

1 BACKGROUND:

Brigade Hospitality Services Limited ("the Company") was incorporated as a private limited company on the 1st June 2004. The Company carries on the business of running and managing clubs, service apartments and convention centers. The Company became public limited company w.e.f 23rd September, 2008. The Company earns revenue from letting out of rooms/ Service Apartments/ Convention Center /F&B sales to clients as well as from relevant services.

2 SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Accounting:

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

b) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

c) Revenue Recognition:

- (i) Revenue from room rent and facilities are recognized on usage basis.
- (ii) Membership fees received for membership of club(s) is recognized as income on a straight line basis by amortizing the amount received from the year of admission up to the period of expiry of the relevant membership. The balance unamortized amount received as well as membership fees received for clubs which are not operational has been shown as a liability. If the membership is terminated the unamortized membership fees will be recognized as income in the year of termination.
- (iii) Subscription charges for facility usage have been accounted on monthly basis for usage of clubs.
- (iv) Revenue from Sale of food and beverages are recognised as and when services are rendered and is disclosed net of taxes.
- (v) Interest is accounted on time proportionate basis.

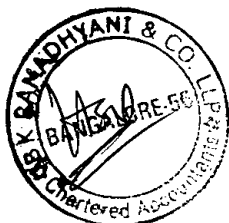
d) Fixed Assets:

- (i) Fixed Assets are capitalized on the date the same are being put to use.
- (ii) Fixed Assets are valued at cost inclusive of freight, taxes and incidental expenses relating to acquisition, installation, erection, commissioning and putting to use and net of refundable taxes.
- (iii) The expenditure on cost of assets under construction are shown as capital work in progress.
- (iv) Expenses incurred in connection with renovation of serviced apartments taken on lease/management contract have been treated as improvements on lease hold premises.

d) Depreciation:

Depreciation is provided on assets on the straight line method as per the useful life as prescribed under Schedule II of Companies Act, 2013. Since Schedule II allows companies to use lower useful lives and residual values, all assets have been estimated at lower useful life except office equipments having useful life as per Schedule II. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of all fixed assets, though these rates in all fixed assets are different from useful life prescribed under Schedule II except office and other equipment which are as per schedule II to the Companies Act 2013.

Nature of Asset	Useful lives estimated by the management (in years)
Buildings	20
Plant & Machinery	10
Electric & Electronic equipments	10
Office & Other equipments	5
Motor Vehicles	5
Computers & Software	3
Furniture & Fittings	8
Bar License	10
Lease Hold Improvements:	
a. Borewell	At the lower of lease period or 10 years
b. Others	At the lower of lease period or 36 months.



BRIGADE HOSPITALITY SERVICES LIMITED
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

f) Inventories:

Inventories are valued at cost determined on weighted average basis and net realizable values whichever is lower. Initial expenses on soft furnishing, linen, cutlery and crockery are amortized over 24 months.

g) Investments:

Investments unless otherwise stated are considered as long term in nature and are valued at acquisition cost. Cost includes charges such as brokerage, fees and duties, if any.

h) Employee Benefits:

(i) Short term employee benefits:

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

Obligation in respect of short term compensated absence is recognised as current since the company does not have an unconditional right to defer its settlement for a period beyond twelve months after the reporting date.

(ii) Long term employee benefits:

(a) Defined Contribution Plans:

The Company has contributed to state governed provident fund scheme, employee's state insurance scheme and employee pension scheme which are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which employee renders the related service.

(b) Defined Benefit Plans:

Employees gratuity is a defined benefit plan. The present value of the obligation under such plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognised immediately in the Profit & Loss Account.

i) Taxation:

The Tax expense of the company comprises of both current & deferred taxes.

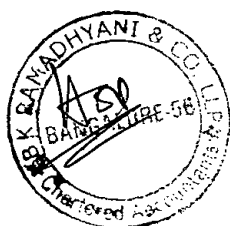
Deferred Tax asset or liability is recognized for timing differences between the profits as per financial statements and the profit offered for income taxes, based on tax rates that have been enacted or substantially enacted at the balance sheet date. Deferred Tax assets resulting from tax losses carried forward are recognized only to the extent that there is a virtual certainty that sufficient taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred 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 tax asset to be utilized.

j) Commission paid for procurement of memberships at clubs:

Commission incurred for procurement of memberships at the Clubs is amortized and recognized as expense over the same period as the corresponding membership fees is amortized as income.

k) Contingent liabilities:

Financial effect of contingent liabilities is disclosed based on information available upto the date on which the financial statements are approved. However, where a reasonable estimate of financial effect cannot be made, suitable disclosure is made with regard to this fact, existence and nature of contingent liability.



BRIGADE HOSPITALITY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

3 Share Capital:

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number	Rs	Number	Rs
Authorized:				
Equity shares of Rs. 10/- each	1,50,00,000	15,00,00,000	1,50,00,000	15,00,00,000
		<u>15,00,00,000</u>		<u>15,00,00,000</u>
Issued, subscribed and fully paid up:				
Equity shares of Rs.10/- each				
At the beginning of the year	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
At the close of the year	<u>1,00,00,000</u>	<u>10,00,00,000</u>	<u>1,00,00,000</u>	<u>10,00,00,000</u>
Total		<u><u>10,00,00,000</u></u>		<u><u>10,00,00,000</u></u>

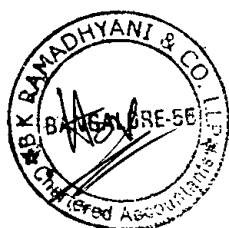
Other Information:

I Terms and Rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends 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 will 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.

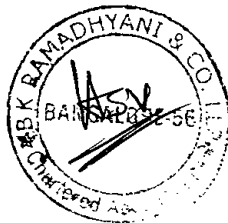
II	Particulars of equity share holders holding more than 5% of the total number of equity share capital:	Percentage	No of shares	Percentage	No of shares
	Brigade Enterprises Limited & its nominees (Holding Company)	100%	1,00,00,000	100%	1,00,00,000



BRIGADE HOSPITALITY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

4 Reserves and Surplus:

Particulars	As at March 31, 2016	As at March 31, 2015
	Rs	Rs
i) F & FE Reserve:		
At the beginning of the year	2,86,05,209	2,17,13,138
Add:		
Transferred from Surplus	73,78,452	68,92,071
	<u>3,59,83,661</u>	<u>2,86,05,209</u>
Less:		
Withdrawn during the year	-	-
At the close of the year	<u>3,59,83,661</u>	<u>2,86,05,209</u>
ii) Surplus i.e. balance in Statement of Profit & Loss		
At the beginning of the year	(3,61,23,739)	(4,77,21,060)
Add:		
Transferred from Statement of Profit & Loss	2,32,87,740	1,95,20,113
F & FE Reserve withdrawn	-	-
	<u>(1,28,35,999)</u>	<u>(2,82,00,947)</u>
Less:		
Transferred to F & FE Reserve	73,78,452	68,92,071
Less: Depreciation adjusted in reserve	-	10,30,721
At the close of the year	<u>(2,02,14,451)</u>	<u>(3,61,23,739)</u>
Total	<u>1,57,69,210</u>	<u>(75,18,530)</u>



BRIGADE HOSPITALITY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at March 31, 2016		As at March 31, 2015	
	Rs.	Rs.	Rs.	Rs.
5 Deferred Tax				
i) Deferred tax liability:				
a) On account of depreciation on fixed assets		36,42,567		57,76,652
Total		<u>36,42,567</u>		<u>57,76,652</u>
ii) Deferred tax asset:				
a) On account disallowance under section 40 (ia)		-		7,83,378
b) On account of timing differences in recognition of expenditure		8,66,437		7,08,706
a) On account of Unabsorbed losses and depreciation under the Income Tax Act, 1961 (Restricted)				
		21,29,548		42,84,567
		<u>29,95,985</u>		<u>57,76,652</u>
Net Deferred tax liability/(asset)		6,46,583		-
The Company had deferred tax asset as at March 31, 2015, on a prudence basis same has not been recognised.				
6 Other Long term liabilities				
a) Club membership fee received in advance also refer note 2 (c) (ii) of the financial statements.	50,76,10,015		52,64,25,364	
Less: Current Maturities of membership fee	<u>2,13,42,373</u>		<u>2,18,44,397</u>	
		48,62,67,642		50,45,80,967
b) Deposit received		-		25,92,840
		<u>48,62,67,642</u>		<u>50,71,73,807</u>
7 Long term Provisions				
a) Provisions for employee benefits				
		<u>-</u>		<u>-</u>



BRIGADE HOSPITALITY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
8 Trade Payables		
i) To Micro, Small and Medium Enterprises		-
ii) Others	1,66,41,843	1,99,14,803
	1,66,41,843	1,99,14,803

Additional Information:

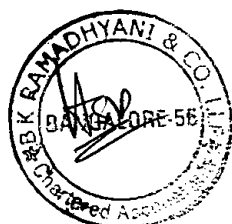
The Company has initiated the process of obtaining confirmation from suppliers regarding their registration under the Micro, Small and Medium Enterprises Development Act, 2006. The suppliers are not registered wherever confirmations are received and in other cases, the company is awaiting their confirmation due to which outstanding balances or interest due is not disclosed as it is not determinable.

9 Other current liabilities:

a) Advance from customers	2,13,60,172	2,12,47,293
b) Deposits received	53,35,608	27,48,518
c) Current maturities of Club membership fee received in advance	2,13,42,373	2,18,44,397
d) Capital creditors	29,14,942	43,49,891
e) Other liabilities & accrued expenses	1,05,64,545	87,76,260
f) Bank overdraft	24,67,087	-
g) Statutory liabilities	38,18,885	1,22,44,582
	6,78,03,612	7,12,10,941

10 Short term provisions:

a) Provision for employee benefits	26,20,565	25,30,047
	26,20,565	25,30,047



BRIGADE HOSPITALITY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

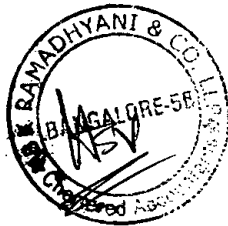
11. Fixed Assets:

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION					NET BLOCK	
	As at April 1, 2015	Additions/Adj for the Year	Deductions during the Year	As at Mar 31, 2016	As at April 1, 2015	For the Year	Transfer to Reserves	Deductions	As at Mar 31, 2016	As at Mar 31, 2016	As at Mar 31, 2015
Tangible Assets											
Own assets											
Land	11,81,47,065	-	-	11,81,47,065	-	-	-	-	-	11,81,47,065	11,81,47,065
Building	28,85,98,084	-	-	28,85,98,084	5,46,06,820	1,44,48,729	-	-	6,90,55,549	21,95,42,535	23,39,91,264
Plant & Machinery	6,83,83,587	26,29,375	14,85,729	6,95,27,233	3,57,17,542	65,90,154	-	9,97,076	4,13,10,620	2,82,16,613	3,26,66,044
Electronic & Electrical Items	4,97,33,165	17,19,310	65,59,033	4,48,93,442	1,96,31,956	45,94,197	-	21,83,643	2,20,42,510	2,28,50,932	3,01,01,209
Office & Other Equipments	42,91,716	84,376	6,39,249	37,36,843	39,70,275	95,268	-	6,39,252	34,26,292	3,10,551	3,21,440
Computers	2,25,32,738	1,83,436	20,90,539	2,06,25,634	2,07,60,469	9,29,380	-	16,40,955	2,00,48,894	5,76,740	17,72,268
Motor Vehicles	18,06,848	-	8,48,587	9,58,261	18,06,848	-	-	8,48,587	9,58,261	0.16	0.16
Furniture & Fittings	7,28,43,266	11,32,563	50,44,903	6,89,30,926	4,12,46,434	73,81,714	-	15,64,203	4,70,63,945	2,18,66,981	3,15,96,832
Leasehold Improvements	2,86,329	-	-	2,86,329	2,53,388	22,515	-	-	2,75,903	10,426	32,941
	62,66,22,796	57,49,060	1,66,68,040	61,57,03,817	17,79,93,732	3,40,61,957	-	78,73,715	20,41,81,974	41,15,21,843	44,86,29,064
Intangible assets											
Licenses	1,35,84,700	-	1,35,84,700	-	11,16,551	11,32,058	-	22,48,609	(0)	0	1,24,68,149
	1,35,84,700	-	1,35,84,700	-	11,16,551	11,32,058	-	22,48,609	(0)	0	1,24,68,149
TOTAL	64,02,07,496	57,49,060	3,02,52,740	61,57,03,817	17,91,10,283	3,51,94,015	-	1,01,22,325	20,41,81,973	41,15,21,843	46,10,97,213
	(70,97,36,132)	(2,18,31,810)	(9,13,60,446)	(64,02,07,496)	(19,78,00,963)	(4,38,33,100)	(10,30,721)	(6,35,54,501)	(17,91,10,283)		



BRIGADE HOSPITALITY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
12 Capital work in progress:		
i) CWIP	1,84,46,254	1,84,46,254
	<u>1,84,46,254</u>	<u>1,84,46,254</u>



BRIGADE HOSPITALITY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

13 Non Current Investments (Unquoted):

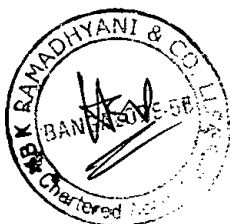
Details of Investments	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
a) Investments in Government or trust securities		
i) National Savings Certificate	15,000	15,000
b) Investments in Partnership firms:		
i) Celebrations Catering and Events LLP (also refer note 2 below)	28,50,000	28,50,000
c) Other non current investments		
ii) Celebrations Catering and Events LLP	1,22,07,219	66,33,481
	<u>1,50,72,219</u>	<u>94,98,481</u>
Total	<u>1,50,72,219</u>	<u>94,98,481</u>

Additional Information:

- 1) Aggregate value of unquoted investments:
 Cost 28,50,000 28,50,000

2)

Name of the Partners	Share	Capital	Share	Capital
1 Brigade Hospitality Services Limited	95%	28,50,000	95%	28,50,000
2 Vineet Verma	5%	1,50,000	5%	1,50,000
Total Capital		30,00,000		30,00,000



BRIGADE HOSPITALITY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
14 Long term loans and advances:		
(Unsecured and considered good)		
i) Capital advances	-	-
ii) Security Deposits	91,89,159	1,11,13,932
iii) Advance payment of tax (net of provision)	1,62,59,512	1,48,57,224
iv) Commission pending amortisation	3,18,65,607	3,56,58,487
	<u>5,73,14,278</u>	<u>6,16,29,643</u>
 Additional information:		
a)		
Deposits due by directors or other officers of the Company	40,00,000	40,00,000
15 Inventories:		
i) Food & Beverage	29,38,371	77,70,662
ii) Cutlery Crockery & Glassware	-	-
iii) Others	3,20,778	16,18,312
	<u>32,59,149</u>	<u>93,88,974</u>
16 Trade receivables:		
Unsecured, considered good		
i) Trade receivables exceeding six months	20,29,392	17,07,057
Doubtful	2,854	18,580
	<u>20,32,246</u>	<u>17,25,637</u>
Less: Provision for doubtful debts	2,854	18,580
	<u>20,29,392</u>	<u>17,07,057</u>
ii) others	1,05,93,355	1,20,32,987
	<u>1,26,22,747</u>	<u>1,37,40,044</u>
17 Cash & Bank Balances:		
a) Cash and cash equivalents:		
i) Balances with banks		
- in deposit accounts with less than 12 months maturity	12,48,46,733	7,40,04,433
- in other accounts	1,62,05,775	1,39,76,238
ii) Cheques, drafts on hand	3,16,510	32,45,974
iii) Cash on hand	3,81,920	5,95,493
	<u>14,17,50,938</u>	<u>9,18,22,138</u>
b) Other bank balances:		
Balances with banks		
- in margin money, security for borrowings, guarantees and other commitments	-	-
- in deposit accounts exceeding 12 months maturity	-	-
	<u>-</u>	<u>-</u>
Total	<u>14,17,50,938</u>	<u>9,18,22,138</u>



BRIGADE HOSPITALITY SERVICES LIMITED
SUMMARY OF SIGNIFICANT ACCOUNTING POICIES AND OTHER EXPLANATORY INFORMATION

Particulars	Rs.	Rs.
20 Contingent liabilities and Commitments: (to the extent not provided for)		
a) Contingent Liabilities:		
i) Guarantees	Nil	Nil
ii)	Nil	Nil
Additional Liability if any in respect of pending all direct and indirect tax assessments.		
iii) The Company has given Corporate Guarantee to Allahabad Bank on behalf of the Brigade Enterprises Limited for loans taken by them.	Nil	83,72,83,599
Dues in respect of tax deducted at source as reported under TDS Traces website pertaining to prior years.	20,49,479	1,14,51,997
iv)		
<p>The management believes, based on internal assessment and / or legal advice, that the probability of an ultimate adverse decision and outflow of resources of the Company is not probable and accordingly, no provision for the same is considered necessary.</p>		
b) Commitments		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Not Ascertained	Not Ascertained



BRIGADE HOSPITALITY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Particulars	Current Period		Previous Period	
	Rs.	Rs.	Rs.	Rs.
21 Revenue from operations:				
i) Sale of products				
Food & Beverage Sales		17,08,09,862		17,89,15,785
Facility usage charges		6,82,99,348		6,33,23,901
Room & Hall rental charges		6,70,17,423		8,35,56,815
Saloon & Spa Income		3,550		73,150
Total		<u>30,61,30,183</u>		<u>32,58,69,651</u>
ii) Other operating revenues		<u>5,66,43,090</u>		<u>6,11,62,738</u>
		<u>36,27,73,273</u>		<u>38,70,32,389</u>
Less:				
Excise duty		<u>36,27,73,273</u>		<u>38,70,32,389</u>
22 Other Income:				
i) Interest income		1,03,15,210		21,34,691
ii) Rent received		1,10,74,234		75,46,651
iii) Profit from CCELLP		1,06,73,403		60,45,320
iv) Provision no longer required withdrawn		-		-
vi) Profit on sale of fixed assets (Net)		-		36,72,706
		<u>3,20,62,847</u>		<u>1,93,99,368</u>
23 Cost of materials consumed:				
i) Food & Beverages		5,96,25,052		6,55,28,628
ii) Sports Supplies		66,199		1,03,619
iii) Salon & Hydrotherphy Supplies		-		-
iv) Housekeeping & other Supplies		60,41,021		46,36,928
v) Crockery & Cutlery		2,64,308		1,38,910
		<u>6,59,96,580</u>		<u>7,04,08,085</u>
24 Employee Benefit Expenses:				
i) Salaries and wages		9,38,81,106		9,41,86,904
ii) Contribution to provident and other funds		66,71,109		64,55,833
iii) Staff welfare expenses		20,46,770		37,69,380
		<u>10,25,98,985</u>		<u>10,44,12,117</u>
25 Depreciation and amortization:				
i) Depreciation		3,40,61,957		4,27,16,550
ii) Amortization of intangible assets		11,32,058		11,16,551
		<u>3,51,94,015</u>		<u>4,38,33,100</u>



BRIGADE HOSPITALITY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Particulars	Current Period		Previous Period	
	Rs.	Rs.	Rs.	Rs.
26 Other expenses:				
i) Power and fuel		2,12,64,279		2,16,08,846
ii) Rent		2,03,85,642		3,25,91,049
iii) Management Fees		2,37,16,517		2,40,29,374
iii) Repairs to buildings		4,74,400		4,33,700
iv) Repairs to machinery		1,32,70,682		1,32,98,211
v) Repairs others		6,19,612		5,40,779
vi) Insurance		15,44,865		16,61,018
vii) Rates and taxes		69,82,634		63,73,013
viii) Payment to the auditors				
- as auditor	6,04,250		7,65,000	
- for taxation matters	2,00,000		2,00,000	
- for company law matters	3,40,000		3,40,000	
		11,44,250		13,05,000
ix) Selling expenses		59,25,107		55,15,445
x) Operating expenses		2,78,92,202		2,22,68,455
xi) Bad trade receivables written off	4,78,347		7,32,018	
Provision for bad debts withdrawn	15,726		4,270	
		4,62,621		7,27,748
xii) Loss on sale of fixed asset (net)		46,78,550		-
xiii) Donations		1,001		-
xiv) Legal and professional charges		1,14,07,861		1,29,52,231
xv) Directors sitting fees		1,80,000		39,000
xvi) Bank charges & credit card commision		30,58,289		29,96,913
xvii) Travelling & Conveyance		10,50,392		16,84,982
xviii) Telephone & other communication expenses		20,36,341		20,10,083
xix) Vehicle maintenance		9,74,552		19,30,492
xx) Amortization of commission		42,23,073		24,87,366
xxi) Miscellaneous expenses		1,22,19,348		1,04,33,837
		16,35,12,218		16,48,87,542
27 Earnings per share:				
<u>Basic & Diluted</u>				
Profit for the year after tax expense		2,32,87,740		1,95,20,113
Weighted average number of equity shares		1,00,00,000		1,00,00,000
Earnings Per share		2.33		1.95
28 Additional Information:				
a) Value of Imports calculated on CIF basis:				
i) Components		-		-
ii) Capital expenses		-		-
b) Expenditure in foreign currency: (net of withholding tax)				
i) Commission		-		-
ii) Professional and consultancy fees		-		1,95,922
iii) Other matters		-		-
c) Earnings in foreign exchange:				
i) Sales in India for which proceeds have been received in foreign currency		-		-



BRIGADE HOSPITALITY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

29 Confirmation of balances from certain sundry debtors, deposit accounts, loans and advances, sundry creditors etc., are awaited.

30 The Company has accounted the provision for leave encashment and gratuity based on the actuarial valuation computed on Disclosures as per Accounting Standard 15 "Employee Benefits":

(a) Defined Contribution Plan:

	Current Year Rs.	Previous Year Rs.
Employer's Contribution to provident & other funds	44,47,699	44,00,580

(b) Defined Benefit Plan:

- i) Gratuity: The employees' gratuity fund scheme managed by a trust is a defined benefit plan. The Present value of
- ii) Leave Encashment: The Present value of obligation is determined based on actuarial valuation using the projected unit

1 Reconciliation of opening and closing balances of Defined Benefit Plan:

	Current Year		Previous Year	
	Gratuity (Funded)	Leave encashment (Unfunded)	Gratuity (Funded)	Leave encashment (Unfunded)
	Rs.	Rs.	Rs.	Rs.
Defined Benefit Obligation at the beginning of the year	51,05,241	25,30,047	37,42,622	22,56,194
Current Service Cost	9,97,933	4,81,204	13,56,408	4,61,735
Interest Cost	3,94,784	1,96,528	2,83,356	1,60,372
Actuarial (gain)/ loss	4,92,166	2,54,989	(48,135)	57,309
Acquisition adjustment	(61,136)	(19,036)	-	-
Benefits Paid	(4,46,040)	(8,23,167)	(2,29,010)	(4,05,563)
Defined Benefit obligation at end of the year	64,82,948	26,20,565	51,05,241	25,30,047

2 Reconciliation of opening and closing balance of fair value of plan assets:

Fair value of plan assets at beginning of the year	68,68,023	-	53,65,502	-
Difference in opening balance		-	(2,61,393)	-
Expected return on plan assets	5,50,614	-	4,59,914	-
Employer Contribution	15,47,189		15,18,638	4,05,563
Actuarial gain/ (loss)			14,372	
Benefits paid	(4,46,040)	-	(2,29,010)	(4,05,563)
Fair value of plan assets at the end of the year	85,19,786	-	68,68,023	-

3 Reconciliation of fair value of assets and obligations:

Fair value of plan assets	85,19,786	-	68,68,023	-
Present value of obligation	64,82,948	26,20,565	51,05,241	25,30,047
Amount recognised in Balance Sheet	20,36,838	(26,20,565)	17,62,782	(25,30,047)

Expenses Recognised in the Profit and Loss Account (Under note 24 to the

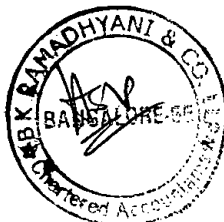
4 financial statements)

Current Service Cost	9,97,933	4,81,204	13,56,408	4,61,735
Past Service Cost	-	-	-	-
Interest Cost	3,94,784	1,96,528	2,83,356	1,63,723
Expected Return on Plan Assets	(5,50,614)		(4,59,914)	
Net Actuarial (Gain) / Loss recognised in the period	4,92,166	2,54,989	(62,507)	(31,869)
Expenses Recognised in statement of Profit and Loss	13,34,269	9,32,721	11,17,343	5,93,589

5 Actuarial assumptions:

Mortality Table (LIC)	Indian Assured Lives (2006-08)			
Discount rate (per annum)	7.80%	7.80%	7.81%	7.81%
Expected rate of return on plan assets (per annum)	8%	-	8%	-
Rate of escalation in salary (per annum)	6%	6%	6%	6%
Attrition rate	5%	5%	5.00%	5.00%
Retirement age	58	58	58	58

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority,



BRIGADE HOSPITALITY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Gratuity

1 Assets and Liability (Balance Sheet Position)

Particulars	As on				
	31-03-2012	31-03-2013	31-03-2014	31-03-2015	30-03-2016
Present Value of Obligation	-	-	37,42,622.00	51,05,241.00	64,82,948.00
Fair Value of Plan Assets	-	-	53,65,502.00	68,68,023.00	85,19,786.00
Unrecognized Past Service Cost	-	-	-	-	-
Effects of Asset Ceiling	-	-	-	-	-
Net Asset / (Liability)	-	-	91,08,124.00	1,19,73,264.00	1,50,02,734.00

2 Expenses recognized in the Profit and Loss Account

Particulars	As on				
	31-03-2012	31-03-2013	31-03-2014	31-03-2015	30-03-2016
Expenses recognized in the statement of Profit and Loss	-	-	-	11,17,343.00	13,34,269.00

3 Experience adjustments on Present Value of Benefit Obligation and Plan Assets

Particulars	As on				
	31-03-2012	31-03-2013	31-03-2014	31-03-2015	30-03-2016
(Gain) / Loss on Plan Liabilities	-	-	-	(48,135.00)	4,86,522.00
% of Opening Plan Liabilities	-	-	-	-1.3%	9.50%
Gain / (Loss) on Plan Assets	-	-	-	14,372.00	-
% of Opening Plan Assets	-	-	-	0.30%	0.00%

Leave Encashment

1 Assets and Liability (Balance Sheet Position)

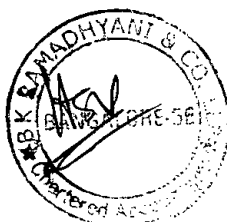
Particulars	As on				
	31-03-2012	31-03-2013	31-03-2014	31-03-2015	30-03-2016
Present Value of Obligation	-	-	22,56,194.00	25,30,047.00	26,20,565.00
Fair Value of Plan Assets	-	-	-	-	-
Unrecognized Past Service Cost	-	-	-	-	-
Effects of Asset Ceiling	-	-	-	-	-
Net Asset / (Liability)	-	-	(22,56,194.00)	(25,30,047.00)	(26,20,565.00)

2 Expenses recognized in the Profit and Loss Account

Particulars	As on				
	31-03-2012	31-03-2013	31-03-2014	31-03-2015	30-03-2016
Expenses recognized in the statement of Profit and Loss	-	-	-	5,93,589.00	9,32,721.00

3 Experience adjustments on Present Value of Benefit Obligation and Plan Assets

Particulars	As on				
	31-03-2012	31-03-2013	31-03-2014	31-03-2015	30-03-2016
(Gain) / Loss on Plan Liabilities	-	-	-	(31,869.00)	2,53,128.00
% of Opening Plan Liabilities	-	-	-	-1.4%	10.0%
Gain / (Loss) on Plan Assets	-	-	-	-	-
% of Opening Plan Assets	-	-	-	-	-



BRIGADE HOSPITALITY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

31 Segment Reporting:

The Company has identified the reportable segments as Service Apartment, Club facilities, Lounge & others (Convention centre) taking into account, the different risks and returns and the internal reporting systems. The accounting policies for segment reporting are in line with the accounting policies followed by the Company.

Particulars	Service Apartments	Club Facilities	Lounge	Others	Total
Segment Revenue	- (2,64,49,196)	23,98,12,152 (22,04,59,051)	8,59,84,582 (10,85,21,866.00)	5,08,66,952 (4,02,58,331)	37,66,63,686 (39,56,88,444)
Segment Results	- 12,72,988	2,68,98,289 (2,72,59,232)	58,99,170 (86,42,846.00)	2,00,80,094 (3,52,10,297)	5,28,77,553 (6,98,39,387)
Unallocated expenditure					4,35,15,667 (5,76,91,788)
Unallocated income					1,81,72,434 (5,17,03,231)
Profit before tax					2,75,34,322 (6,38,50,830)
- Current Tax (including prior year tax)					36,00,000 (33,70,800)
Profit/(Loss) after tax					2,32,87,740 (6,04,80,030)
Segment Assets	12,000 (86,75,728)	38,69,96,751 (38,64,00,424)	- (4,66,19,204.00)	16,62,15,216 (4,83,78,480)	55,32,23,967 (49,00,73,836)
Unallocated Assets					13,65,25,490 (20,32,37,233)
Segment Liabilities	- (8,97,548)	52,08,24,536 (53,77,80,613)	- (39,51,449.00)	84,33,919 (74,96,447)	52,92,58,455 (55,01,26,057)
Unallocated Liabilities					4,47,21,791 (5,07,03,541)
Capital Expenditure	- (11,218)	57,49,060 (64,37,571)	- (1,50,25,715.00)	84,33,919 (1,13,815)	57,49,060 (2,15,88,319)



BRIGADE HOSPITALITY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

32 Related Party Disclosure:

Name of the related party	Nature of relationship
Brigade Enterprises Limited	Holding Company
Celebrations Catering and Events LLP	Subsidiary
WTC Trades & Projects Private Limited ("WTC")	
Orion Mall Management Company Limited ("OMMCL")	
BCV Developers Private Limited ("BDPL")	
Brigade Tetrach Private Limited	
Brigade Infrastructure Projects Private Limited	
Brigade Estates Private Limited	Fellow Subsidiary Company
Prosperita Hotel Ventures Private Limited	
Brigade Gujarat Project Private Limited	
Perungudi Real Estate Project Private Limited	
Brigade Properties Private Limited ("BPPL")	
Brookefields Real Estate And Projects Private Limited ("BREPL")	
BCV Developers Private Limited ("BDPL")	
Tandem Allied Services Private Limited	Associate Company
Mr. Jaishankar	
Mrs. Githa Shankar	
Ms. Nirupa Shankar	Key Management personnel ("KMP") and their relatives
Mr. Vineet Verma	
Mr. Anand Natarajan	
Brigade Foundation	Enterprise in which KMP are interested

Details of Transactions:

Particulars	Holding Company	Subsidiary	Fellow Subsidiaries	Associate Company	KMP and their relatives	Enterprise in which KMP are interested
Purchase of goods and services	- (Nil)	13,033 (5,34,519)	- (34,29,341)	- (Nil)	- (Nil)	- (Nil)
Rent paid	1,97,13,839 (2,22,98,552)	- (1,93,000)	- (Nil)	- (Nil)	- (Nil)	- (Nil)
Rent received	2,27,164 (Nil)	5,07,443 (2,37,015)	- (Nil)	- (Nil)	- (Nil)	- (Nil)
Rental Deposit	3,24,105 (Nil)	17,400 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Remuneration Paid	- (Nil)	- (Nil)	- (Nil)	- (Nil)	1,27,91,627 (1,04,86,380)	- (Nil)
Sale of food, beverages and others	36,69,476 (24,03,283)	7,46,922 (13,97,422)	22,20,411 (23,65,063)	- \$ 1,98,849 \$	3,45,189 (2,65,015)	74,369 (14,350)
Sale of Fixed assets/ transfer of business	1,54,00,453 (3,14,14,140)	- (Nil)	1,570 (Nil)	- (Nil)	- (Nil)	- (Nil)
Reimbursement of expenses paid	49,056 (11,39,020)	4,37,953 (Nil)	33,92,281 (Nil)	- (Nil)	2,30,000 (Nil)	- (Nil)
Reimbursement of expenses received	95,49,621 (17,37,005)	13,86,929 (Nil)	1,69,629 (Nil)	- (Nil)	- (Nil)	6,40,239 (68,168)
Sale Of Inventories	76,51,097 (Nil)	- (Nil)	- (Nil)	- (Nil)	- (Nil)	- (Nil)
Sale of Other Current Assets	13,88,133 (Nil)	- (Nil)	- (Nil)	- (Nil)	- (Nil)	- (Nil)
Advance given	- (16,25,000)	- (Nil)	- (Nil)	- (Nil)	- (Nil)	- (Nil)
Management contract fees paid	2,37,16,517 (2,40,29,374)	- (Nil)	- (Nil)	- (Nil)	- (Nil)	- (Nil)
Management contract fees received	- (Nil)	- (Nil)	36,00,000 (Nil)	- (Nil)	- (Nil)	- (Nil)
Share of profit / (loss) from LLP	- (Nil)	- (60,45,320)	- (Nil)	- (Nil)	- (Nil)	- (Nil)
Corpus fund paid	- (Nil)	- (Nil)	- (Nil)	- (Nil)	- (Nil)	- (Nil)
Investment made during the year	- (Nil)	- (Nil)	- (Nil)	- (Nil)	- (Nil)	- (Nil)
Investment made in partnership firm	- (Nil)	28,50,000 (28,50,000)	- (Nil)	- (Nil)	- (Nil)	- (Nil)
Other non current investments	- (Nil)	1,22,07,219 (66,33,481)	- (Nil)	- (Nil)	- (Nil)	- (Nil)
Balance due to Company	1,56,49,750 (1,40,45,475)	15,35,800 (66,33,481)	4,62,400 (Nil)	- (Nil)	3,843 (Nil)	92,680 (30,239)
Balance due from Company	(Nil) (Nil)	(Nil) (Nil)	- (Nil)	(Nil) (Nil)	17,370 (Nil)	(Nil) (Nil)

@ Represents remuneration paid to Mr. Vineet Verma Rs. 1,02,71,307/- (Previous year Rs. 98,20,500) and Ms. Nirupa Shankar Rs. Nil/- (Previous year Rs. Nil/-) and Mr. Anand Natarajan Rs. 25,20,320 /- (Previous year Rs. 6,65,880/-)

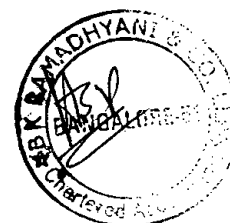
\$ Represents sales to WTC Rs. 1,02,846/- (Previous year Rs. 9,99,939/-), BDPL Rs. 135,862/- (Previous year Rs. 1,55,304) and OMMPL Rs. 19,68,301/- (Previous year Rs. 13,65,124), BPPL Rs. 12,803/- (Previous year Rs. Nil/-), BREPL Rs. 599/- (Previous year Rs. Nil/-) and Tandem Allied Services Private Limited Rs. Nil/- (Previous Years Rs. 43,545/-)

Represents sales to Mr. Jaishankar Rs. 1,00,916 /- (Previous year Rs. 1,10,846/-), Mr. Vineet Verma Rs. 73,195 /- (Previous year Rs. 97,191) and Ms. Nirupa Shankar Rs. 78,489/- (Previous year Rs. 56,978/-), Geetha Shankar Rs. 50842/- (Previous year Rs. Nil/-) and Brigade Foundation Rs. Nil /- (Previous Year Rs. 14,350/-). Sale of services to Nirupa Shankar Rs. 9500/- (Previous year Rs. Nil/-) and Mr. Vineet Verma Rs. 32,247/- (Previous year Rs. Nil/-).

% Represents reimbursement of expenses to Mr. Vineet Verma Rs. 1,40,000/- (Previous year Rs. Nil/-) and Mr. Anand Natarajan Rs. 90,000/- (Previous year Rs. Nil/-)

^ Represents due from Mr. Jaishankar

& Represents rent paid to WTC



BRIGADE HOSPITALITY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

33. Operating Leases:

- a. The company has various operating leases for office facilities, residential premises of employees that are renewable on a periodic basis, and cancelable at its option. Rental Expenses for operating leases included in the financial statements for the year are Rs.2,03,85,642/- (Previous year Rs.3,25,91,049/-).
- b. The Company has entered into operating lease agreement with certain tenants for an initial lease of the assets for a period of eleven months and more which are cancellable at the option of the either party. Rental income from operating leases included in the financial statements amounting to Rs.1,10,74,234/- (previous year Rs.75,46,651/-).

34 During the year the holding Company has terminated the lease agreement entered with the Company and accordingly transferred the business of High ultra lounge to its holding company w.e.f. February 1, 2016 at its book value of its certain current assets and current liabilities excluding cash, bank, debtors and creditors and in respect of transfer of fixed assets being at written down value as per Income Tax Act, 1961 as at the date of transfer. The company confirms that such transfer value is at arm's length and in the ordinary course of business and complies with section 177 and 188 of the Companies Act 2013, as may be applicable.

35 Previous year's figures have been regrouped wherever necessary in order to conform with the current year' presentation. Figures in brackets represents previous year figures.

