

THE
POWER
OF
OPTIMISM

annual report 2008 - 09



BRIGADE
ENTERPRISES LTD.

innovation • quality • trust

OUR VISION

To be the most admired realty group in India, continuously upgrading our capabilities in every sphere of our activity, to the delight of our customers and stakeholders.

Brigade Group was one of the first property developers in India to receive the internationally recognized **ISO 9001: 2000** certification. Our vision is further strengthened by our receiving the ISO 14001:2004 (Environmental Management System) and OHSAS 18001:2007 (Occupational Health and Safety Assessment Series) certifications. The Brigade stamp of innovation, quality and trust speak of a standard that has been established, and is consistently being upgraded by our continual efforts to provide a better quality of life.

CONTENTS

05	AGM Notice
06	Directors' Report
13	Corporate Governance Report
21	Auditors' Report
24	Balance Sheet
25	Profit and Loss Account
26	Cash Flow Statement
28	Schedules forming part of Balance Sheet
35	Schedules forming part of Profit and Loss Account
37	Schedule for Notes to Accounts
50	Consolidated Financial Statements

Optimism stems from the basic premise that 'tomorrow could be brighter than today'. Without hope & optimism, no business can succeed.

CMD'S MESSAGE



The performance of the Indian economy in 2008 – one of the most troubled years the world has seen in recent memory – is commendable & something we citizens of India can be proud of. Indian economy had a growth of 6.7% in 2008, while most economies across the world had no growth & in many cases their economies contracted. Conservatism & government policies towards steady & sustained growth paid dividends.

With a new & stable government at the centre, there is a sea change in the outlook for India not just on the economic front, but also in other sectors like education, infrastructure & in the quality of governance. Some of the promises politicians make during the elections – providing basic amenities like electricity, water, sanitation & roads may indeed get implemented by the current political establishment, who seem to mean business. Government's efforts to bring down the interest rates; make money available to the industry/business; to implement long pending educational reforms; and to introduce the essential Citizen Identity Cards (not done in 62 years of independence) are all signs which bode well for a bright future.

Some of the areas which need government attention are interconnecting rivers to avoid floods and famine; enhancing power generation to meet the growing needs; providing shelter to the urban & rural poor; improving the connectivity – road, rail, air & sea ports, and of course making India a secure place by tackling terrorism.

With many young leaders & capable veterans heading important ministries, there is certainly reason for optimism that India will indeed be a better place & find its rightful importance among the comity of nations.

M.R. JAISHANKAR
Chairman & Managing Director

RESIDENTIAL

Brigade is a name to reckon with in the property development segment. We have a reputation of creating projects that provide a world-class living environment for our customers. A defining characteristic of our craft is that our properties stand out as premium landmarks set in prime locations.

Fuelled further by the spirit of innovation, we pioneered the integrated enclave concept in Bangalore. Our integrated lifestyle enclaves are conceptualised as self-contained, gated communities, which generally include a combination of apartment complexes, commercial and retail space, recreational club, park, school and convention centre. Such has been our progress that from our initial 15 & 22 acre enclaves, we have scaled to two 40 acre enclaves and are further scaling up to a 120 acre enclave. It has earned us global accolades, with HOK of New York extolling our Brigade Gateway project as '...raising the bar on development – staying 3 to 5 years ahead of the state-of-the-art!'



BRIGADE GATEWAY

COMMERCIAL

In the commercial property domain we construct commercial office space, software & IT parks and SEZs which are designed for sophisticated modern businesses.

With a penchant for creating landmarks, our iconic 30 level North Star office tower at the Brigade Gateway enclave, is a million sq. ft. of international A++ grade office space crowned with a helipad. This showpiece of modern architecture will be the ultimate pride of those who own space or work within its exalted precincts. Summit in the Brigade Metropolis enclave on Whitefield Road is another fine example of how we're raising the bar on commercial property development.

This twin-tower will feature all the ultra-modern highlights that make an office address another landmark.



SUMMIT AT BRIGADE METROPOLIS

**MULTI-DOMAIN
EXPERTISE
HAS ADDED TO OUR
GROWING
SENSE OF OPTIMISM**

RETAIL

Malls and multiplexes are redefining urban landscapes and they reflect the sentiments of a growing economy.

Orion – Bangalore's first lifestyle mall, will be the hub of retail and entertainment activity with over a million sq. ft. of retail and parking space. The 11-screen, 3000 seat capacity multiplex will be one the largest of its kind in the country.



ORION MALL AT BRIGADE GATEWAY

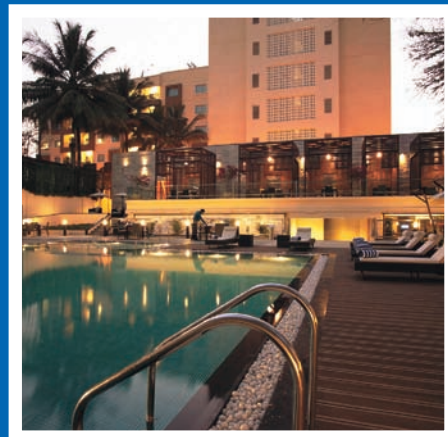
HOSPITALITY

The serviced residence concept was pioneered by us in Bangalore and we gave the city its first serviced residence – Homestead. We are now channelising our hospitality efforts through Brigade Hospitality Services Limited, a wholly owned subsidiary of the company.

Apart from serviced residences our properties in the hospitality sector include hotels, resorts & spas, recreational clubs and a convention centre in Bangalore and propose to enter other cities in South India. We have partnered with leading international hospitality chains for our hospitality projects.

We have partnered with Accor for Mercure Homestead Serviced Residences; Starwood and Intercontinental Hotel Group for our upcoming Sheraton and Holiday Inn Hotels; Banyan Tree and Minor Group for our resorts and spas.

The Woodrose Club and The MLR Convention Centre have received national awards for their design and aesthetics.



MERCURE HOMESTEAD RESIDENCES

BOARD OF DIRECTORS



M.R. JAISHANKAR
Chairman & Managing Director



GITHA SHANKAR
Wholetime Director



M.R. GURUMURTHY
Non-Executive Director



M.R. SHIVRAM
Non-Executive Director



P.V. MAIYA
Independent Director



P.M. THAMPI
Independent Director



DR. ANUMOLU RAMAKRISHNA
Independent Director



DR. K. KASTURIRANGAN
Independent Director

COMPANY INFORMATION

COMPANY SECRETARY
Mr. P. Om Prakash

AUDITORS
M/s. Narayanan, Patil & Ramesh
Chartered Accountants, 54/1, 1st Main Road,
Seshadripuram, Bangalore 560 020.

PRINCIPAL BANKERS
Corporation Bank
State Bank of India

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

REGISTRAR & SHARE TRANSFER AGENTS
Karvy Computershare Private Limited
Plot Nos. 17 to 24 Vittalrao Nagar,
Madhapur, Hyderabad 500 081.
Telephone No.: +91-40-23420815 to 24
Fax No.: +91-40-23420814 E-mail Id: svraju@karvy.com

REGISTERED OFFICE
135, Penthouse, Brigade Towers,
Brigade Road, Bangalore 560 025.
E-mail Id: investors@brigadegroup.com

CORPORATE OFFICE
Hulkul Brigade Centre,
Lavelle Road, Bangalore 560 001.
Telephone No.: +91-80-41379200
Fax No.: +91-80-22210784
www.brigadegroup.com

NOTICE

Notice is hereby given that the Fourteenth Annual General Meeting of Brigade Enterprises Limited will be held at MLR Convention Centre, Brigade Millennium Campus, 7th Phase, J. P. Nagar, Bangalore - 560 078 on Thursday, 30th July, 2009 at 4.00 p.m. to transact the following ordinary business:

1. To receive, consider and adopt Audited Balance Sheet and Audited Profit & Loss Account for the Financial Year ended 31st March, 2009 and the reports of Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Mr. M. R. Gurumurthy, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. M. R. Shivram who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Statutory Auditors of the Company for the period commencing from the conclusion of this Meeting until the conclusion of the next Annual General Meeting, at a remuneration to be fixed by the Board of Directors in consultation with the Auditors.

Registered Office:
 Penthouse, Brigade Towers,
 135, Brigade Road,
 Bangalore – 560 025

Place : Bangalore
 Date : May 26, 2009

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies, in order to be effective, must be received at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books will be closed from Friday, 24th July, 2009 to Thursday, 30th July, 2009 (both days inclusive).
4. Members are requested to send all communications relating to Shares to our Share Transfer Agents at the following address:
 Karvy Computershare Private Limited
 Plot Nos. 17 to 24 Vittalrao Nagar, Madhapur,
 Hyderabad - 500 081
 Telephone No. : +91-40-23420815 to 24
 Fax No. : +91-40-23420814
 Email: svraju@karvy.com
5. Members are requested to send their queries in regard to the Accounts atleast 10 days in advance to the Registered Office of the Company.
6. Members / Proxies are requested to bring the attendance slips duly filled in and their copies of the Annual Report to the Meeting.

By Order of the Board
For Brigade Enterprises Limited

P. Om Prakash
 Company Secretary

Details of the Directors seeking appointment / re-appointment at the 14th Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	M. R. Gurumurthy	M. R. Shivram
Date of Birth	04/05/1941	01/12/1947
Age (in years)	68	61
Date of Appointment	08/11/1995	08/11/1995
Qualification	Bachelors in Science	Bachelors in Engineering and Masters in Science from New York University
No. of Equity Shares held in the Company	21,30,722	37,34,120
Expertise in functional areas	He has more than four decades of business experience	He has experience in design engineering and is also the Managing Director of Capronics Private Limited
Directorships held in other Companies	NIL	Capronics Private Limited
Committee positions held in other Companies	NIL	NIL

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the Fourteenth Annual Report on business and operations of the Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2009.

Financial Highlights:

(Rupees in Lakhs)

Particulars	2008-09	2007-08
Net Sales and Other income	39,435.71	49,415.35
Interest & other Finance charges	298.70	357.14
Depreciation	1,338.90	855.41
Profit before tax	5,856.37	13,740.49
Provision for taxation : Current	(1,733.71)	(3,416.10)
Deferred	0.26	(16.01)
Net Profit after Tax	4,122.92	10,308.38
Add : Prior year (expenses) / income	2,920.74	(12.46)
Excess / Short provision – IT	1,869.05	–
Less : Diminution in value of investment	(607.40)	–
Profit available for appropriation	8,305.31	10,295.92
Earnings Per Share	3.13	10.40

Dividend:

The Board of Directors of the Company has recommended a dividend of Rs. 1.20 (Rupees one and paise twenty) (12%) per Equity Share which is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company. The total payment on account of Dividend (including Dividend Tax) shall be Rs. 1,575.95 Lakhs. A sum of Rs. 207.63 Lakhs has been transferred to the General Reserve.

Operational Review & Future:

The financial year 2008-09 has been the most turbulent times for the trade and industry around the globe. This has been predominantly due to sub prime crisis, high inflation, volatility in crude oil prices, uncertain political situation, natural calamities, and century old financial institutions in United States going bust.

Property Markets in India during the year were subject to several cyclical influences of different periodicity. Corporate sector faced a demand downturn, financial sector was confronted with liquidity & confidence crisis and capital markets saw depressed sentiments. All this has moved the property cycle to a point where weak demand, excess supply and credit contraction were converging.

Your Company has weathered these uncertain times with its three tenets of business i.e. innovation, quality and trust. Company is into multi-domain areas of property development as well as hospitality, special economic zones and education.

- **Integrated Enclaves** - The two flagship integrated enclave projects of the Company i.e Brigade Gateway located at Malleshwaram, Rajaji Nagar, Bangalore and Brigade Metropolis located at Whitefield, Bangalore are in the advanced stages of completion.
- **Hospitality Domain** - Company along with Brigade Hospitality Services Limited, Wholly owned subsidiary, achieved a milestone with the opening of Mercure Homstead Residences at Koramangala in Bangalore. Accor, an Internationally reputed Hospitality Group is managing this co-branded property.
- The 230 room Sheraton Bangalore Hotel located at Brigade Gateway is under construction and is expected to commence operations in 2010.
- The Construction on the proposed Banyan Tree Resort at Chikmagalur, Karnataka has been stalled temporarily following a Public Interest Litigation filed against the Company. The matter is in the High Court of Karnataka.
- Company jointly with Brigade Hospitality Services Limited has Signed a Memorandum of Understanding with Minor Group, Thailand (Known for Anantara & 'M' Collection Brands) to manage the proposed Luxury Resort at Kerala.
- **Representative Office** - Company opened its first International office in Dubai at Atrium Center, Bank Street, Bur-Dubai on 17th October, 2008 to cater to Indians living abroad who are looking at buying property in India.
- **Special Economic Zones** - Company has received the necessary approvals for the Special Economic Zone (SEZ) in Mangalore. Company has withdrawn from the Special Economic Zone project in Mysore since the concerned authorities could not deliver vacant, free and unencumbered possession of land, for proposed SEZ development. Company has got the refund of money paid.
- **Quality Initiatives** - Company has been certified ISO 14001:2004 (Environmental Management System) on 2nd September 2008 & OHSAS 18001:1999 (Occupational Health & Safety Assessment System) by Bureau Veritas on 18th April 2009.

Company is gearing up to launch new projects in Bangalore, Chennai, Chikmagalur, Hyderabad, Mangalore, and Mysore which would aggregate between 8 million sq. ft. to 10 million sq. ft. of built up area. This would also include venturing into affordable housing segment.

Company is continuously looking for opportunities and is optimistic of a great turnaround in the real estate sector in the near future.

Utilisation of IPO Proceeds:

The funds raised in the Initial Public Offering and the utilisation status as on 31st March 2009 is as follows:

(Rupees in Lakhs)

Particulars	Amount specified in prospectus	Actual Utilisation
A) Funds raised *	70,376.30	70,376.30
B) Utilisation :		
i) Land	4,796.90	25,508.71
ii) Construction	51,203.70	23,674.58
iii) General Corporate purposes	10,840.10	12,972.21
iv) Issue expenses	3,535.60	3,920.80
C) Unutilised amount invested in Mutual Funds	Nil	4,300.00

* Post the stabilization period on the Company exercising the Green Shoe Option.

The Shareholders of the Company in the 13th Annual General Meeting of the Company held on 27th June, 2008 have given their approval under Section 61 of the Companies Act, 1956 for varying, modifying, altering, including change in deployment of funds raised in the Initial Public Offering in December, 2007.

Subsidiaries:

Brigade Hospitality Services Limited (BHSL) is as a wholly owned subsidiary of the Company and is carrying on the business of running and managing clubs, service residences and convention centres. During the financial year 2008-09 BHSL has registered income from operations amounting to Rs.15.35 crores. Loss incurred during the period amounts to Rs. 2.62 crores.

Brigade Estates and Projects Private Limited, Tetrarch Holdings Private Limited & Brigade Properties Private Limited are wholly owned Subsidiaries of the Company with main business in the field of real estate development. These Companies are in the process of being fully operational.

During the year Brigade Infrastructure & Power Private Limited (BIPPL) became a wholly owned subsidiary of the Company. BIPPL's main object is in the field of Infrastructure & Power and is in the process of being operational.

BCV Developers Private Limited has become a Subsidiary of the Company by virtue of Management Control through majority representation on its Board. BCV Developers Private Limited is a 50: 50 joint venture between the Company and Classic Valmark, Partnership firm for development of land of 120 acres in Devanahalli, Bangalore. Company has made an initial investment of Rs. 10 crores in the share capital of BCV Developers Private Limited.

Consolidated Financial Statements:

The Consolidated Financial Statements have been prepared by the Company pursuant to Clause 32 of the Listing Agreement entered with the Stock Exchanges. The Consolidated Financial Statement and

Auditors' Report thereon forms part of the Annual Report.

Fixed Deposits:

The Company has not accepted any fixed deposits during the year. There are no deposits repaid during the year or any unclaimed deposits with the Company.

Management Discussion & Analysis Report:

The Management Discussion and Analysis is annexed to this report.

Directors

Independent Director Dr. T. N. Subba Rao, former Chairman & Managing Director of Gammon India Limited, reached the heavenly abode on 13th August 2008. The Board condoles his demise and wishes to place on record his invaluable contribution to the Company. He was on the Board of the Company since 2001.

Company will be instituting a named Chair at Indian Institute of Technology, Chennai in the joint names of Dr. T. N. Subba Rao and Brigade Group, which would be supporting research in the field of Affordable Housing.

Mr. M. R. Gurumurthy and Mr. M. R. Shivram retire by rotation and being eligible, offer themselves for re-appointment.

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

Auditors

M/s. Narayanan Patil & Ramesh, Chartered Accountants, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting of the Company and being eligible for re-appointment have offered themselves for re-appointment.

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

Directors' Responsibility Statement:

As per the provisions of Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for that period.
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance

DIRECTORS' REPORT

with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- iv. The Directors have prepared the accounts on a going concern basis.

Report on Corporate Governance

A detailed report on Corporate Governance has been included as an attachment to this Report.

Particulars of Employees:

The details of employees drawing a remuneration aggregating Rs 24,00,000/- (Rupees twenty four lakhs only) or more per year / Rs 2,00,000/- (Rupees two lakhs only) or more per month where employed for a part of the year pursuant to Section 217(2A) of the Companies Act, 1956 is contained in Annexure "A" to this report.

Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo:

The particulars relating to conservation of energy, technology absorption and foreign exchange earnings & outgo pursuant to the provisions of Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is contained in Annexure "B".

Awards and Recognitions

Company has made it to the prestigious annual '**200 Best under a Billion Dollar**' Forbes list for the Asia-Pacific region. Your Company is the only Real Estate Developer in the Country to form part of this elite list.

Company was selected as one among India's Top Ten Builders this year by Construction World magazine. This is the second consecutive year that we have been selected as one of the Top Ten Builders in 2008.

The Company has been awarded the '**Regional Developer of the Year-South**', instituted by Realty Plus, India's Leading Real Estate Monthly Magazine, at Realty Plus Excellence Awards 2009.

The Company in collaboration with Rotary Bangalore Midtown instituted in 2006 the Young Achiever award. This state-wide award was instituted to appreciate and encourage the achievements of young people in different areas of endeavour annually. The selected individual / team is awarded a cash prize of Rs. 1,00,000/- accompanied by a trophy and a citation, at an awards ceremony held in Bangalore.

Acknowledgements:

Your Directors thank the shareholders and customers for their continued patronage.

The Board expresses its thanks and appreciation to Banks, Institutions, Central and State Government Authorities, Business Associates and Stakeholders for their continued support, guidance and co-operation.

Last but not the least a very special thanks to the Brigadiers (employees) whose never say die spirit will drive this organization to become the most admired realty Company in India in the future.

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

M.R. Jaishankar
Chairman and Managing Director

Place : Bangalore
Date : May 26, 2009

Annexure “A”

Information as per Section 217(2a) of the Companies Act, 1956 read with Companies (particulars of employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2009.

Sl. No.	Name of the Employee	Designation	Qualification	Age (Years)	Joining Date	Experience (Years)	Gross Remuneration (Rs. in Lakhs Annual)	Last Employment	Last Designation
1.	Jaishankar M.R	Chairman and Managing Director	B.Sc., (Agriculture) MBA	55	8-Nov-95	32	48.00	Brigade Investments	Managing Partner
2.	Githa Shankar	Whole-time Director	B.A., B. Lib. (Sc.) MBA	55	8-Nov-95	30	48.00	Member of Bangalore Stock Exchange	N.A.
3.	Anil Kumar A.	Chief Financial Officer	B. Com., ACA, Grad. CWA, ACS.	41	7-Mar-05	21.2	31.00	Al Yousef Group at Muscat, Oman	Finance & Investments Manager
4.	Indira Sharma	Vice President-Marketing	BBM / MBA	48	1-Jul-88	26.10	30.00	Freelance market researcher	N.A.
5.	Roshin Mathew	Chief Operating Officer - Projects	B. Tech, MBEM	46	8-Jul-05	21.10	32.00	Kap Group of Companies	Vice President
6.	Jagan Mohan W. P.	Sr. General Manager – HR	B.Com, MSW (PM & IR)	49	05-Oct-06	23.7	26.00	SRF Group	Chief Manager- HR
7.	Manjunatha Prasad M.	Vice President-Project	M.E. (Construction Technology)	46	06-Oct-05	20.7	26.20	Jurong Consultants (India) Pvt. Ltd.	Sr. Project Manager
8.	Balasubramanya K. S.	Vice President-Project	B.E. (Civil)	47	07-Oct-03	23.7	26.00	Gina Engineering Co. Pvt. Ltd.	DGM - Engineering & Projects
*9.	Shivanand Shirol M.	Vice President-Hospitality Projects	B.E. (Civil)	48	01-Jan-09	23.9	7.31	Brigade Hospitality Services Ltd.	Vice President
*10.	Abdul Gafoor Khan	Vice President-Projects	B.E. (Electrical)	52	13-Oct-08	29.7	13.21	India Builders Corporation Pvt. Ltd.	Vice President
11.	Viswa Prathap Desu	Sr. General Manager-Marketing	B.Sc., PGDBA	43	11-April-05	21.1	27.00	IDEB Construction & Project Pvt. Ltd.	Sr. General Manager (Marketing)

*Employed for part of the year

Annexure “B”

I. Conservation of Energy

(a) Energy conservation measures taken:

The cost of power / fuel consumption doesn't constitute a major cost of the project. This cost per se is the power and fuel purchased for construction process such as operation of cranes, lifts, conveyors lighting, welding, cutting, drilling and operation of other electrical instruments at the project sites. The buildings being Mega and High raised structures it is imperative to use power assisted gadgets for the safety of the workers.

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

- Efficient lighting system for energy conservation by use of CFL fittings in all offices of the Company including sites.
- CFL fittings are provided inside the building for common area lighting in the projects of the Company.
- Efficient ventilation system in offices and the projects of the Company especially residential with a major thrust on natural ventilation.
- Utilisation of solar energy in residential projects wherever possible.
- Energy efficient water supply pumps for water pumping applications.

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

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

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

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

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

Not Applicable.

II. Technology absorption

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

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

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

III. Research and Development

More standardized building elements which adheres to quality standards.

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

Benefits derived from R & D

The buildings constructed adhere to highest standard of quality.

Expenditure on R & D

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

IV. Foreign Exchange Earnings & Outgo

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

(Rupees in Lakhs)

Particulars	2008-09	2007-08
Inflow:		
Advance for Sale of Units, Lease deposits & Rentals	601.09	1,762.00
Outflow:		
i. Professional charges	197.40	161.20
ii. Consultation Fees	–	3.40
iii. Others	2,363.50	444.70

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Developments

2008 was not a year that the world will forget in a hurry. The last quarter of the year saw a series of cataclysmic events that terminated in the collapse of several venerable financial institutions in the US and elsewhere. The reverberations were felt around the world, with real estate being the worst hit. The contraction in the leading economies of the West (and Japan) drew swift comparisons with the Great Depression of the 1930's, and resulted in a slew of cost-cutting measures as a reflex action.

While the Indian economy has shown great resilience to close fiscal 2008 with a GDP growth of 6.7% (previous three years was 9.2%, 7.5%, 8.1%), exports are down, and the IT/ITES sector has been adversely impacted, with overseas clients becoming increasingly insular. The expose' of the murky goings-on at Satyam Computers did not help the sentiment! However, a strong performance by other sectors such as telecom, infrastructure and other core sector industries served to neutralize the impact to a large extent, resulting in the healthy growth shown, while major economies are in contraction mode.

Real Estate Sector in India

As the IT/ITES sector has been the mainstay of the demand for office-space (and concomitantly, housing for out-of-town hires) for the last few years, especially in Bangalore, the crisis in the world economy took the fizz out of the booming real estate industry. This downturn, combined with a zooming double digit inflation rate and high interest costs brought the sector to the brink. Across the country, listed real-estate companies lost around 80% of their valuation in the blood-bath that saw the Sensex plummet from 20,000+ points to below 10,000.

The year saw a significant drop in occupancy rates and rentals in commercial/retail complexes, and a decline in residential bookings, especially at the top end of the spectrum. This resulted in developers taking a long, hard look at their business models, and we are no exception. While the worst seems to be behind us, "value engineering" and "affordable housing" are the new buzz words being dangled to rope in customers looking at value for their money.

However, with inflation under control (< 1%), bank rates dropping, reduction in stamp duty charges coupled with a stable Government at the Centre, the last couple of quarters of fiscal 2008 should soon seem like a bad dream.

Opportunities

Most studies are unanimous in that there is a shortfall of around 26 million dwelling units in the country. However, more than 90% of this would be in a sector and price-range that very few private developers have really looked at – budgets of below Rs. 10 lakhs to Rs. 15 lakhs,

or households having incomes of Rs. 15,000 to Rs. 25,000 per month. With the meltdown, more developers have started looking at this segment, to do for housing what the Tata Nano hopes to do for cars – bring them within the reach of the common man.

As a company with a history of innovations, having an enviable reputation for quality and consistency, with an established brand name, our entry into this category will offer a value proposition that is a "no-brainer". The Company is looking to launch around 10,000 units in the "nano" and "affordable" in fiscal 2009, in multi-locations in Bangalore and Mysore, while scouting for suitable land parcels for similar developments in other cities.

Risks and Threats

The Government is finally recognising the contribution the real estate sector is making directly and indirectly to the GDP in terms of direct employment, consumption of cement and steel and other construction material, demand for white goods, etc., each level of which generates collection in terms of excise duties, VAT, service tax, stamp duty and registration charges and a host of other levies. However, this has not translated into any concrete reduction in red-tape; if anything, more and more hurdles are being put in place.

Broadly, the risks can be classified as:

- Regulatory – permissions need to be obtained from a plethora of Central and State Government departments & civic authorities before a project can commence; normal time frame of 90 days to 240 days can stretch for years, for no rational reason
- Legal – the lack of transparency, no centralized system of accessing information, leaves a lot of grey areas in documents with the result that clear-titled lands are hard to come by
- Over-dependence on the IT/ITES sector in the recent past
- Human Resources of quality – are always a limitation when one needs to ramp-up operations in a hurry
- Financial Resources – while the banking sector is flush with funds, the collapse of the real estate sector in the West has left them hesitant to venture forth; cost of funds is high.

However, adequate systems are in place to ensure that these risks are minimized, and these systems are constantly being fine-tuned, and the processes monitored, to ensure that the interests of the Company are adequately protected.

Operational Performance and Outlook

The two flagship integrated enclave projects of the Company i.e. Brigade Gateway and Brigade Metropolis are in the advance stages of completion.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

“Mercure Homestead Residences” serviced residences at Koramangala, Bangalore commenced operations w.e.f. 4th April, 2009. This project is being managed by Accor, an internationally reputed Hospitality Group.

Company has received the necessary approvals for the Special Economic Zone (SEZ) in Mangalore.

Company has featured in the prestigious “200 Best Under a Billion Dollar” Forbes List for the Asia Pacific region in 2008. We are the only real estate company in the Country to be recognised.

Company has received the “Regional Developer of the Year – South” at the Realty Plus Excellence Awards 2009 instituted by Realty Plus, India’s leading Real Estate Magazine.

There are new projects proposed to be launched in Bangalore, Mysore, Chennai, Hyderabad and Mangalore which would aggregate between 8 million sq. ft. to 10 million sq. ft. of built up area.

Internal Control Systems and their adequacy

Internal Control System is the backbone of the Company to ensure:

- utilization of resources to the optimum level
- safeguarding of assets
- transactions are properly authorised, recorded and reported correctly and
- protection against loss of unauthorized use and disposition of assets.

The internal control systems provide, among other things, a reasonable assurance that the transactions are executed with management authorization and they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles.

Company has an exclusive internal audit team and Grand Thornton are the Internal Auditors of the Company. An extensive Internal Audit is done on a continual basis throughout the year.

The Top Management, Audit Committee and Statutory Auditors of the Company are periodically appraised of the internal audit findings.

Financial Performance

Equity Share Capital: The equity share capital of the Company as on 31st March, 2009 stood at Rs. 112,25.19 lakhs. There was no fresh issue of capital during the year.

Debt Equity: The debt equity ratio of the Company as on 31st March, 2009 is at 0.43 which is good in the prevailing market conditions and is very good as compared to the peers in the industry.

Interest and Financial Charges: Interest and Financial Charges for the financial year 2008-09 is Rs. 289.70 lakhs as compared to Rs. 357.14 lakhs in the previous year, decrease by 18.88%.

Turnover: The Company’s turnover has decreased from Rs. 494,15.35 lakhs to Rs. 394,35.71 lakhs, decrease by 20.19% over the previous year.

Net Profit: Net profit available for appropriation for the year 2008-09 stood at Rs. 8,305.31 lakhs as compared to Rs. 10,295.92 lakhs in the previous year, decrease by 19.33%.

Dividend: The Company has proposed a dividend of Rs. 1.20 (12%) per equity share. The total payout on account dividend including corporate dividend tax aggregates to Rs. 1,575.95 lakhs.

Earnings Per Share (EPS): The Company’s Earnings Per Share (EPS) during the current year is Rs. 3.13 (Rs. 10.40 in the previous year).

Material developments in Human Resources

Human Resource is an integral part of any organization and at Brigade, Human Resource is a vital ingredient for the growth of the Company.

The vision of the Company is to be focused in building this organization into a World Class Organization by being the most admired realty group in India, continuously upgrading our capabilities in every sphere of our activity, to the delight of our customers and stakeholders. Human Resource in the Company plays a very crucial role in achieving this vision.

There is good mix of people from diverse background specialised in their field of work. The internal workforce coupled with a good outsourcing model has been successful in execution of projects. The head count in the Company has increased from 328 in 2007-08 to 355 in 2008-09, increase by 8.23%.

There are extensive training and development programmes conducted by the Company from time to time to enrich the workforce with continuous upgradation of their skills to ensure efficient performance directed towards attaining objectives of the Company.

Cautionary Statement

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

CORPORATE GOVERNANCE REPORT

Philosophy on Corporate Governance at Brigade Enterprises Limited

The Philosophy on Corporate Governance at Brigade Enterprises Limited is:

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

The Corporate Governance Report of the Company for the year ended 31st March, 2009 is as follows:

Board of Directors

The Board of Directors of the Company comprises of 8 Directors as on 31st March, 2009 who have expertise in the different aspects of business of the Company. The composition and category of the Directors are as follows:

Category	Name of Director	Designation	No. of Directors	% to total number of Directors
Executive Promoter Directors	Mr M.R. Jaishankar	Chairman & Managing Director	2	22
	Ms Githa Shankar	Whole-time Director		

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

Name of the Director	Board Meetings attended in the financial year 2008-09	Attendance in the 13th Annual General Meeting held on 27th June, 2008	No. of Directorships in other Public Limited Companies	No. of Committee positions held in other Public Limited Companies	
				Chairman	Member
Mr M.R. Jaishankar	4	Yes	Nil	Nil	Nil
Ms Githa Shankar	4	Yes	Nil	Nil	Nil
Mr M.R. Gurumurthy	4	Yes	Nil	Nil	Nil
Mr M. R. Shivram	4	Yes	Nil	Nil	Nil
Mr P. V. Maiya	3	Yes	3	1	Nil
Mr P. M. Thampi	4	Yes	4	Nil	3
*Dr T. N. Subba Rao	1	No	Nil	Nil	Nil
Dr K. Kasturirangan	4	No	Nil	Nil	Nil
**Dr A. Ramakrishna	2	Yes	12	Nil	9

* Vacated Directorship on 13th August, 2008 due to his demise.

** Appointed on the Board w.e.f. 25th April, 2008.

Category	Name of Director	Designation	No. of Directors	% to total number of Directors
Non-Executive Directors	Mr M. R. Gurumurthy	Director	2	22
	Mr M. R. Shivram	Director		
Independent Non-Executive Directors	Mr P. V. Maiya	Director	5	56
	Mr P. M. Thampi	Director		
	*Dr T. N. Subba Rao	Director		
	Dr K. Kasturirangan	Director		
	Dr A. Ramakrishna	Director		
Total			9	100

*Dr T. N. Subba Rao's Directorship of the Company ended due to his demise on the 13th August, 2008.

Board Meetings

The details of the Board Meetings held in the financial year 2008-09 are as follows:

S. No.	Date
1	25th April, 2008
2	31st July, 2008
3	21st October, 2008
4	24th January, 2009

CORPORATE GOVERNANCE REPORT

Code of Conduct for Board Members and Senior Management

The Board of Directors of the Company have laid down a Code of Conduct for all Board Members and Senior Management of the Company. Board Members and Senior Management of the Company have affirmed compliance to the Code for the financial year ended 31st March, 2009. A declaration to this effect by the Chairman & Managing Director of the Company is annexed to this report. The Code of Conduct has also been posted on the website of the Company.

Audit Committee

The Audit Committee of the Company was constituted on 20th July, 2007. The Constitution of the Committee is in accordance with Section 292A of the Companies Act, 1956 and Clause 49(II)(A) of the Listing Agreement entered with the Stock Exchanges.

The terms of reference of the Audit Committee shall include:

1. Overseeing the Company's financial reporting process and disclosure of its financial information.
2. Recommending to the Board the appointment, re-appointment, and replacement of the Statutory Auditors and the fixation of audit fee.
3. Approval of payments to the Statutory Auditors for any other services rendered by them.
4. Reviewing, with the Management, the annual Financial Statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgement by Management.
 - d. Significant adjustments made in the Financial Statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to Financial Statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the Management, the quarterly, half-yearly and annual Financial Statements before submission to the Board for approval.
6. Reviewing, with the Management, the performance of statutory and internal auditors, and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal Audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with Internal Auditors on any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. Reviewing the functioning of the whistle blower mechanism, in case the same is existing.
13. Review of Management discussion and analysis of financial condition and results of operations, statements of significant related party transactions submitted by management, management letters/letters of internal control weaknesses issued by the Statutory Auditors, Internal audit reports relating to internal control weaknesses, and the appointment, removal and terms of remuneration of the Chief Internal Auditor.
14. Ensuring compliance with applicable accounting standards.
15. Reviewing the Company's financial and risk management policies.
16. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
17. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

CORPORATE GOVERNANCE REPORT

The powers of the Audit Committee shall include the power;

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

During the year the Audit Committee meetings were held on 21st April, 2008, 30th July, 2008, 20th October, 2008 and 23rd January, 2009.

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

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

Company Secretary is the Secretary of the Committee.

Mr P. V. Maiya, Chairman of the Audit Committee was not physically present in the meeting held on the 30th July, 2008 as he was abroad. The Statutory Auditors have commented in their certificate that the quorum for that meeting was not fulfilled, since out of the other two members present, only one member was an Independent Director.

Though he could not be present as he had to be abroad for personal reasons, Mr Maiya participated by telephone. Further the agenda for the meeting including financials were emailed to Mr P. V. Maiya by the Chairman & Managing Director, before the meeting. The suggestions made by Mr P. V. Maiya were incorporated in the financials. In order to overcome such contingencies in future, the Board in its meeting held on 26th May, 2009 has inducted Dr A. Ramakrishna, an Independent Director, as a member of the Audit Committee.

Compensation Committee

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

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

1. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - a. The Securities and Exchange Board of India (Insider Trading) Regulations, 1992; or
 - b. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995.

2. Determine on behalf of the Board and the shareholders the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment.
3. Perform such functions as are required to be performed by the Compensation Committee under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("ESOP Guidelines"), in particular, those stated in Clause 5 of the ESOP Guidelines.
4. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The Composition of the Compensation Committee is as follows:

S.No.	Name	Position
1.	Mr P. M. Thampi	Chairman
2.	Mr P. V. Maiya	Member
3.	*Dr T. N. Subba Rao	Member
4.	Dr A. Ramakrishna	Member

*Dr T. N. Subba Rao vacated his membership of the Committee w.e.f. 13th August, 2008 due to his demise.

Dr A. Ramakrishna was inducted as a member of the Committee w.e.f. 21st October, 2008.

Company Secretary is the Secretary of the Committee.

One Compensation Committee was held on 25th April, 2008 and the same was attended by all the members.

The details of remuneration paid / payable to the Directors for the year ended on 31st March, 2009 are as follows:

Name of the Director	Salary & Perquisites (Rs.)	Sitting Fees (Rs.)	Commission (Rs.)	Total (Rs.)
Mr M.R. Jaishankar	48,00,000	NIL	1,48,43,707	1,96,43,707
Ms Githa Shankar	48,00,000	NIL	NIL	48,00,000
Mr M. R. Gurumurthy	NIL	80,000	NIL	80,000
Dr K. Kasturirangan	NIL	80,000	5,00,000	5,80,000
Mr P. V. Maiya	NIL	1,20,000	5,00,000	6,20,000
Mr M. R. Shivram	NIL	80,000	NIL	80,000
Dr T. N. Subba Rao	NIL	20,000	N.A.	20,000
Mr P. M. Thampi	NIL	1,10,000	5,00,000	6,10,000
Dr A. Ramakrishna	NIL	30,000	5,00,000	5,30,000

CORPORATE GOVERNANCE REPORT

Investor Grievance Committee

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

The terms of reference of the Investor Grievance Committee are as follows:

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

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

25th April, 2008, 31st July, 2008, 21st October, 2008 and 24th January, 2009.

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

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

Company Secretary is the Secretary to the Committee

A total of 17 Complaints were pending redressal as on 1st April, 2008. A total of 870 complaints were received during the year ended 31st March, 2009. All the complaints were duly redressed. There are no complaints pending redressal as 31st March, 2009.

Committee of Directors:

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

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

The Composition of the Committee is as follows:

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

Company Secretary is the Secretary of the Committee.

There was two meetings of the Committee held on 3rd June, 2008 and 5th March, 2009 which was attended by all the members.

Share Transfer Committee

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

The composition of the Share Transfer Committee is as follows:

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

Company Secretary is the Secretary of the Committee.

Subsidiary Companies

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

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

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

General Meetings

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

Year	No. of AGM	Day, Date & Time of AGM	Venue
2007-08	13	Friday, 27th June, 2008 at 04.00 p.m.	MLR Convention Centre, Brigade Millennium Campus, J. P. Nagar, Bangalore - 560078
2006-07	12	Wednesday, 20th June, 2007 at 10.00 a.m.	Penthouse, Brigade Towers 135, Brigade Road, Bangalore - 560 025
2005-06	11	Saturday, 30th September, 2006 at 2.00 p.m.	Penthouse, Brigade Towers 135, Brigade Road, Bangalore - 560 025

CORPORATE GOVERNANCE REPORT

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

AGM	AGM date	Special Resolutions passed through show of hands
13	27th June, 2008	Payment of remuneration to Non-Executive Directors not exceeding 1% of net profits.
12	20th June, 2007	a) Conversion of Company into a Public Limited Company. b) Increasing the borrowing powers of the Company upto Rs. 25,000 million.

Extraordinary General Meeting

There were no extraordinary general meetings held during the year.

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

Disclosures

- There are no materially significant related party transactions entered by the Company with related parties that may have a potential conflict with the interests of the Company.
- The Company has duly complied with the requirements of the regulatory authorities on capital market. There are no penalties imposed nor any strictures have been passed against the Company during the last three years.
- The mandatory requirements laid down in Clause 49 of the Listing Agreement has been duly complied by the Company and the adoption of non-mandatory requirements is as follows:
 - The Company has not fixed a period of 9 years as tenure for Independent Directors on the Board of the Company.
 - The Board of Directors of the Company have constituted a Compensation Committee on 20th July, 2007. The terms of reference to the Committee is contained elsewhere in this report.
 - The Company does not send half-yearly financial results, including summary of significant events in the last six months as the same are published in newspapers and also posted on the website of the Company.
 - The Board of Directors of the Company comprises a perfect combination of Executive and Non-Executive Directors who are professionals in their respective fields.
 - At present, the Company does not have a mechanism for evaluating the performance of Non-Executive Directors by a peer group.

- The Company has not adopted Whistle Blower Policy. However, the Company has not denied access to any employee to approach the management on any issue.

Means of Communication

Financial Results:

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

The results are normally published in "Business Standard"- English Daily and "Times of India" – Kannada Newspaper within 48 hours after the approval by the Board.

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

Information to Shareholders of 14th Annual General Meeting.

- Date: 30th July, 2009
- Time: 4.00 p.m.
- Venue: at MLR Convention Centre
Brigade Millennium Campus,
7th Phase, J. P. Nagar,
Bangalore - 560 078
- Financial Year: 1st April to 31st March,
- Date of Book Closure: 24th July, 2009 to 30th July, 2009 (both days inclusive).
- Dividend: The Board of Directors have recommended a dividend of Rs. 1.20 (12%) per Equity Share. Dividend, if approved at the ensuing Annual General Meeting will be paid to those shareholders, whose names appear in the Register of Members as on Thursday, 23rd July, 2009.
- Compliance Officer: P. Om Prakash
- Registered Office: "Penthouse", Brigade Towers,
135, Brigade Road,
Bangalore - 560025
- Listing in Stock Exchanges: The Equity Shares of the Company are listed in the following Stock Exchanges:
 - National Stock Exchange of India Limited
 - Bombay Stock Exchange Limited

CORPORATE GOVERNANCE REPORT

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

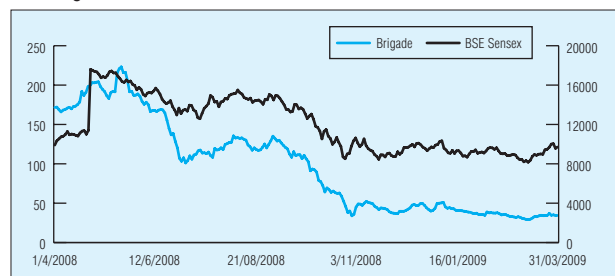
11. Listing Fees: Listing Fees as prescribed has been paid fully to all the
Stock Exchanges where the shares of the Company are listed.

12. Stock Performance

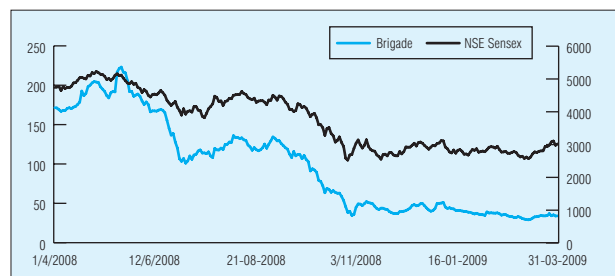
The performance of the stock in the Bombay Stock Exchange Limited &
National Stock Exchange of India Limited for the period from 1st April,
2008 to 31st March, 2009 was as follows:

Month	National Stock Exchange of India Limited (NSE)			Bombay Stock Exchange Limited (BSE)		
	High	Low	Volume	High	Low	Volume
April	220.00	162.30	2295114	212.90	165.00	1570594
May	230.95	179.80	2634061	231.00	180.25	1859558
June	195.50	105.00	1643124	196.95	105.60	752243
July	131.95	96.50	3378465	131.95	96.20	1518795
August	143.10	114.15	991104	145.00	114.10	794993
September	139.40	82.10	726025	139.40	83.70	1090801
October	95.40	32.50	982328	95.00	32.25	2487643
November	56.00	35.95	1566337	56.30	36.20	873372
December	53.90	35.00	1380297	53.70	35.10	826271
January	52.50	35.00	722296	52.90	35.10	410997
February	46.80	31.25	1341688	45.95	31.50	586857
March	38.90	27.90	1168400	38.70	27.80	589924

Exchange: BSE Start Date: 1-4-2008 End Date : 31-3-2009



Exchange: NSE Start Date: 1-4-2008 End Date : 31-3-2009



13. Dematerialisation of shares

The ISIN for the Equity Shares of the Company is INE791101019. A total of
2,61,46,829 Equity Shares aggregating to 23.29% of the total shares of the
Company are in dematerialised form as on 31st March, 2009.

14. Share Transfer Agents:
Karvy Computershare Private Limited
Plot Nos. 17 to 24 Vittalrao Nagar,
Madhapur, Hyderabad - 500 081
Telephone No. : 040 23420815 to 24
Fax No.: 040 23420814
Email: svraju@karvy.com

15. Distribution of Shareholding as on 31st March, 2009

Category (Amount)	No. of shareholders	%	Amount (Rs.)	%
1-5000	1,15,430	98.89	5,72,29,710	5.10
5001-10000	654	0.56	48,51,890	0.43
10001-20000	296	0.26	42,38,500	0.38
20001-30000	82	0.07	20,60,520	0.18
30001-40000	51	0.04	18,22,080	0.16
40001-50000	35	0.03	16,51,690	0.15
50001-100000	60	0.05	43,82,040	0.39
Above 100000	121	0.10	1,04,62,82,970	93.21
Total	1,16,729	100.00	1,12,25,19,400	100.00

16. Categories of Shareholders as on 31st March, 2009

Category	No. of Shares	% to Total Shares
Promoters & their Relatives	6,45,15,944	57.47
Mutual Funds	9,01,977	0.80
Banks, Financial Institutions	12,99,371	1.16
Foreign Institutional Investors	53,01,240	4.72
Non Resident Indians	1,70,789	0.15
Indian Companies	19,42,712	1.73
Indian Public	3,79,87,899	33.85
Trusts	85,139	0.08
Clearing Members	46,869	0.04
Total	11,22,51,940	100.00

Promoters / Promoter group haven't pledged any Equity Shares of the
Company held by them in the Company as on 31st March, 2009.

CORPORATE GOVERNANCE REPORT

17. Financials Release Dates for 2009-10

Quarter	Release Date (tentative & subject to change)
1st Quarter ending 30th June, 2009	Fourth week of July 2009
2nd Quarter ending 30th September, 2009	Fourth week of October 2009
3rd Quarter ending 31st December, 2009	Fourth week of January 2010
4th Quarter ending 31st March, 2010	Fourth week of April 2010

18. Internet access: www.brigadegroup.com

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

19. Email Id for Investor Grievances

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

AUDITORS' REPORT ON CORPORATE GOVERNANCE

To
The Shareholders of
Brigade Enterprises Limited,

We have examined the compliance of conditions of Corporate Governance by Brigade Enterprises Limited for the year ended on 31st March, 2009 as stipulated by Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material aspects with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement, except non compliance with respect to minimum quorum requirement for the

Audit Committee meeting held on 30th July, 2008 where only one Independent Director was present against the required quorum of a minimum of two Independent Directors.

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

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

for Narayanan, Patil and Ramesh
Chartered Accountants

L. R. Narayanan
Partner

Place: Bangalore
Date: May 26, 2009

Membership No. 200/25588

CEO / CFO CERTIFICATION PERSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT(S)

The Board of Directors,
Brigade Enterprises Limited
Penthouse, Brigade Towers,
135, Brigade Road,
Bangalore - 560 025

This is to certify that:

- a) We have reviewed financial statements and the cash flow statement for the financial year 2008-09 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and that we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

- d) We have indicated to the Auditors and the Audit committee:
- (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- e) We further declare that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year 2008-09.

For Brigade Enterprises Limited
M. R. Jaishankar
Chairman & Managing Director

A. Anil Kumar
Chief Financial Officer

Place: Bangalore
Date: May 26, 2009

AUDITORS' REPORT

To the members of BRIGADE ENTERPRISES LIMITED,

1. We have audited the attached Balance Sheet of BRIGADE ENTERPRISES LIMITED, as at 31st March, 2009 and also the Profit & Loss Account and the Cash Flow Statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these Financial Statements based on our audit.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) Order, 2003, issued by the Central Government of India, in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in Paragraph 3 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by Law have been kept by the Company so far as appears from our examination of such books.
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with this report, comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors of the Company are disqualified as on 31st March, 2009 from being appointed as Directors of the Company under Clause (g) of sub section (1) of Section 274 of Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the accounts together with the notes thereon give the information required under the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India:
 - i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009 .
 - ii) In the case of Profit and Loss Account, of the Profit for the period ended on that date.
 - iii) In the case of Cash Flow Statement of the Cash flows for the period ended on that date.

for Narayanan, Patil and Ramesh
Chartered Accountants

Place: Bangalore,
Date: May 26, 2009

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

ANNEXURE TO AUDITORS' REPORT

Annexure referred to in paragraph 3 of the Auditors' Report to the members of Brigade Enterprises Limited on the accounts for the period ended 31st March, 2009.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- (b) All the fixed assets have been physically verified by the management during the period and no material discrepancies were noticed on such verification.
- (c) During the period, the Company has not disposed off any substantial part of its Fixed Assets that would affect the Going Concern assumption of the Company.
- (ii) (a) The Inventory has been physically verified at reasonable intervals during the period by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventories. The discrepancies noticed on verification between physical stock and book stock was not material.
- (iii) (a) According to the information and explanations given to us, the Company has neither granted nor taken any loans, secured or unsecured from the companies, firms and other parties mentioned in the Register maintained under Section 301 of the Companies Act, 1956
- (b) Since the Company has neither granted nor taken any loans, the provisions of Clause (iii)(b), (iii)(c), (iii)(d), (iii)(e), (iii)(f), (iii)(g), of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, with regard to purchase of inventory, fixed assets and for the sale of goods. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into a register in pursuance of Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the period have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) According to the information and explanations given to us, the Company has not accepted deposits from public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 58A and 58AA or any other relevant provisions of the Act and the rules framed there under, are not applicable to the Company.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records and hence the provision of Clause 4(viii) is not applicable.
- (ix) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Employee Provident Fund, Employees State Insurance Scheme, Income-Tax, Sales-Tax, Service Tax, Wealth-Tax, Customs Duty, Excise Duty, Cess and any other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income-Tax, Sales-Tax, Wealth-Tax, Service Tax, Customs Duty, Excise Duty, Cess were in arrears, as at 31st March, 2009 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, the particulars of Income-Tax, Sales-Tax and Service Tax as at 31st March, 2009, which have not been deposited on account of a dispute pending are as under:

ANNEXURE TO AUDITORS' REPORT

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Service Tax	Service Tax on Import of Services	1,04,36,073	For the period from 1st July, 2004 to 28th February, 2006	Customs, Excise and Service Tax Appellate Tribunal
Value Added Tax	VAT liability on account of incorrect computation	47,83,85,764	For Assessment year 2005-06	Pending with Commissioner (Appeals)
		6,04,55,776	For Assessment year 2006-07	
		10,84,48,519	For Assessment year 2007-08	
Income Tax Act	Disallowance of Deduction under Section 80IB(10)	94,84,818	For Assessment year 2006-07	Pending with Commissioner (Appeals)

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

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

for Narayanan, Patil and Ramesh
Chartered Accountants

Place: Bangalore,
Date: May 26, 2009

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

BALANCE SHEET AS AT 31ST MARCH, 2009

(Rupees in Lakhs)

PARTICULARS	SCH.	As on 31st March, 2009	As on 31st March, 2008
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	11,225.19	11,225.19
Reserves and Surplus	B	88,267.17	81,539.36
		99,492.36	92,764.55
Loan Funds			
Secured Loans	C	42,859.79	29,749.05
Total		142,352.15	122,513.60
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	D	16,439.32	10,168.08
Less : Depreciation		4,033.54	2,744.80
Net Block		12,405.78	7,423.29
Capital Work-in-progress		66,453.49	40,435.41
		78,859.27	47,858.70
Investments	E	3,478.31	40,521.54
Deferred Tax Asset	F	151.85	151.59
Current Assets, Loans & Advances			
Inventories	G	48,488.44	30,224.59
Sundry Debtors	H	600.18	536.69
Cash and Bank Balances	I	3,602.34	1,196.21
Loans and Advances	J	36,744.54	36,567.08
		89,435.50	68,524.57
Less : Current Liabilities & Provisions			
Current Liabilities	K	28,585.56	31,475.78
Provisions	L	3,416.81	6,056.11
		32,002.37	37,531.89
Net Current Assets		57,433.13	30,992.68
Miscellaneous Expenditure (to the extent not Written off or Adjusted)	M	2,429.59	2,989.09
Total		142,352.15	122,513.60

Notes to Accounts forms an integral part of the Financial Statements.

As per our report of even date
for **Narayanan, Patil & Ramesh**
Chartered Accountants

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

Place: Bangalore
Date: May 26, 2009

for **Brigade Enterprises Limited**

M.R. Jaishankar
Chairman & Managing Director

A. Anil Kumar
Chief Financial Officer

M.R. Shivram
Director

P. Om Prakash
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH, 2009

(Rupees in Lakhs)

PARTICULARS	SCH.	As On 31st March, 2009	As on 31st March, 2008
INCOME			
Contract & Other Receipts	N	39,435.71	49,415.36
Increase / (Decrease) in Closing Stock of Units		72.71	122.85
Total		39,508.42	49,538.21
EXPENDITURE			
Project and Direct Expenses	O	27,193.16	28,608.72
Personnel Expenses	P	1,765.97	3,064.35
Administrative and Selling Expenses	Q	2,245.46	2,164.83
Interest & Financial Charges	R	298.70	357.14
Depreciation	D	1,338.90	855.41
Miscellaneous Expenses Written Off	M	809.86	747.27
Total		33,652.05	35,797.72
Profit Before Tax		5,856.37	13,740.49
Provision for Taxation - Current Taxes	S	(1,733.71)	(3,416.10)
Provision for Taxation - Deferred Taxes		0.26	(16.01)
Profit After Tax		4,122.92	10,308.38
Add: Prior Year (Expenses) / Income		2,920.74	(12.46)
Add: Excess /(Short) Provision for Income Tax		1,869.05	—
Less: Diminution in value of Investments		607.40	—
Profit for the Year available for Appropriation		8,305.31	10,295.92
Appropriations			
Towards Proposed Dividends		1,347.02	2,245.04
Towards Tax on Proposed Dividend		228.93	381.54
Profit Transferred to General Reserve		207.63	773.00
Balance carried to Balance Sheet		6,521.73	6,896.34
Earnings per Share - Basic & Diluted (in Rupees)		3.13	10.40
Nominal Value of Shares		10.00	10.00

Notes to Accounts forms an integral part of the Financial Statements.

As per our report of even date
for **Narayanan, Patil & Ramesh**
Chartered Accountants

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

Place: Bangalore
Date: May 26, 2009

for **Brigade Enterprises Limited**

M.R. Jaishankar
Chairman & Managing Director

A. Anil Kumar
Chief Financial Officer

M.R. Shivram
Director

P. Om Prakash
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rupees in Lakhs)

PARTICULARS	As on 31st March, 2009	As on 31st March, 2008
Cash Flow from Operating Activities		
Net Profit before Tax	5,856.38	13,740.48
Adjustments for:		
Depreciation including Obsolescence & Amortisation	1,338.90	855.41
Loss / (Profit) on sale of Assets (Net)	10.11	(21.66)
Dividend Received	(1,155.53)	(770.69)
Loss / (Profit) on sale of Investments (Net)	(33.86)	(3.74)
Prior Year Income / (Expenses)	2,920.68	(12.46)
Interest Income	(142.49)	(85.82)
Bad Debts	39.90	1.15
Amortisation of Miscellaneous Expenses	809.86	747.27
Interest Expenses	4,455.95	335.78
Operating Profit before Working Capital Changes	14,099.90	14,785.72
Adjustments for:		
Decrease / (Increase) in Sundry Debtors	(103.39)	1,493.78
Decrease / (Increase) in Inventories	(18,263.85)	(7,650.86)
Decrease / (Increase) in Loans & Advances	(157.76)	(19,049.74)
Income Taxes Paid	(1,512.59)	(5,897.90)
Increase / (Decrease) in Current Liabilities	(2,932.04)	2,295.12
Net Cash flow (used in) / from Operating Activities	(8,869.73)	(14,023.88)
Cash Flows from Investing Activities		
Purchase of Fixed Assets (including CWIP)	(32,289.33)	(19,134.46)
Sale proceeds of Fixed Assets	19.64	78.80
Long- Term Investments (Net)	(1,931.29)	(0.72)
Investments in Mutual Funds (Net)	38,367.12	(40,367.12)
Interest Received	142.49	85.82
Dividend Received	1,155.53	770.69
Loss / (Profit) on sale of Investments (Net)	33.86	3.74
Net Cash Flow (used in) / from Investing Activities	5,498.02	(58,563.25)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rupees in Lakhs)		
PARTICULARS	As on 31st March, 2009	As on 31st March, 2008
Cash Flows from Financing Activities		
Interest Paid	(4,455.95)	(335.78)
Dividend Paid	(2,245.04)	—
Dividend Tax Paid	(381.54)	—
Increase in Securities Premium Account	—	68,571.78
Increase in Share Capital	—	1,804.52
Share Issue Expenses	(250.36)	(3,670.37)
Expense towards Increase in Authorised Capital	—	(66.00)
Increase / (Decrease) in Secured Loans	13,110.74	5,728.77
Net Cash Flow (used in) / from Financing Activities	5,777.85	72,032.92
Net increase in Cash and Cash Equivalents	2,406.14	(554.21)
Cash and Cash Equivalents at the beginning of the Year	1,196.20	1,750.41
Cash and Cash Equivalents at the end of the Year	3,602.34	1,196.20

As per our report of even date

for **Narayanan, Patil & Ramesh**
Chartered Accountants

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

Place: Bangalore
Date: May 26, 2009

for **Brigade Enterprises Limited**

M.R. Jaishankar
Chairman & Managing Director

A. Anil Kumar
Chief Financial Officer

M.R. Shivram
Director

P. Om Prakash
Company Secretary

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

PARTICULARS	(Rupees in Lakhs)	
	As on 31st March, 2009	As on 31st March, 2008
SCHEDULE A - Share Capital		
Authorised		
15,00,00,000 (Previous Year 15,00,00,000) Equity Shares of Rs. 10/- each	15,000.00	15,000.00
Issued, Subscribed & Paid Up		
(Refer Notes to Accounts for detailed break-up of the Share Capital)		
11,22,51,940 (Previous Year 11,22,51,940) Equity Shares of Rs. 10/- each	11,225.19	11,225.19
Total	11,225.19	11,225.19
SCHEDULE B - Reserves & Surplus		
Securities Premium Account		
Balance brought forward	68,571.78	—
Add : Received during the year	—	68,571.78
Closing Balance (A)	68,571.78	68,571.78
General Reserve		
Opening Balance	4,521.00	3,748.00
Add : Transfers during the year from Profit and Loss Account	207.63	773.00
Closing Balance (B)	4,728.63	4,521.00
Profit & Loss A/c.		
Opening Balance	8,445.03	8,279.31
Add : Balance transferred from Profit and Loss Account	6,521.73	6,896.33
Less : Utilised towards issue of Bonus Shares	—	(6,729.05)
Closing Balance (C)	14,966.76	8,446.58
Total (A) + (B) + (C)	88,267.17	81,539.36
SCHEDULE C - Secured Loans		
(Refer Notes to Accounts for security offered)		
Loans and Advances from Banks	42,414.59	29,541.72
Interest accrued and due	445.20	207.33
(Term Loans repayable within 1 year is Rs. 16,705.21 Lakhs)		
Total	42,859.79	29,749.05

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

SCHEDULE - D Fixed Assets										(Rupees in Lakhs)			
			GROSS BLOCK					DEPRECIATION BLOCK				NET BLOCK	
Sl. No.	Assets	Rate of Depreciation	As at 1-Apr-08	Regrouping 1-Apr-08	Additions	Deletions	As at 31-Mar-09	Upto 1-Apr-08	For the Year ended 31-Mar-09	Amount written back	Total	W.D.V As at 31-Mar-09	W.D.V As at 31-Mar-08
1	Land and Building	4% and 5%	6,108.77	-	3,763.47	-	9,872.24	(687.72)	(414.87)	-	(1,102.59)	8,769.65	5,421.05
	Land	-	627.86	-	459.20	-	1,087.06	-	-	-	-	1,087.06	627.86
	Buidling	5% and 4%	5,480.91	-	3,304.26	-	8,785.18	(687.72)	(414.87)	-	(1,102.59)	7,682.59	4,793.19
2	Furniture, Fixtures and Interiors	18.10%, 20%, 25%, 33.33%	2,221.00	-	1,413.17	(45.91)	3,588.26	(1,096.85)	(544.87)	34.67	(1,607.05)	1,981.21	1,124.15
	Furniture and Fixtures	20%, 25%	453.19	-	86.95	(45.91)	494.23	(325.60)	(45.19)	34.67	(336.12)	158.11	127.59
	Interiors	33.33%	1,767.81	-	1,326.22	-	3,094.03	(771.25)	(499.67)	-	(1,270.93)	1,823.10	996.56
3	Office Equipment & Plant and Machinery	13.91%, 20%, 25%, 33.33%	1,008.19	-	1,007.89	(1.18)	2,014.89	(552.81)	(211.18)	1.18	(762.80)	1,252.09	455.38
	Office Equipment	20%, 25%	502.12	-	16.55	(1.18)	517.49	(328.97)	(41.73)	1.18	(369.51)	147.98	173.15
	Plant and Machinery	33.33%	506.07	-	393.25	-	899.32	(223.84)	(95.70)	-	(319.53)	579.79	282.23
	Fire Fighting Equipment	-	-	-	110.22	-	110.22	-	(13.28)	-	(13.28)	96.94	-
	DG Set	-	-	-	0.76	-	0.76	-	(0.01)	-	(0.01)	0.76	-
	Airconditioner	-	-	-	487.10	-	487.10	-	(60.47)	-	(60.47)	426.63	-
4	Computer and Hardware	40%	422.00	-	81.78	(0.60)	503.17	(223.51)	(95.67)	0.47	(318.71)	184.47	198.49
	Software	40%	116.39	-	62.92	-	179.31	(42.46)	(40.41)	-	(82.87)	96.43	73.93
	Hardware	40%	305.61	-	18.86	(0.60)	323.87	(181.05)	(55.26)	0.47	(235.83)	88.03	124.56
5	Vehicles	25.89%	408.12	-	63.53	(16.30)	455.35	(183.91)	(66.90)	13.82	(236.99)	218.36	224.21
6	Low Value Asset	100%	-	-	5.40	-	5.40	-	(5.40)	-	(5.40)	-	-
Total			10,168.08	-	6,335.23	(63.99)	16,439.32	(2,744.80)	(1,338.90)	50.15	(4,033.55)	12,405.78	7,423.29
Capital Work-in-progress			40,435.41	531.92	31,099.92	(5,613.75)	66,453.49	-	-	-	-	66,453.49	40,435.41
Total Amount			50,603.49	531.92	37,435.15	(5,677.74)	82,892.82	(2,744.80)	(1,338.90)	50.15	(4,033.55)	78,859.27	47,858.70

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

(Rupees in Lakhs)

PARTICULARS	As on 31st March, 2009	As on 31st March, 2008
SCHEDULE E - Investments		
Long-Term Investments		
A. Investment in Government Securities		
National Savings Certificate	12.32	12.32
B. Unquoted Shares		
5,000 Equity Shares of Diagnostic Research (P) Ltd. Face value of Rs. 10/- each (Previous Year 5,000 shares)	0.50	0.50
Mantri Housing Ltd. - 100 shares	—	—
S I Property Developers Ltd. - 100 shares	—	—
3,80,000 Equity Shares of AEC Infotech Pvt. Ltd. Face value of Rs.10/- each	38.00	19.00
1,90,000 Right Shares subscribed during the year (Previous Year 1,90,000 shares)		
1,85,000 Equity Shares of Tandem Allied Services Pvt. Ltd. Face value of Rs 10/- each (Previous Year 1,85,000 shares)	7.40	7.40
C. Investments In Subsidiary Companies		
1,00,00,000 Equity Shares of Brigade Hospitality Services Ltd. of Face Value Rs 10/- each (Previous Year 10,00,000 shares)	1,000.00	100.00
50,000 Equity Shares of Brigade Properties (P) Ltd. of Face Value of Rs 10/- each (Previous Year 10,000 shares)	5.00	1.00
50,000 Equity Shares of Brigade Infrastructure & Power (P) Ltd. of Face Value of Rs. 10/- each (Previous Year Nil)	5.00	—
50,000 Equity Shares of Brigade Estates & Projects (P) Ltd. of Face Value of Rs. 10/- each (Previous Year 10,000 shares)	5.00	1.00
1,00,200 Equity Shares of Tetrarch Holdings (P) Ltd. Face Value Rs. 10/- each (Previous Year 1,00,200 shares)	38.35	38.35
Less : Diminution in value of investment in Brigade Hospitality Services Ltd.	602.22	—
Less : Diminution in value of investment in Tetrarch Holdings Pvt. Ltd.	31.05	25.86

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

(Rupees in Lakhs)

PARTICULARS	As on 31st March, 2009	As on 31st March, 2008
SCHEDULE E - Investments (Contd...)		
D. Investments In Joint Venture Company		
1,00,00,000 Equity Shares of BCV Developers (P) Ltd. of Face Value Rs. 10/- each (Previous Year Nil)	1,000.00	—
E. Quoted Shares (at lower of cost or market value) in :		
Nuchem India Ltd. - 6,000 Equity Shares (Market value as on 31.03.09 is Rs. 5.65 per Share) (Book Value as on 31.03.09 is Rs. 7.14 per Share)	0.43	0.43
Ansal Housing Co. Ltd. - 100 Equity Shares (Market Value as on 31.03.09 is Rs. 32.45 per Share) (Book Value as on 31.03.09 is Rs. 24.25 per Share)	0.02	0.02
Ansal Build Well Ltd. - 100 Equity Shares (Market Value as on 31.03.09 is Rs. 21.25 per Share) (Book Value as on 31.03.09 is Rs. 23 per Share)	0.02	0.02
Ansal Properties Ltd. - 100 Equity Shares (Market Value as on 31.03.09 is Rs. 32.55 per Share) (Book Value as on 31.03.09 is Rs. 92 per Share)	0.09	0.09
Unitech Ltd. - 200 Equity Shares (Market Value as on 31.03.09 is Rs. 40.65 per Share) (Book Value as on 31.03.09 is Rs. 51 per Share)	0.10	0.10
Vijayshanti Builders Ltd. - 100 Equity Shares (Market Value as on 31.03.09 is Rs. 17.95 per Share) (Book Value as on 31.03.09 is Rs. 31 per Share)	0.03	0.03
Less : Diminution in value of Quoted Equity Shares	0.70	—
Total of Long Term Investments	1,478.31	154.40

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

(Rupees in Lakhs)

PARTICULARS	As on 31st March, 2009	As on 31st March, 2008
SCHEDULE E - Investments (Contd...)		
Current Investments		
F. Balance of Unutilised Monies raised through Initial Public Offer Invested in Mutual funds		
Birla Sunlife Liquid Plus - 15157768.786 Units	—	1,516.81
NAV : 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.01 per unit)		
DSP Merrill Lynch - FMP - 3M - 15067088.096 Units	—	1,506.73
NAV : 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.03 per unit)		
DWS Credit Opportunities Cash Fund - 39981630.091 Units	—	4,013.90
NAV : 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.05 per unit)		
Fidelity Liquid Plus Fund - 76182702.7278 Units	—	7,619.12
NAV : 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.00 per unit)		
HSBC Cash Fund Collection a/c (HSBC Interval Fund Plan III Inst D) - 15266380.779 Units	—	1,525.97
NAV : 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.04 per unit)		
ICICI Prudential Liquid Fund Collection A/c (ICICI Prudential Interval Fund II Quarterly Interval Plan C - Retail Dividend - Pay Dividend) - 22325754.664 Units	—	2,232.58
NAV : 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.01 per unit)		
ING Mutual Fund Collection A/c (Institutional - Daily Div) - 40630953.281 Units	—	4,064.44
NAV : 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.00 per unit)		
J.M. High Liquidity Fund - 34068718.31 Units	—	3,408.25
NAV : 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.00 per unit)		
LIC MF Liquid Fund - 25744602.669 Units	—	2,574.46
NAV : 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.00 per unit)		
HDFCFMP90D - Wholesale Plan Dividend - 25000000 Units	—	2,500.00
NAV : 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.10 per unit)		
HDFCFMP90D - Wholesale Plan Dividend - 20000000 Units	2,000.00	—
NAV : 31.03.2009 - 10.68 per Unit		
HDFC Cash Management Fund Savings Plus - WP DD - 10411223.281 Units	—	1,044.40
NAV : 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.03 per unit)		
Tata Dynamic Bond Fund - 28562995.687 Units	—	3,000.00
NAV : 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.52 per unit)		
Tata Liquid Fund - 40392627.307 Units	—	4,000.00
NAV : 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.03 per unit)		
Templeton Mutual Fund - 13591329.12 Units	—	1,360.48
NAV : 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.01 per unit)		
Total of Current Investments	2,000.00	40,367.14
Total of Long-Term and Current Investments	3,478.31	40,521.54
SCHEDULE F - Deferred Tax Asset		
Fixed Assets	93.80	120.36
Expenses allowable on Payment basis	58.05	31.23
Total	151.85	151.59

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

(Rupees in Lakhs)

PARTICULARS	As on 31st March, 2009	As on 31st March, 2008
SCHEDULE G - Inventories		
(At lower of Cost or Net Realisable Value)		
Stock of Materials at Sites		
- As Certified by Management	4,278.40	4,259.68
Transferable Development Rights	541.13	541.13
Land Held for Development	25,735.16	9,691.42
Work-in-Progress		
- As Certified by Management	17,068.40	14,939.71
Closing Stock of Unsold Units	865.35	792.65
Total	48,488.44	30,224.59
SCHEDULE H - Sundry Debtors		
- Outstanding for more than 6 months:		
Debts Considered Good for which the Company holds no Security Other than the Debtors Personal Security		
Debts Due by Entity wherein Director is Interested	7.82	144.13
Others (Considered Good)	208.03	8.20
Considered Doubtful	40.79	2.59
- Outstanding for Less than 6 months:		
Other Debts, Considered Good	384.34	384.36
	640.97	539.28
Less: Provision for Doubtful Debts	40.79	2.59
Total	600.18	536.69
SCHEDULE I - Cash & Bank Balances		
Cash & Cheques in hand	39.05	100.33
Bank Balances with Scheduled Banks		
- in Current Accounts	396.24	971.64
- in Deposit Accounts	3,167.05	124.25
Total	3,602.34	1,196.21
SCHEDULE J - Loans and Advances (Unsecured, Considered Good)		
Advances recoverable in cash, kind or value to be received:		
Subsidiary Companies	985.23	947.68
Joint Venture	11,221.70	-
Property Advances	9,018.18	22,649.38
Refundable Deposit on Joint Development	3,598.98	1,970.20
Contractors / Suppliers	2,777.84	5,232.62
Others	3,383.23	329.42
Advance Tax / TDS	4,248.85	4,229.15
Other Deposits	1,510.54	1,208.64
Total	36,744.54	36,567.08

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

(Rupees in Lakhs)

PARTICULARS	As on 31st March, 2009	As on 31st March, 2008
SCHEDULE K - Current Liabilities		
Advances Received from Clients	14,651.60	17,578.44
Sundry Creditors:		
Due to Directors	24.71	1,418.29
Micro, Small & Medium Scale Enterprises [Note (i) below]	60.90	5.20
Contractors, Suppliers & Others	13,848.35	12,473.86
Note (i): Information as provided by the Company		
Total	28,585.56	31,475.78
SCHEDULE L - Provisions		
Provision for Income-Tax	1,709.76	3,340.25
Provision for Leave Encashment & Gratuity	131.10	89.28
Dividend Payable	1,347.02	2,245.05
Tax on Dividend	228.93	381.54
Total	3,416.81	6,056.11
SCHEDULE M - Miscellaneous Expenditure (to the Extent not Written Off or Adjusted)		
Initial Public Offer Expenses	3,670.37	3,670.37
Preliminary Expense	66.00	66.00
Add: Additions During the Year	250.36	—
Total	3,986.73	3,736.37
Less: Amortised till 31st March, 2008	747.27	—
Balance to be Amortised	3,239.46	3,736.37
Less: 1/4th Amortised (being the second year of amortisation)	809.87	747.28
Balance carried forward to Balance Sheet	2,429.59	2,989.09

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rupees in Lakhs)

PARTICULARS	As on 31st March, 2009	As on 31st March, 2008
SCHEDULE N - Contract & Other Receipts		
Contract Receipts	34,979.17	46,070.53
Dividend from Investments	1,155.53	763.21
Capital Gains from Investments	33.86	3.74
Interest Received (TDS on Interest for 2008-09, 29.45 Lakhs & For 2007-08, 11.38 Lakhs)	142.49	85.82
Miscellaneous Income	487.95	917.36
Rent Received	2,646.82	1,553.04
Profit /(Loss)-Sale of Asset	(10.11)	21.66
Total of Contract and Other Receipts	39,435.71	49,415.36
SCHEDULE O - Project and Direct Expenses		
Construction Materials		
Cement	1,313.01	1,757.07
Granite / Marble (Flooring Material)	2,060.16	1,536.22
Hardware Items	232.37	118.21
Door & PVC Windows	29.42	536.92
Steel	8,022.56	8,569.73
	11,657.52	12,518.15
Land and Construction Expenses		
Construction Expenses	31,296.12	24,420.30
Architect & Consultancy Fees	1,076.06	1,580.80
Electrical Work and Power Charges	5,149.04	2,442.94
Interiors - Projects	1,562.23	2,022.83
Miscellaneous Expenses Construction	413.65	364.68
Land cost - Project	(142.89)	6,010.04
Land cost - Capital	2,060.56	2,795.40
Rates & Taxes - Projects	636.45	305.11
Other Direct Project Expenses		
Personnel Expenses - Projects, transferred from Schedule P	753.90	3.54
Administrative and Selling Expenses - Projects, transferred from Schedule Q	1,755.24	949.16
Interest - Projects, transferred from Schedule R	4,288.52	3,588.89
Total of Construction Material and Expenses	60,506.40	57,001.83
Increase / Decrease in Stock and WIP		
Opening Stock	—	—
Opening Work-in-Progress - Projects	14,939.71	10,866.08
Opening Work-in-Progress - Capital	40,435.41	22,049.97
Less: Cost of Projects Sold / Transferred	5,166.47	1,674.36
	50,208.65	31,241.69
Closing Stock	—	4,259.68
Closing Work-in-Progress - Projects	17,068.40	14,939.71
Closing Work-in-Progress - Capital	66,453.49	40,435.41
	83,521.89	59,634.80
Net (Increase) / Decrease in value of Stock and WIP	(33,313.24)	(28,393.11)
Total of Project and Direct Expenses	27,193.16	28,608.72

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rupees in Lakhs)

PARTICULARS	As on 31st March, 2009	As on 31st March, 2008
SCHEDULE P - Personnel Expenses		
Salaries & Wages	2,018.05	2,786.41
Training & Recruitment	43.41	30.87
Staff Welfare	88.02	184.47
Contributions to Funds	370.39	65.98
Sub Total of Personal Expenses	2,519.87	3,067.71
Less : Transferred to Schedule - O (Project Expenses)	753.90	3.36
Total	1,765.97	3,064.35
SCHEDULE Q - Administrative and Selling Expenses		
Advertisement & Sales Promotion	814.99	1,111.62
Agency Commission	984.16	267.43
Bad Debts	39.90	1.15
Communication Expenses	93.01	64.48
Directors Sitting Fee	5.30	5.10
Discount	10.13	100.63
Donation	64.22	59.07
Miscellaneous Expenses	71.08	55.71
Insurance	60.75	83.29
Legal, Professional & Consultancy Charges	502.74	245.20
Power / Fuel Charges	33.06	32.30
Printing & Stationery	84.57	32.91
Rates & Taxes	41.31	85.88
Rent Paid	827.77	606.64
Repairs & Maintenance	79.01	108.53
Security Charges	126.02	68.52
Customer-Pre EMI Payment	36.70	—
Travelling & Conveyance Expenses	125.98	185.54
Sub Total of Administrative & Selling Expenses	4,000.70	3,113.99
Less : Transferred to Schedule - O (Project Expenses)	1,755.24	949.16
Total	2,245.46	2,164.83
SCHEDULE R - Interest and Financial Charges		
Bank Charges	131.27	148.35
Interest on Bank Loans and Others	4,455.95	3,797.68
Sub Total of Interest & Financial Charges	4,587.22	3,946.03
Less : Transferred to Schedule - O (Project Expenses)	4,288.52	3,588.89
Total	298.70	357.14
SCHEDULE S - Current Taxes		
Provision for Taxation - Current Taxes	1,707.00	3,336.98
Provision for Taxation - Wealth Tax	2.76	2.23
Fringe Benefit Tax	23.95	20.89
Excess Provision for Income Tax Reversed	—	56.00
Total	1,733.71	3,416.10

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

1. SIGNIFICANT ACCOUNTING POLICIES:

1.1 Basis for Preparation of Financial Statements:

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

1.2 Use of Estimates:

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

1.3 Expenditure:

Expenses are accounted on the accrual basis and provisions are made for all known Losses and Liabilities.

1.4 Valuation of Inventories & Construction Work-in-Progress:

- Valuation of Inventories, representing stock of materials at project site, has been done after providing for obsolescence, if any, at lower of Cost or Net Realisable Value.
- The value of construction Work-in-Progress during the period is determined as follows:
 - The aggregate of opening stock, opening Work-in-progress, cost of construction, and construction overheads incurred during the Year as reduced by cost of completed contract transferred to income and closing stock of materials, if any.
 - The value of completed projects intended for immediate sale is considered as an inventory and value of completed projects/units intended to be retained/leased is considered as Fixed Asset.
 - Land held for Development, Work-in-Progress, Transferable Development Rights, and Closing Stock of unsold units is valued at Cost or Net Realisable Value whichever is lower.

1.5 Cash Flow Statement:

Cash Flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash

nature and any deferrals or accruals of past or future cash receipts or payments. The Cash Flows from regular revenue generating; financing and investing activities of the Company are segregated.

1.6 Events occurring after the date of Balance Sheet:

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

1.7 Depreciation:

Depreciation in respect of Fixed Assets, is provided adopting Written Down Value Method at the rates provided under Schedule XIV to the Companies Act, 1956, except,

- On Assets held for the purpose of sale, no depreciation is charged.
- On Assets leased out, depreciation is charged on Straight Line Method over the period of the lease as shown below.

Project Name	Building	Furniture, Fixture and Interiors	Office Equipment and Plant and Machinery
Brigade Court	25 Years	5 Years	5 Years
Augusta Club	25 Years	5 Years	5 Years
Brigade MLR Convention Centre	25 Years	5 Years	5 Years
Woodrose Club	25 Years	5 Years	5 Years
Homestead – 2	25 Years	5 Years	5 Years
Brigade Plaza	25 Years	5 Years	Not Applicable
Brigade South Parade	14 Years	5 Years	Not Applicable
BTP – LG CNG and Capgemini	Not Applicable	5 Years	5 Years
Brigade Hulkul 1 & 2	Not Applicable	3 Years	3 Years
Brigade Hulkul 3	Not Applicable	4 Years	4 Years

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

1.8 Revenue Recognition:

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

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

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

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

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

- Interest income is recognised on time basis and is determined by the amount outstanding and rate applicable.
- Dividend income is recognised as and when right to receive payment is established.
- Rental income / lease rentals are recognised on accrual basis in accordance with the terms of agreement.
- Differential income arising on account of any charges collected including deposits and the related expenses incurred are recognised in the year of handing over of the flats to the customers.

1.9 Fixed Assets:

Fixed assets are stated at cost of acquisition including directly attributable costs for bringing the asset into use, less accumulated depreciation. Capital Work-in-Progress comprises the cost of fixed assets under construction and not yet ready for their intended use.

1.10 Foreign Currency Transaction:

Foreign Currency Transactions are restated at the rates ruling at the time of receipt / payment and all exchange losses / gains arising there from are adjusted to the respective accounts. All monetary items denominated in foreign currency are converted at the rates prevailing on the date of the Financial Statement.

1.11 Investments:

Investments are classified as Current Investments and Long-Term Investments. Long-Term Investments are carried at the cost, unless there is a permanent diminution in value of the investments and Current Investments are carried at the lower of cost or Market Value.

1.12 Employee Benefits:

a. Short-Term Employee Benefits:

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

b. Post Employment Benefits:

i. Defined Contribution Plans:

The Company has contributed to State Governed Provident Fund Scheme, Employee State Insurance Scheme, and Employee Pension Scheme which are Defined Contribution Plans. Contribution paid or payable under the Schemes is recognised during the period in which employee renders the related service.

ii. Defined Benefit Plans:

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

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

1.13 Borrowing Costs:

Cost of funds borrowed for acquisition of Fixed Assets up to the date the asset is put to use is added to the value of the assets.

1.14 Earnings per Share:

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

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

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

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

1.15 Provision for Taxation:

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

The provision for taxation is made on Taxes Payable Method after considering the effect of deduction under Section 80IB of the Income Tax Act, 1961.

1.16 Impairment of Assets:

At the end of each year, the Company determines whether a provision should be made for impairment loss on Fixed Assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard-28 "Impairment of Assets" issued by the Institute of Chartered Accountants of India, where the recoverable amount of any fixed asset is lower than its carrying amount, a provision for impairment loss on Fixed Assets is made for the difference.

1.17 Provisions and Contingent Liabilities:

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

1.18 Amortisation of Miscellaneous Expenditure:

Expenses incurred towards Initial Public Offer and other deferred expenses classified under Miscellaneous Expenditure are written off equally over a period of 5 years.

2. NOTES ON ACCOUNTS (forming an integral part of accounts)

2.1 Share Capital:

Issued, Subscribed, and Paid-up Capital of 11,22,51,940 (Previous Year 11,22,51,940) Equity Shares includes:

- 5,00,000 (Previous Year 5,00,000) Equity Shares of Rs 10/- each fully paid-up, issued as Bonus Shares in 1996; 71,77,656 (Previous Year 71,77,656) Equity Shares of Rs. 10/- each fully paid-up, issued as Bonus Shares during 2004-05; 1,61,49,726 (Previous Year 1,61,49,726) Equity Shares of Rs. 10/- each fully paid-up, issued as Bonus shares during 2005-06 and 6,72,90,525 Equity Shares of Rs. 10/- each Fully Paid-up issued as Bonus Shares during the year 2007-2008.
- 16,22,628 (Previous Year 16,22,628) Equity Shares allotted as fully paid-up on amalgamation of the erstwhile Brigade Developers Private Limited with the Company in the year 2001-02. This includes 9,000 Equity Shares allotted in lieu of Bonus Shares issued to the shareholders of the erstwhile Brigade Developers Private Limited.
- 68,400 (Previous Year 68,400) Equity Shares allotted as fully paid-up on amalgamation of the erstwhile Brigade Investments Private Limited with the Company in the year 2001-02.
- During the year 2007-08, Company has raised money through an Initial Public Offer by issuing 1,80,45,205 Shares as fully paid-up shares of Rs. 10/- each at a Premium of Rs. 380/- per Share.

2.2 Initial Public Offer Proceeds and its Utilisation:

Details of Deployment of IPO Proceeds as on 31st March, 2009 are as follows:

Utilisation of Funds	Rupees in Lakhs
Acquisition of Land	25,508.71
Construction & Development of ongoing Projects	23,674.58
General Corporate Purpose	12,972.21
Initial Public Offer Expenses	3,920.80
Unutilised amount invested in Mutual Funds/ Deposits	4,300.00
Total	70,376.30

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

2.3 Managerial Remuneration:

(Rupees in Lakhs)

Particulars	2008-09		2007-08	
	Executive Directors	Other Directors	Executive Directors	Other Directors
Salary	96.00	NIL	105.10	NIL
Commission Paid / Payable	148.44	20.00	1,419.00	NIL
Sitting Fees	NIL	5.30	NIL	5.10
Contribution to Funds	0.19	NIL	0.20	NIL
Total	244.63	25.30	1,524.30	5.10

Computation of Net Profit in accordance with Section 309(5) read with Section 349 of the Companies Act, 1956 is summarised below:

(Rupees in Lakhs)

Particulars	2008-09	2007-08
Profit for the year before Taxation as per Profit and Loss Account	5,856.38	13,740.50
Add: Depreciation	1,338.90	855.40
Add: Managerial Remuneration to Directors	244.44	1,524.30
Add: Loss on Sale of Assets	10.11	(21.70)
Total	7,449.83	16,098.50
Less: Depreciation under Section 350	1,338.90	855.40
Adjusted Net Profit as per Section 198 of the Companies Act, 1956	6,110.93	15,243.10
Permissible Commission to - Executive Directors – 10%	611.00	1,524.30
Remuneration Paid - Executive Directors – 4% (as determined by the Board of Directors) (Previous Year 10%)	244.44	1,524.30
Permissible remuneration to - Independent Directors – 1%	61.11	1,524.30
Remuneration Paid / to be paid to - Independent Directors	20.00	NIL

2.4 Remuneration paid to Statutory Auditors debited to Profit & Loss Account:

(Rupees in Lakhs)

Particulars	2008-09	2007-08
Audit Fees	12.19	8.70
Tax Audit Fees	3.03	1.40
Other services	1.88	15.30
Total	17.10	25.40

The above includes the applicable service tax on the fees.

2.5 Secured Loans from:

2.5.1 Corporation Bank:

- For the Hospital at Brigade Gateway Project is secured by exclusive charge on land measuring approx. 1.72 acres out of the larger portion of land measuring 39.735 acres situated at 26/1, Industrial Suburb, Subramanyanagar, Malleshwaram West, Bangalore, and building constructed thereon. Amount outstanding as on 31.03.2009 is Rs. 3,413.30 Lakhs (Previous Year Rs. 2,021.70 Lakhs).
- For the Brigade Gateway North Star and Multi Level Car Parking Complex Projects is secured by first charge on pari-passu basis with Indian Bank on land measuring approx 5.3 acres out of the larger portion of land measuring 39.735 acres situated at 26/1, Industrial Suburb, Subramanyanagar, Malleshwaram West, Bangalore, and Brigade Gateway North Star building and Multi Level Car Parking being constructed thereon. Amount outstanding as on 31.03.2009 is Rs. 7,946.90 Lakhs (Previous Year Rs. 3,685.50 Lakhs).
- As overdraft is secured by equitable mortgage of portions owned by the Company in Brigade Seshmahal situated at No. 5, Vani Vilas Road, Basavanagudi, Bangalore, and equitable mortgage of Hulkul Brigade Centre situated at No. 82, Lavelle Road, Bangalore, owned by Mr. M. R. Jaishankar and his family members.

Above loans have been further secured by the personal guarantee of Mr. M. R. Jaishankar and Mr. M. R. Shivram.

2.5.2 Indian Bank:

For Brigade Gateway North Star and Multi Level Car Parking Complex Projects is secured by first charge on pari-passu basis with Corporation Bank on land measuring approx 5.3 acres out of the larger portion of land measuring 39.735 acres situated at 26/1, Industrial Suburb, Subramanyanagar, Malleshwaram West, Bangalore, and Brigade Gateway North Star building and Multi Level Car Parking being constructed thereon. Amount outstanding as on 31.03.2009 is Rs. 4,687.39 Lakhs (Previous Year Rs. 2,173.70 Lakhs)

2.5.3. State Bank of India:

- For Hotel and Orion Mall Projects at Brigade Gateway Project is secured by first charge on pari-passu basis with of State

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

Bank of Mysore and State Bank of Patiala on land measuring 5.45 acres out of the larger portion of land measuring 39.735 acres situated at 26/1, Industrial Suburb, Subramanyanagar, Malleshwaram West, Bangalore, and the buildings being constructed thereon. Amount outstanding as on 31.03.2009 is Rs. 6,924.40 Lakhs (Previous Year Rs. 3,587.20 Lakhs).

- b. For Brigade South Parade Project is secured by equitable mortgage of property belonging to Mr. M. R. Jaishankar situated at Kurubarakunte Village, Devanahalli Taluk, measuring 22 acres and first charge on the rent receivable from the building Brigade South Parade. Amount outstanding as on 31.03.2009 is Rs. 267.00 Lakhs (Previous Year Rs. 665.60 Lakhs).

The above limits are further secured by personal guarantee of Mr. M. R. Jaishankar & Mr. M. R. Shivram.

2.5.4. State Bank of Mysore:

For the Hotel and Orion Mall Projects at Brigade Gateway Project is secured by first charge on pari-passu basis with State Bank of India and State Bank of Patiala on land measuring 5.45 acres out of the larger portion of land measuring 39.735 acres situated at 26/1, Industrial Suburb, Subramanyanagar, Malleshwaram West, Bangalore, and the buildings being constructed thereon. Amount outstanding as on 31.03.2009 is Rs. 2,123.30 Lakhs (Previous Year Rs. 1,693.10 Lakhs).

2.5.5 State Bank of Patiala:

For the Hotel and Orion Mall Projects at Brigade Gateway Project is secured by first charge on pari-passu basis with State Bank of Mysore and State Bank of India on land measuring 5.45 acres out of the larger portion of land measuring 39.735 acres situated at 26/1, Industrial Suburb, Subramanyanagar, Malleshwaram West, Bangalore, and the buildings being constructed thereon. Amount outstanding as on 31.03.2009 is Rs. 2,124.90 Lakhs (Previous Year Rs. 1,692.70 Lakhs).

2.5.6 HDFC Ltd:

For the Brigade Metropolis Project is secured by mortgage of land situated at Mahadevapura Village, Krishnarajapuram Hobli, Bangalore South, to the extent of developers share measuring 6,10,000 sft and built-up space thereon. Amount outstanding as on 31.03.2009 is Rs. 6,065.30 Lakhs (Previous Year Rs. 9,000.00 Lakhs).

The limits are further secured by personal guarantee of Mr. M. R. Jaishankar.

2.5.7 IDBI Bank Ltd:

For the Brigade Palmsprings is secured by equitable mortgage of land and building being constructed at Puttenahalli, Uttarahalli, J.P.Nagar, Bangalore,

to the extent of undivided share of Brigade Enterprises Limited. Amount outstanding as on 31.03.2009 is Rs. 3,018.60 Lakhs (Previous Year Rs. 538.30 Lakhs)

The limits are further secured by personal guarantee of Mr. M.R. Jaishankar & Mrs. Gittha Shankar.

2.5.8 Bank of Maharashtra:

For the Brigade Petunia Project is secured by equitable mortgage of land and building being constructed thereon at Banashankari 2nd Stage, Industrial Layout, Bangalore. Amount outstanding as on 31.03.2009 is Rs. 2,075.50 Lakhs (Previous Year Rs. 2,075.50 Lakhs).

The limits are further secured by personal guarantee of Mr. M. R. Jaishankar & Mr. M. R. Shivram.

2.5.9 ICICI Bank Ltd:

For the Homestead-2 is secured by exclusive mortgage on land and building at Jayanagar, Bangalore. Amount outstanding as on 31.03.2009 is Rs. 805.00 Lakhs (Previous Year Rs. 904.90 Lakhs).

The limits are further secured by personal guarantee of Mr. M.R. Jaishankar and Mr. M. R. Shivram.

2.5.10 Bank of Baroda:

For the Brigade International School at Whitefield, Bangalore, is secured by equitable mortgage (1,74,267 sft.) of land and building at No. 9, Dyavasandra Industrial Area Phase I, K.R. Puram Hobli, Bangalore. Amount Outstanding as on 31.03.2009 is Rs. 1,500.48 Lakhs (Previous Year Nil).

2.6 Disclosure pursuant to Accounting Standard 7 (Revised):

(Rupees in Lakhs)

Particulars	2008-09	2007-08
Contract Revenue recognised as Revenue in the year	34,979.17	46,070.50
Aggregate amount of contract cost incurred upto the Reporting Date and Recognised Profits (less Recognised Losses) upto the Reporting Date	1,20,288.72	85,505.24
Advances Received from Customers	14,651.60	17,341.90

2.7. Warranty Costs:

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

2.8 Details of investments purchased and redeemed/sold during the year.

Name of the Fund	Opening Balance of Units as on 01.04.08	Rs. in Lakhs	Purchased during the year		Sold during the year		Balance as on 31.03.2009	
			No. of units	Rs. in Lakhs	No. of units	Rs. in Lakhs	No. of units	Rs. in Lakhs
Birla Sun life Liquid Plus-Instl-Daily Dividend-Reinvestment	1,51,57,769	1,516.81	-	-	1,53,15,884	1,532.63	-	-
DSP Merrill Lynch-FMP-3M	1,50,67,088	1,506.73	-	-	1,53,01,041	1,530.43	-	-
DWS Credit Opportunities Cash Fund	3,99,81,630	4,013.90	-	-	4,03,98,642	4,063.17	-	-
Fidelity Liquid Plus Super Inst-D Div	7,61,82,702	7,619.12	-	-	7,70,85,418	7,709.71	-	-
HSBC Interval Fund-Plan-III-Institutional Dividend	1,52,66,380	1,525.97	-	-	1,55,98,879	1,559.89	-	-
ICICI Prudential Interval Fund II-Retail Dividend	2,23,25,754	2,232.58	-	-	2,23,25,755	2,260.75	-	-
ING Liquid Plus Fund-Institutional Daily Dividend	4,06,30,953	4,064.44	-	-	4,13,78,550	4,139.22	-	-
J.M. Money Manager Fund Super Plan-Daily Dividend	3,40,68,718	3,408.25	-	-	3,47,73,724	3,478.80	-	-
LIC MF Liquid Plus Fund- Daily Dividend	2,57,44,602	2,574.46	-	-	2,59,08,381	2,590.84	-	-
HDFC Cash Management Fund Savings Plus	1,04,11,223	1,044.40	-	-	1,05,62,249	1,059.55	-	-
HDFCFMP90D - Wholesale Plan Dividend	2,50,00,000	2,500.00	-	-	2,50,00,000	2,550.80	-	-
TATA Dynamic Bond Fund Option A	2,85,62,995	3,000.00	-	-	2,85,62,996	3,012.71	-	-
TATA Fixed Income Portfolio Fund Scheme A2	4,03,92,627	4,000.00	-	-	4,03,92,627	4,053.30	-	-
Templeton Floating Rate Income Fund Long Term Plan	1,35,91,329	1,360.48	-	-	1,38,10,970	1,382.02	-	-
DWS Insta Cash Plus Fund-Super	-	-	1,99,60,080	2,000.00	1,99,64,017	2,000.40	-	-
DWS Liquid Plus Fund-Regular	-	-	1,99,74,583	2,000.40	2,02,26,565	2,025.63	-	-
Birla Sunlife Interval Income Fund	-	-	1,53,26,298	1,532.63	1,59,45,118	1,594.50	-	-
DSPML-FMP -3M-Series3	-	-	1,53,04,255	1,530.43	1,55,67,206	1,557.10	-	-
ICICI Prudential-Flexible Income Plan Dividend	-	-	2,11,14,820	2,232.58	2,13,74,814	2,260.07	-	-
IDFC Floating Rate Fund LT	-	-	1,29,92,854	1,300.00	1,30,75,060	1,308.23	-	-
Tata Floater Fund-Daily Dividend	-	-	10,15,41,690	10,190.32	10,21,68,073	10,253.18	-	-
Tata Dynamic Bond Fund Option B Dividend	-	-	4,97,59,974	5,102.94	4,99,85,731	5,134.18	-	-
PNB Principal Floating Rate Fund-FMP	-	-	1,29,84,030	1,300.00	1,30,67,287	1,308.34	-	-
HDFC FMP 90 Days May08-(VIII)(3)	-	-	2,50,00,000	2,500.00	2,50,00,000	2,544.48	-	-
HDFC FMP 90 Days June08-(VIII)(2)	-	-	1,05,95,520	1,059.55	1,05,95,520	1,103.70	-	-
DSP ML FMP-3M Series 3	-	-	1,55,70,942	1,557.10	1,59,12,064	1,591.68	-	-
JM Money Manager Fund-FMP-12 Monthly-Plan-1	-	-	3,47,87,982	3,478.80	3,50,36,903	3,504.67	-	-
JM Money Manager Fund-FMP-12 Monthly-Plan-3	-	-	2,50,00,000	2,500.00	2,51,86,214	2,518.62	-	-
JM Interval Fund-Quarterly Plan-1	-	-	2,51,86,214	2,518.62	2,57,80,156	2,578.02	-	-
HSBC Cash Fund	-	-	3,99,77,613	4,000.00	3,99,85,061	4,000.75	-	-
HSBC Floating Rate Fund	-	-	3,98,08,014	4,000.75	3,99,99,617	4,023.55	-	-
HSBC Liquid Plus Institutional	-	-	3,51,91,172	3,523.55	3,55,56,593	3,560.14	-	-
HDFC 90 Days FMP-August	-	-	2,50,00,000	2,500.00	2,50,00,000	2,555.88	-	-
JM Money Manager Fund Super Plus Plan Daily Dividend	-	-	3,64,75,770	3,648.00	3,68,32,536	3,685.21	-	-
HDFC 370 Days FMP-September Wholesale Plan Growth	-	-	2,00,00,000	2,000.00	-	-	2,00,00,000	2,000.00
Grand Total	40,23,83,770	40,367.14	60,15,51,811	60,475.67	99,26,73,651	1,00,032.15	2,00,00,000	2,000.00

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

2.9 Gratuity Plan:

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

(Rupees in Lakhs)

Particulars	As on 31st March, 2009	As on 31st March, 2008
Obligations at the beginning of the year	61.80	50.80
Service Cost	17.70	17.70
Interest Cost	4.90	3.80
Benefits Settled	(1.40)	(8.80)
Actuarial (Gain) / Loss	1.20	(1.80)
Obligations at the end of the Year	84.30	61.80
Change in Plan Assets		
Plan Assets at the beginning of the year, at Fair Value	30.50	27.50
Expected return on plan assets	2.70	2.30
Contributions	Nil	9.40
Benefits Settled	(1.40)	(8.80)
Actuarial Gain / (Loss)	Nil	Nil
Plan Assets at the end of the year, at Fair Value	31.90	30.50
Reconciliation of Present Value of the Obligation and the Fair Value of the Planned Assets		
Fair Value of Plan Assets at the end of the year	31.90	30.50
Present Value of the defined benefit obligation at the end of the year	(84.30)	(61.80)
Asset / (Liability) recognised in the Balance Sheet	(52.40)	(31.30)
Gratuity Cost for the Year		
Service Cost	17.70	17.70
Interest Cost	4.90	3.80
Expected return on Plan Assets	(2.70)	2.30
Actuarial (Gain) / Loss	1.20	(1.80)
Net Gratuity Cost	21.10	17.30
Assumptions		
Interest Rate	7.50%	7.50%
Expected Rate of return on Plan Assets	7.50%	7.50%
Expected Rate of Salary Increase	7.00%	7.00%
Attrition Rate	9.00%	9.00%
Retirement Age	58 Years	58 Years

2.10 Segmental Reporting:

The Company's operations predominantly relate to Construction & Development, Real Estate Development, and related activities of leasing / rental of units / properties. Accordingly, real estate development represents a single Primary segment in the financials of the Company and the geographical location of the projects represents the secondary segment of reporting.

During the current year, the financials of the Company represent a single Primary segment (real estate development). With respect to secondary segment, the Company has its projects in India, which makes it a single segment. Hence, providing of segmental information is not applicable to the Company for the current financial year.

2.11 Related Party Disclosure:

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

2.11.1 Relationships:

Holding Companies	Nil
Subsidiary Companies	Brigade Hospitality Services Ltd. (formerly known as Brigade Hospitality Services Pvt. Ltd.) Tetrarch Holdings Pvt. Ltd. Brigade Estates and Projects Pvt. Ltd. Brigade Properties Pvt. Ltd. Brigade Infrastructure & Power Pvt. Ltd.
Associated Companies & Joint Venture	AEC Infotech Pvt. Ltd. Tandem Allied Services Pvt. Ltd. BCV Developers Pvt. Ltd.
Other related parties where common control exists	Mysore Holdings Pvt. Ltd. Brigade Foundation Brigade Millennium Welfare Trust
Key Managerial Personnel (KMP)	Mr. M.R. Jaishankar, Chairman and Managing Director Mrs. Githa Shankar, Executive Director
Relatives of Key Managerial Personnel	Ms. Nirupa Shankar (Daughter of KMP) Ms. Pavitra Shankar (Daughter of KMP) Mr. M.R. Shivram (Relative of KMP)

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

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

Details with respect to remuneration paid to the Directors are mentioned elsewhere in the Notes.

(Rupees in Lakhs)

Particulars	Managerial Remuneration	Sale of material/ finished goods/ services	Purchase of material/ finished goods/ services/Other expenses	Guarantees outstanding	Investment in shares during the year	Outstanding receivables/ (payables) as at 31.03.2009
Brigade Hospitality Services Ltd.	NIL	520.90	156.85	NIL	900.00	310.47
Tandem Allied Services Pvt. Ltd.	NIL	NIL	245.55	NIL	NIL	(102.73)
AEC Infotech Pvt. Ltd.	NIL	NIL	64.79	NIL	19.00	0.27
Tetrarch Holdings Pvt. Ltd.	NIL	0.02	NIL	NIL	NIL	4.16
Brigade Estates and Projects Pvt. Ltd.	NIL	0.01	NIL	NIL	4.00	0.03
Brigade Properties Pvt. Ltd.	NIL	0.01	NIL	NIL	4.00	0.55
Brigade Infrastructure & Power Pvt. Ltd.	NIL	0.82	NIL	NIL	5.00	6.26
Brigade Millennium Welfare Trust	NIL	NIL	NIL	NIL	NIL	211.11
Mysore Holdings Pvt. Ltd.	NIL	0.02	NIL	NIL	NIL	NIL
Brigade Foundation	NIL	4.70	2.24	NIL	NIL	6.27
BCV Developers Pvt. Ltd.	NIL	3.07	NIL	NIL	1,000.00	11,221.70
Key Managerial Personnel	244.63	144.91	36.50	NIL	NIL	12.42
Relatives of Key Managerial Personnel	NIL	165.96	36.09	NIL	NIL	1.98

2.12. Assets given under Operating Lease:

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

(Rupees in Lakhs)

Sl. No.	Description of Asset	Gross amount as on 31.03.2009	Accumulated Depreciation	Depreciation from 01.04.2008 to 31.03.2009	Accumulated Impairment Loss
1	Brigade Software Park Building (cost incurred) and equipments	71.40	—	—	NIL
2	Brigade Seshmahal - Building	166.60	(18.50)	(7.40)	NIL
	Brigade Seshmahal - Land	136.30	—	—	NIL
	Total of Brigade Seshmahal	302.90	(18.50)	(7.40)	NIL
3	Brigade Southparade - Interiors	317.80	(206.40)	(63.60)	NIL
	Brigade Southparade - Building	1,599.70	(408.30)	(114.30)	NIL
	Total of Brigade South Parade	1,917.50	(614.70)	(177.80)	NIL
4	Brigade Plaza - Interiors	64.70	(48.50)	(12.90)	NIL
	Brigade Plaza - Building	170.10	(7.00)	(6.80)	NIL
	Brigade Plaza - Land	169.70	—	—	NIL
	Total of Brigade Plaza	404.50	(55.50)	(19.70)	NIL
5	Brigade Court - Furniture and Fixtures	71.10	(52.90)	(14.20)	NIL
	Brigade Court - Interiors	73.30	(54.60)	(14.70)	NIL
	Brigade Court - Office Equipment	94.00	(69.90)	(18.80)	NIL
	Brigade Court - Building	58.50	(2.40)	(2.30)	NIL
	Brigade Court - Land	47.90	—	—	NIL
	Total of Brigade Court	344.80	(179.70)	(50.00)	NIL

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

(Rupees in Lakhs)

Sl. No.	Description of Asset	Gross amount as on 31.03.2009	Accumulated Depreciation	Depreciation from 01.04.2008 to 31.03.2009	Accumulated Impairment Loss
6	Brigade Techpark - 4th Floor - Interiors	388.40	(90.50)	(77.70)	NIL
7	B.Homestead-2 - Furniture and Fixtures	29.70	(7.30)	(5.90)	NIL
	B.Homestead-2 - Interiors	113.60	(27.90)	(22.70)	NIL
	B.Homestead-2 - Buildings	556.70	(27.80)	(22.30)	NIL
	B.Homestead-2 - Plant and Machinery	79.30	(19.80)	(15.90)	NIL
	B.Homestead-2 - Land	187.40	—	—	NIL
	Total of Brigade Homestead-2	966.80	(82.70)	(66.80)	NIL
8	Brigade Gateway Hospital - Land	459.20	—	—	NIL
	Brigade Gateway Hospital - Building	2,948.90	—	(133.70)	NIL
	Brigade Gateway Hospital - Interior, Furniture	911.30	—	(149.60)	NIL
	Brigade Gateway Hospital - Plant and Machinery	755.00	—	(95.20)	NIL
	Total of Brigade Gateway Hospital	5,074.40	—	(378.50)	NIL
9	B.M.MLR Convention Centre - Land	22.90	—	—	NIL
	B.M.MLR Convention Centre - Building	995.80	(59.40)	(39.80)	NIL
	B.M.MLR Convention Centre - Interiors	148.30	(44.40)	(29.70)	NIL
	B.M.MLR Convention Centre - Plant and Machinery	60.80	(18.20)	(12.20)	NIL
	Total B.Millennium MLR Convention Centre	1,227.80	(122.10)	(81.70)	NIL
10	Brigade Woodrose Club - Land	48.80	—	—	NIL
	Brigade Woodrose Club - Building	1,348.00	(134.60)	(53.90)	NIL
	Brigade Woodrose Club - Interiors	241.70	(120.80)	(48.30)	NIL
	Brigade Woodrose Club - Plant and Machinery	87.70	(43.80)	(17.50)	NIL
	Total Brigade Millennium Woodrose Club	1,726.20	(299.10)	(119.80)	NIL
11	Brigade Augusta Club - Land	14.80	—	—	NIL
	Brigade Augusta Club - Building	510.80	(28.10)	(20.40)	NIL
	Brigade Augusta Club - Interiors	75.10	(21.10)	(15.00)	NIL
	Brigade Augusta Club - Plant and Machinery.	28.50	(7.70)	(5.70)	NIL
	Total of Brigade Augusta Club	629.10	(56.90)	(41.10)	NIL
12	Brigade Tower 10 Floor Unit 9 & 10 – Interiors	21.90	(6.60)	(2.80)	NIL
13	Brigade Tower 10 Floor Unit 11 & 12 – Interiors	15.30	(3.40)	(2.10)	NIL
14	Brigade Tower -10th Floor Unit 1001 to 1006 Interior works and Furniture	43.810	(22.37)	(4.04)	NIL
15	Brigade Techpark - 5th Floor Kitchen Equipment	51.90	(3.80)	(6.70)	NIL
16	BTP-B - LG CNG Interiors	271.00	—	(2.03)	NIL
	BTP-B - Plant and Machinery	41.30	—	(0.31)	NIL
	Total of BTP-B - LG CNG	312.20	—	(2.34)	NIL
17	BTP-B Capgemini - Furniture and Fixtures	31.70	—	(2.50)	NIL
	BTP-B Capgemini - Interiors	22.20	—	(1.70)	NIL
	BTP-B Capgemini - Plant and Machinery	17.20	—	(1.30)	NIL
	Total of BTP-B Capgemini - Interiors	71.10	—	(5.50)	NIL
18	Hulkul Brigade Centre - 1st Floor	—	—	—	NIL
	Hulkul Brigade Centre - Furniture and Fixtures	90.90	(90.90)	0.00	NIL
	Hulkul Brigade Centre - Interiors	66.40	(66.40)	—	NIL
	Hulkul Brigade Centre - Plant and Machinery	235.00	(235.00)	—	NIL
	Total of Hulkul Brigade Centre	392.30	(392.30)	0.00	NIL

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

2.12.2. The Company has given on non-cancellable operating lease certain assets, the future minimum lease receivables in respect of which, as at 31st March, 2009 are as follows:

(Rupees in Lakhs)

Minimum Lease Receivable	2008-09	2007-08
Receivable not later than 1 year	453.69	532.20
Receivable later than 1 year and not later than 5 years	518.72	145.80
Receivable later than 5 years	—	—

2.12.3. The Company has taken various residential / commercial premises on cancellable operating leases. These agreements are normally renewed on expiry.

2.12.4. The Company has taken, on non-cancellable operating lease, certain assets (lands), the future minimum lease payments in respect of which, as at 31st March, 2009 are as follows:

(Rupees in Lakhs)

Minimum Lease Payables	2008-09	2007-08
Payable not later than 1 year	122.50	112.80
Payable later than 1 year and not later than 5 years	543.60	513.40
Payable later than 5 years	3,283.60	3,486.60

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

2.12.5. Contingent rent recognised in the Profit and Loss Account is Rs. Nil.

2.13 Earnings Per Share:

Particulars	Earning Per Share	
	2008-09	2007-08
Equity Share of face value Rs. 10/- each	—	—
Net Profit (amount used as numerator) *** (Rs. in Lakhs)	3,515.52	10,308.37
Number of shares used in computing Earnings Per Share (number used as denominator)	11,22,51,940	9,89,80,821
Basic & Diluted (in Rupees)	3.13	10.40

(Rupees in Lakhs)

Particulars	2008-09	2007-08
Net Profit Available for Appropriation	8,305.31	10,308.37
Less: Prior Period Adjustments	4,789.79	Nil
Net Profit considered for Earnings per Share	3,515.52	10,308.37

2.14 Deferred Taxation:

During the year, the Company has accounted for Rs. 0.26 Lakhs (Previous Year Rs. 16.01 Lakhs towards Deferred Tax Liability) towards Deferred Tax Asset and the same has been credited to Profit and Loss Account of the Current Year.

2.15 Joint Ventures:

(a) BCV Developers Pvt. Ltd. ("BCV")

In July 2008, the Company and certain Landowners formed a Joint Venture Company called BCV Developers Pvt. Ltd. ("BCV") in Bangalore. BCV envisages the development of an Integrated Township Project in Devanahalli, Bangalore. As at 31st March, 2009, the Company and the Landowners each hold 50% of the equity in BCV.

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

(Rupees in Lakhs)

Particulars	BCV	
	2008-09	2007-08
Assets	14,824.49	NA
Liabilities	13,820.28	NA
Contingent Liabilities	NIL	NA
Capital Commitments	NIL	NA
Income	25.20	NA
Expenses	4.70	NA
Tax	5.35	NA

2.16 As per the information available with the Company, the principal amount payable to Micro, Small, and Medium Enterprises falling under the provisions of Micro, Small, and Medium Enterprises Development Act, 2006, Rs. 60.90 Lakhs.

2.17 Balances of Debtors and Creditors and Loans and Advances are subject to confirmation.

2.18 Prior Period income of Rs. 2,920.74 Lakhs includes a sum of Rs. 1,910.78 Lakhs being Cenvat Credit and Rs. 1,012.95 Lakhs being VAT Credit respectively, pertaining to prior periods on Input services and Capital Goods claimed by the Company during the Current Year as Input / Cenvat Credits availed.

2.19 A sum of Rs. 40.44 Lakhs (Previous Year Rs. 272.54 Lakhs), being borrowing cost incurred by the company in respect of Assets / Projects, was capitalized during the year. A sum of Rs. 2,764.85 Lakhs (Previous Year Rs. 2,100.87 Lakhs), being borrowing cost incurred

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

by the Company in respect of Assets / Projects under Construction is carried forward as Capital Work-in-progress.

2.20 Quantitative Details:

The Company is engaged in the business of real estate and property development. Such activity cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and the information as required under paragraphs 3, 4C, and 4D of Part II of Schedule VI of the Companies Act, 1956.

2.21 Contingent Liabilities:

Capital Commitments and Contingent Liabilities on account of:

(Rupees in Lakhs)

Particulars	2008-09	2007-08
Capital Commitments not provided in the books	67,499.00	84,362.40
Towards Letter of credits and bank guarantees	2,353.92	1,255.50
Claims from government departments not acknowledged as debts	6,988.65	181.70

for **Narayanan, Patil & Ramesh**
Chartered Accountants

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

Place: Bangalore
Date: May 26, 2009

2.22 The Foreign Exchange Inflow & Outflow:

The details of Foreign Exchange Inflow and Outflow during the year are as follows:

(Rupees in Lakhs)

Particulars	2008-09	2007-08
Inflow:		
Advance for Sale of Units, Lease deposits & Rentals	601.09	1,762.00
Outflow:		
i. Professional charges	197.42	161.20
ii. Consultation Fees	—	3.40
iii. Others	2,377.58	444.70

CIF Value of imports during the year ended 31st March, 2009 is Rs. 2,215.50 Lakhs.

2.23. Previous Year Amounts:

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

for **Brigade Enterprises Limited**

M.R. Jaishankar
Chairman & Managing Director

M.R. Shivram
Director

A. Anil Kumar
Chief Financial Officer

P. Om Prakash
Company Secretary

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration No.

1	9	1	2	6	0	F	1	9	9	5
---	---	---	---	---	---	---	---	---	---	---

State Code

0	8
---	---

 (Refer Code List)

Balance Sheet Date

3	1
---	---

0	3
---	---

0	9
---	---

Date Month Year

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RUPEES THOUSANDS)

Public Issue

										N	I	L
--	--	--	--	--	--	--	--	--	--	---	---	---

Rights Issue

												N	I	L
--	--	--	--	--	--	--	--	--	--	--	--	---	---	---

Bonus Issue

												N	I	L
--	--	--	--	--	--	--	--	--	--	--	--	---	---	---

Private Placement

												N	I	L
--	--	--	--	--	--	--	--	--	--	--	--	---	---	---

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RUPEES THOUSANDS)

Total Liabilities

1	4	2	3	5	2	1	5	.	0	7
---	---	---	---	---	---	---	---	---	---	---

Total Assets

1	4	2	3	5	2	1	5	.	0	7
---	---	---	---	---	---	---	---	---	---	---

SOURCES OF FUNDS

Paid-up Capital

	1	1	2	2	5	1	9	.	4	0
--	---	---	---	---	---	---	---	---	---	---

Reserves and Surplus

	8	8	2	6	7	1	6	.	7	7
--	---	---	---	---	---	---	---	---	---	---

Secured Loans

	4	2	8	5	9	7	8	.	9	0
--	---	---	---	---	---	---	---	---	---	---

Unsecured Loans

										N	I	L
--	--	--	--	--	--	--	--	--	--	---	---	---

APPLICATION OF FUNDS

Net Fixed Assets

	7	8	8	5	9	2	6	.	6	7
--	---	---	---	---	---	---	---	---	---	---

Investments

		3	4	7	8	3	1	.	2	6
--	--	---	---	---	---	---	---	---	---	---

Net Current Assets

	5	7	4	3	3	1	3	.	3	0
--	---	---	---	---	---	---	---	---	---	---

Miscellaneous Expenditure

		2	4	2	9	5	9	.	2	7
--	--	---	---	---	---	---	---	---	---	---

Accumulated Losses

										N	I	L
--	--	--	--	--	--	--	--	--	--	---	---	---

Deferred Tax Asset

			1	5	1	8	4	.	5	7
--	--	--	---	---	---	---	---	---	---	---

IV. PERFORMANCE OF THE COMPANY (AMOUNT IN RUPEES THOUSANDS)

Turnover

	3	9	5	0	8	4	2	.	0	5
--	---	---	---	---	---	---	---	---	---	---

Total Expenditure

	3	3	6	5	2	0	4	.	2	4
--	---	---	---	---	---	---	---	---	---	---

Profit/Loss Before Tax

		5	8	5	6	3	7	.	8	1
--	--	---	---	---	---	---	---	---	---	---

Profit/Loss After Tax

		8	3	0	5	3	0	.	8	5
--	--	---	---	---	---	---	---	---	---	---

--	--

 (Please tick appropriate box + for Profit - for Loss)

Earnings Per Share

							3	.	3	1
--	--	--	--	--	--	--	---	---	---	---

Dividend Rate(%)

									1	2	%
--	--	--	--	--	--	--	--	--	---	---	---

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY (As per monetary terms)

Item Code No. (ITC Code)

										N	A
--	--	--	--	--	--	--	--	--	--	---	---

Product Description

C	O	N	S	T	R	U	C	T	I	O	N
A	C	T	I	V	I	T	Y				

for Narayanan, Patil & Ramesh
Chartered Accountants

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

Place: Bangalore
Date: May 26, 2009

for Brigade Enterprises Limited

M.R. Jaishankar
Chairman & Managing Director

A. Anil Kumar
Chief Financial Officer

M.R. Shivram
Director

P. Om Prakash
Company Secretary

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956,
RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANIES**

Sl. No.	Name of Subsidiary Company	Brigade Hospitality Services Ltd.	Tetrarch Holdings Pvt. Ltd.	Brigade Estates & Projects Pvt. Ltd.	Brigade Properties Pvt. Ltd.	Brigade Infrastructure & Power Pvt. Ltd.	BCV Developers Pvt. Ltd.
1.	The financial period of the Subsidiary Company ended on	31st March, 2009	31st March, 2009	31st March, 2009	31st March, 2009	31st March, 2009	31st March, 2009
2.	Date from which they became Subsidiary Company	1st June, 2004	12th June, 2006	7th December, 2006	16th May, 2007	24th June, 2009	24th June, 2009
3.	a. Number of Shares held by the Holding Company with its nominees in the Subsidiary at the end of the Financial Year of the Subsidiary Company	1,00,00,000	1,00,200	50,000	50,000	50,000	1,00,00,000
	b. Extent of interest of Holding Company at the end of the Financial Year of the Subsidiary Company	100%	100%	100%	100%	100%	50%
4.	The Net Aggregate amount of the Subsidiary Companies' Profit / Loss so far as it concerns the members of the Holding Company						
	a. Not dealt with in the Holding Company's Accounts						
	i) For the Financial Year ended 31.03.2009	NIL	NIL	NIL	NIL	NIL	NIL
	ii) For the previous Financial Years of the Subsidiary Company since they became the Holding Company's Subsidiary	NIL	NIL	NIL	NIL	NIL	NIL
	b. Dealt with in Holding Company's Accounts						
	i) For the Financial Year ended 31.03.2009	12.09	0.04	NIL	NIL	0.06	112.21
	ii) For the previous Financial Years of the Subsidiary Company since they became the Holding Company's Subsidiary	(15.82)	(0.40)	NIL	NIL		

STATEMENT RELATING TO SUBSIDIARIES PURSUANT TO EXEMPTION RECEIVED UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956 FROM MINISTRY OF CORPORATE AFFAIRS

(Rupees in Lakhs)						
Sl. No.	Particulars	Brigade Hospitality Services Ltd.	Tetrarch Holdings Pvt. Ltd.	Brigade Estates & Projects Pvt. Ltd.	Brigade Properties Pvt. Ltd.	Brigade Infrastructure & Power Pvt. Ltd.
a.	Capital	1,000.00	10.02	5.00	5.00	5.00
b.	Reserves	42.22	-	-	-	-
c.	Total Assets	4,662.69	10.02	5.00	5.00	5.00
d.	Total Liabilities	4,662.69	10.02	5.00	5.00	5.00
e.	Details of Investment (except investment in Subsidiaries)	0.13	-	-	-	-
f.	Turnover	1,534.58	-	-	-	-
g.	Profit Before Taxation	(303.80)	(3.53)	(0.22)	(0.19)	(2.54)
h.	Provision for Taxation	(5.50)	-	-	-	(0.02)
i.	Profit After Taxation	(261.75)	(3.54)	(0.32)	(0.30)	(2.56)
j.	Proposed Dividend	-	-	-	-	-
Note:	1. There is variation between PBT & PAT where taxes are not applicable is because prior period income / expenses have been adjusted.	47.55	(0.01)	(0.11)	(0.11)	
Note:	2. Provision for Taxation Includes FBT.					

Annual accounts of the Subsidiary Companies and related detailed information would be made available to the Holding Company and Subsidiary Company investors seeking such information at any point of time. Annual Accounts of Subsidiary Companies would be made available for inspection at the registered office and at the offices of the concerned Subsidiary Company, by any investor.

CONSOLIDATED FINANCIAL STATEMENTS

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors on the Consolidated Financial Statements of **BRIGADE ENTERPRISES LIMITED** and its subsidiaries and joint venture

1. We have examined the attached consolidated Balance Sheet of BRIGADE ENTERPRISES LIMITED and its subsidiaries and Joint Venture (together referred to as 'the Group' as described in Note.1) as at 31st March, 2009 and the Consolidated Profit and Loss Account and Consolidated Cash Flow Statement for the year then ended, prepared in accordance with accounting principles generally accepted in India.
2. These financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of certain of the subsidiary companies and of the Joint Venture included herein, whose financial statement reflect total assets of Rs. 12,642.16 Lakhs as at 31st March, 2009 and the total revenue of Rs. 1,556.19 Lakhs and total expenditure of Rs. 1,839.49 Lakhs and cash inflows, net amounting to Rs. 127.95 Lakhs as on the year ended on that date. These financial statements and other financial information have been audited by other auditors whose

report has been furnished to us, and our opinion is based solely on the report of other auditors.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, 'Consolidated Financial Statements', (AS) 23, 'Accounting for Investments in Associates in Consolidated Financial Statements' and (AS) 27, 'Financial Reporting of Interests in Joint Ventures' notified by the Companies (Accounting Standard) Rules, 2006 issued by the Institute of Chartered Accountants of India and on the basis of the separate financial statements of Brigade Enterprises Limited and its subsidiaries and joint venture included in the Financial Statements.

4. We report that, on the basis of the best of our information and according to the explanation given to us, and based on our audit and on consideration of the reports, as available, of the other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, we are of the opinion that the said consolidated financial statements, read together with the significant accounting policies and notes appearing thereon, subject to point numbers 4.5 and 4.11 of the said notes, give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. In case of the consolidated Balance Sheet, of the state of affairs of the Brigade Group as at 31st March, 2009;
 - b. In case of the consolidated Profit and Loss Account, of the consolidated results of operations of the Brigade Group for the year ended on that date; and
 - c. In case of the consolidated Cash Flow Statement, of the consolidated cash flows of the Brigade Group for the year ended on that date.

for **Narayanan, Patil and Ramesh**
Chartered Accountants

L. R. Narayanan
Partner
Membership No. 25588

Place : Bangalore
Date : May 26, 2009

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2009

(Rupees in Lakhs)

PARTICULARS	SCH.	As on 31st March, 2009	As on 31st March, 2008
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	11,225.19	11,225.20
Reserves and Surplus	B	88,484.47	81,412.60
		99,709.66	92,637.80
Loan Funds			
Secured Loans	C	42,859.79	29,749.10
Unsecured Loans	D	11,187.00	—
Total		153,756.45	122,386.90
APPLICATION OF FUNDS			
Fixed Assets			
	E		
Gross Block		18,653.64	12,358.50
Less: Depreciation		4,511.08	3,081.50
Net Block		14,142.56	9,277.00
Capital Work-in-Progress		67,744.85	40,602.80
		81,887.41	49,879.80
Investments	F	2,224.25	40,582.70
Deferred Tax Asset	G	151.86	151.70
Current Assets, Loans & Advances			
Inventories	H	60,398.41	30,234.50
Sundry Debtors	I	453.88	293.00
Cash and Bank Balances	J	4,434.64	1,884.90
Loans and Advances	K	40,060.55	36,787.70
		105,347.48	69,200.10
Less : Current Liabilities & Provisions			
Current Liabilities	L	35,114.11	34,542.80
Provisions	M	3,435.16	6,075.60
		38,549.27	40,618.40
Net Current Assets		66,798.21	28,581.70
Miscellaneous Expenditure (to the extent not Written Off or Adjusted)	N	2,694.71	3,191.10
Total		153,756.45	122,386.90

Notes to Accounts forms an integral part of the Financial Statements.

As per our report of even date
for **Narayanan, Patil & Ramesh**
Chartered Accountants

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

Place: Bangalore
Date: May 26, 2009

for **Brigade Enterprises Limited**

M.R. Jaishankar
Chairman & Managing Director

A. Anil Kumar
Chief Financial Officer

M.R. Shivram
Director

P. Om Prakash
Company Secretary

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH, 2009

(Rupees in Lakhs)

PARTICULARS	SCH.	As on 31st March, 2009	As on 31st March 2008
Income			
Contract & Other Receipts	O	40,864.96	50,713.03
Increase / (Decrease) in closing stock of units		72.71	122.80
Total		40,937.67	50,835.83
Expenditure			
Project and Direct Expenses	P	27,997.12	29,252.30
Personnel Expenses	Q	2,147.72	3,402.70
Administrative and Selling Expenses	R	2,591.99	2,453.20
Interest & Financial Charges	S	312.32	372.20
Depreciation	E	1,511.76	1,010.40
Miscellaneous Expenses Written Off	N	810.15	747.30
Total		35,371.06	37,238.10
Profit Before Tax		5,566.61	13,597.73
Provision for Taxation - Current Taxes	T	(1,744.60)	(3,421.50)
Provision for Taxation - Deferred Taxes		0.28	(16.00)
Profit After Tax		3,822.29	10,160.23
Add : Prior Year (Expenses) / Income		2,968.07	(12.50)
Add : Excess /(Short) Provision for Income-Tax		1,869.05	—
Add: / (Less): Share in Profit / (Loss) of Associates		18.70	54.80
Profit for the Year available for Appropriation		8,678.11	10,202.53
Appropriations			
Towards Proposed Dividend		1,347.03	2,245.00
Towards Tax on Proposed Dividend		228.94	381.50
Profit Transferred to General Reserve		235.74	787.10
Balance carried to Balance Sheet		6,866.40	6,788.93
Earnings Per Share - Basic & Diluted (in Rupees)		3.42	10.26
Nominal Value of Shares		10.00	10.00

Notes to Accounts forms an integral part of the Financial Statements.

As per our report of even date
for **Narayanan, Patil & Ramesh**
Chartered Accountants

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

Place: Bangalore
Date: May 26, 2009

for **Brigade Enterprises Limited**

M.R. Jaishankar
Chairman & Managing Director

A. Anil Kumar
Chief Financial Officer

M.R. Shivram
Director

P. Om Prakash
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rupees in Lakhs)

Particulars	As on 31st March, 2009	As on 31st March, 2008
Cash Flows from Operating Activities		
Net Profit before Tax	5,566.60	13,597.80
Adjustments for:		
Depreciation including Obsolescence & Amortisation	1,511.86	1,010.40
Loss / (Profit) on sale of Assets (Net)	13.67	(20.60)
Dividend Income	(1,162.15)	(770.70)
Loss / (Profit) on sale of Investments (Net)	(33.86)	3.70
Prior year Income / (Expenses)	2,968.01	(12.50)
Interest Income	(187.51)	(102.80)
Bad Debts	40.26	3.10
Preliminary Expenses incurred / Written off	816.55	—
Interest Expense	4,456.17	335.80
Operating Profit before Working Capital Changes	13,989.60	14,697.10
Decrease / (Increase) in Sundry Debtors	(336.74)	1,479.60
Decrease / (Increase) in Inventories	(30,163.82)	(7,642.90)
Decrease / (Increase) in Loans & Advances	(4,214.71)	(18,773.30)
Income Taxes Paid	(1,594.27)	(5,960.50)
Increase / (Decrease) in Current Liabilities	2,137.03	2,880.30
Net Cash Flow (used in) / from Operating Activities	(20,182.91)	(13,319.70)
Cash Flows from Investing Activities		
Purchase of Fixed Assets (including Capital WIP)	(33,518.50)	(20,563.40)
Sale Proceeds of Fixed Assets	65.26	85.50
Long-Term Investments (Net)	(1,931.29)	0.30
Investments in Mutual Funds (Net)	38,367.12	(40,367.10)
Interest Received	187.51	102.80
Dividend Received	1,162.15	770.70
Loss / (Profit) on sale of Investments (Net)	33.86	(3.70)
Decrease / (Increase) in Deferred Revenue Expenses	(69.40)	—
Net Cash Flow (used in) / from Investing Activities	4,296.71	(59,974.90)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rupees in Lakhs)

Particulars	As on 31st March, 2009	As on 31st March, 2008
Cash Flows from Financing Activities		
Interest Paid	(4,456.17)	(335.80)
Dividend Paid	(2,245.04)	—
Dividend Tax Paid	(381.54)	—
Increase in Securities Premium Account	—	68,571.90
Increase in Share Capital	1,012.00	2,704.50
Share Issue Expenses	(250.36)	(3,670.40)
Expense towards Increase in Authorised Capital	—	(66.00)
Increase / (Decrease) in Secured Loans	13,110.74	5,728.90
Increase / (Decrease) in Unsecured Loans	11,187.00	—
Proceeds from New Membership	458.31	—
Net Cash Flow (used in) / from Financing Activities	18,434.94	72,933.10
Net Increase in Cash and Cash Equivalents	2,548.74	(361.50)
Cash and Cash equivalents at the beginning the Year	1,885.90	2,246.50
Cash and Cash equivalents at the end of the Year	4,434.64	1,885.00

As per our report of even date.

for **Narayanan, Patil & Ramesh**
Chartered Accountants

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

Place: Bangalore
Date: May 26, 2009

for **Brigade Enterprises Limited**

M.R. Jaishankar
Chairman & Managing Director

A. Anil Kumar
Chief Financial Officer

M.R. Shivram
Director

P. Om Prakash
Company Secretary

CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

(Rupees in Lakhs)

Particulars	As on 31st March, 2009	As on 31st March, 2008
SCHEDULE A - Share Capital		
Authorised	15,000.00	15,000.00
15,00,00,000 (Previous year 15,00,00,000) Equity Shares of Rs. 10/- each		
Issued, Subscribed & Paid Up		
(Refer Notes to Accounts for detailed break-up of the Share Capital)		
11,22,51,940 (Previous year 11,22,51,940) Equity Shares of Rs. 10/- each	11,225.19	11,225.20
	11,225.19	11,225.20
SCHEDULE B - Reserves & Surplus		
Securities Premium Account		
Opening Balance	68,571.80	—
Add: Received during the year	—	68,571.80
Closing Balance (A)	68,571.80	68,571.80
General Reserve		
Opening Balance	4,532.60	3,745.50
Add: Transfers during the year from P & L A/c.	235.74	787.10
Closing Balance (B)	4,768.34	4,532.60
Profit & Loss A/c.		
Opening balance	8,277.92	8,248.40
Add: Balance transferred from P & L A/c.	6,866.40	6,788.93
Less: Utilised towards issue of Bonus Shares	—	6,729.10
Closing Balance (C)	15,144.32	8,308.20
Total (A) + (B) + (C)	88,484.46	81,412.60
SCHEDULE C - Secured Loans		
Loans and Advances from Banks	42,414.60	29,541.70
Interest accrued and due	445.21	207.40
(Term Loans repayable within 1 year is Rs. 16,705.21 Lakhs)		
Total	42,859.79	29,749.10
SCHEDULE D - Unsecured Loans		
Loan from Directors, Shareholders and their relatives :		
From Directors	11,187.00	—
Total	11,187.00	—

CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

SCHEDULE E - Fixed Assets

(Rupees in Lakhs)

Particulars	Land	Building	Office Equipment, Plant & Machinery	Interiors, Furniture & Fixtures	Computers	Vehicles	Low Value Asset	Intangible Assets	Total	Capital WIP	Previous Year
Gross Block as at 1st April, 2008	1,807.08	5,602.59	1,418.49	2,563.19	503.06	464.09	–	–	12,358.50	40,602.80	32,556.70
Additions	461.45	3,304.26	1,068.00	1,420.08	104.63	81.96	–	–	6,440.39	32,755.83	22,434.60
Deletions / disposals	–	–	29.86	98.47	0.60	16.30	–	–	145.23	5,613.75	2,030.00
Gross Block as at March 2009	2,268.53	8,906.85	2,456.62	3,884.78	607.09	529.76	–	–	18,653.63	67,744.85	52,961.30
Accumulated depreciation up to 31.03.2008	–	740.18	643.38	1,228.42	270.52	199.00	–	–	3,081.50	–	2,164.80
Charge for the year	–	454.96	264.75	589.30	123.00	79.86	–	–	1,511.86	–	1,010.40
Adjustment for disposals during the year	–	–	10.39	57.52	0.47	13.82	–	–	82.21	–	93.70
Accumulated depreciation as at March 2009	–	1,195.12	897.72	1,760.18	393.01	265.02	–	–	4,511.07	–	3,081.50
Net Block as at 31st March, 2009	2,268.53	7,711.73	1,558.91	2,124.60	214.07	264.73	–	–	14,142.57	67,744.85	49,879.80

CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

(Rupees in Lakhs)

PARTICULARS	As on 31st March, 2009	As on 31st March, 2008
SCHEDULE F - Investments		
Long Term Investments		
A. Investment in Government Securities		
National Savings Certificate	12.45	12.40
Total Investments in Government Securities - A	12.45	12.40
B. Unquoted Shares		
5,000 Equity Shares of Diagnostic Research (P) Ltd. face value of Rs.10/- each (Previous Year 5,000 Shares)	0.50	0.50
3,80,000 Equity Shares of AEC Infotech Pvt. Ltd. Face value of Rs.10/- each	38.00	19.00
1,90,000 Right Shares subscribed during the year (Previous Year 1,90,000 shares)		
1,85,000 Equity Shares of Tandem Allied Services Pvt.Ltd. Face value of Rs.10/- each (Previous Year 1,85,000 Shares)	7.40	7.40
Add / (Less): Accumulated Share in Profit / (Loss) of Associate Companies at the beginning of the year	147.21	54.80
Add / (Less): Change in the share of networth pursuant to profit / (loss) for the year	18.70	120.80
Total of Investments in Unquoted Shares - B	211.80	202.49
C. Quoted Shares (at lower of cost or market value) in :		
Nuchem India Ltd. - 6000 Equity Shares (Market value as on 31.03.09 is Not Applicable) (Market Value as on 31.03.08 is Rs. 18.40 per Share)	0.43	0.43
Ansal Housing Co. Ltd. - 100 Equity Shares (Market value as on 31.03.09 is Not Applicable) (Market Value as on 31.03.08 is Rs.157.50 per Share)	0.02	0.02
Ansal Build Well Ltd. - 100 Equity Shares (Market value as on 31.03.09 is Not Applicable) (Market Value as on 31.03.08 is Rs. 49.05 per Share)	0.02	0.02
Ansal Properties Ltd. - 100 Equity Shares (Market value as on 31.03.09 is Not Applicable) (Market Value as on 31.03.08 is Rs. 153.90 per Share)	0.09	0.09
Unitech Ltd - 200 Equity Shares (Market value as on 31.03.09 is Not Applicable) (Market Value as on 31.03.08 is Rs. 276.15 per Share)	0.10	0.10
Vijayshanti Builders Ltd. - 100 Equity Shares (Market value as on 31.03.09 is Not Applicable)	0.03	0.03
Less: Diminution in value of investment in Quoted Shares	0.70	—
Total of Investments in Quoted Shares - C	0.00	1.00

CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

		(Rupees in Lakhs)	
PARTICULARS	As on 31st March, 2009	As on 31st March, 2008	
D. Balance of Unutilised Monies raised through Initial Public Offer Invested in Mutual funds			
Birla Sunlife Liquid Plus - 15157768.786 Units	—	1,516.80	
NAV : 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.01 per unit)			
DSP Merrill Lynch - FMP - 3M - 15067088.096 Units	—	1,506.72	
NAV: 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.03 per unit)			
DWS Credit Opportunities Cash Fund - 39981630.091 Units	—	4,013.90	
NAV: 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.05 per unit)			
Fidelity Liquid Plus Fund - 76182702.7278 Units	—	7,619.12	
NAV: 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.00 per unit)			
HSBC Cash Fund Collection A/c. - 15266380.779 Units	—	1,525.97	
NAV: 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.04 per unit)			
ICICI Prudential Liquid Fund Collection A/c. - 22325754.664 units	—	2,232.58	
NAV: 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.01 per unit)			
ING Mutual Fund Collection A/c. - 40630953.281 units	—	4,064.44	
NAV: 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.00 per unit)			
J.M. High Liquidity Fund - 34068718.31 Units	—	3,408.25	
NAV: 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.00 per unit)			
LIC MF Liquid Fund - 25744602.669 Units	—	2,574.46	
NAV: 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.00 per unit)			
HDFCFMP90D - Wholesale Plan Dividend - 250000000 units	—	2,500.00	
NAV: 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.10 per unit)			
HDFCFMP90D - Wholesale Plan Growth - 200000000 units	2,000.00	—	
NAV: 31.03.2009 - Rs. 10.68 per unit			
HDFC Cash Management Fund Savings Plus - 10411223.281 units	—	1,044.40	
NAV: 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.03 per unit)			
Tata Dynamic Bond Fund - 28562995.687 Units	—	3,000.00	
NAV: 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.52 per unit)			
Tata Liquid Fund - 40392627.307 Units	—	4,000.00	
NAV: 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.03 per unit)			
Templeton Mutual Fund - 13591329.12 Units	—	1,360.48	
NAV: 31.03.2009 - Not Applicable (31.03.2008 - Rs. 10.01 per unit)			
Total of Investment in Mutual Funds - D	2,000.00	40,367.11	
Total of Long Term Investments (A+B+C+D)	2,224.25	40,582.70	
SCHEDULE G - Deferred Tax Asset			
Fixed Assets	93.81	120.40	
Expenses allowable on Payment basis	58.05	31.30	
Total	151.86	151.70	

CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

(Rupees in Lakhs)

PARTICULARS	As on 31st March, 2009	As on 31st March, 2008
Schedule H - Inventories		
(At lower of Cost or Net Realisable Value)		
Stock of Materials at sites		
- As Certified by Management	4,367.77	4,269.60
Transferable Development Rights	541.13	541.10
Land Held for Development	25,735.16	9,691.40
Work-in-Progress		
- As Certified by Management	28,889.00	14,939.70
Closing Stock of unsold Units	865.35	792.70
Total	60,398.41	30,234.50
SCHEDULE I - Sundry Debtors		
(Unsecured)		
- Outstanding for more than 6 months:		
Debts Considered Good for which the Company holds no Security other than the Debtors Personal Security	7.86	—
Debts due by Entity wherein Director is Interested	7.82	144.10
Others (Considered good)	107.90	8.20
Considered doubtful	42.72	2.60
- Outstanding for Less than 6 months:		
Other Debts, Considered Good	330.30	140.70
Less: Provision for Doubtful Debts	42.72	2.60
Total	453.88	293.00
SCHEDULE J - Cash & Bank Balances		
Cash & Cheques in hand	48.15	174.40
Bank Balances with Scheduled Banks		
- in Current Accounts	456.63	1,241.20
- in Deposit Accounts	3,929.86	469.30
Total	4,434.64	1,884.90
SCHEDULE K - Loans and Advances (Unsecured, Considered good)		
Advances recoverable in cash, kind or value to be received:		
Joint Venture	11,221.70	—
Refundable Deposits on Joint Venture	9,018.18	—
Property Advance	3,598.98	24,619.60
Contractors / Suppliers	2,777.84	5,232.60
Others	6,404.15	430.50
Advance Tax / TDS	4,465.26	4,380.70
Other Deposits	2,574.45	2,124.30
Total	40,060.55	36,787.70

CONSOLIDATED SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

PARTICULARS	(Rupees in Lakhs)	
	As on 31st March, 2009	As on 31st March, 2008
SCHEDULE L - Current Liabilities		
Advances Received from Clients	14,651.60	20,562.90
Sundry Creditors:		
Due to Directors	24.71	1,413.70
Micro, Small & Medium Scale Industries [Note (i) below]	60.90	5.20
Contractors, Suppliers & Others	20,376.90	12,561.00
Note (i): Information as provided by the Company		
Total	35,114.11	34,542.80
SCHEDULE M - Provisions		
Provision for Income Tax	1,714.96	3,338.00
Provision for Fringe Benefit Tax	0.20	10.40
Provision for Leave Encashment & Gratuity	144.05	98.40
Provision for Wealth Tax	—	2.20
Dividend Payable	1,347.02	2,245.00
Tax on Dividend	228.93	381.60
Total	3,435.16	6,075.60
SCHEDULE N - Miscellaneous Expenditure (to the Extent not Written Off)		
Initial Public Offer Expenses	2,936.29	3,670.40
Deferred Revenue Expenses	253.32	201.05
Others	65.09	66.95
Add: Additions during the year	250.36	—
Less: Amortised during the year	810.35	747.30
Balance Carried Forward to Balance Sheet	2,694.71	3,191.10

CONSOLIDATED SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rupees in Lakhs)

PARTICULARS	As on 31st March, 2009	As on 31st March, 2008
SCHEDULE O - Contract & Other Receipts		
Contract & Other Receipts	34,979.18	46,070.53
Dividend from Investments	1,162.15	763.27
Capital Gains from Investments	33.86	3.73
Interest Received	187.51	85.80
Miscellaneous Income	410.64	945.30
Rent Received	2,646.83	1,553.00
Hospitality Income	1,458.47	1,270.80
Profit / (Loss) on Sale of Properties / Asset	(13.67)	20.60
Total of Contract and Other Receipts	40,864.96	50,713.03
SCHEDULE P - Project and Direct Expenses		
Construction Materials		
Cement	1,313.01	1,757.10
Granite / Marble (Flooring Material)	2,060.16	1,536.30
Hardware Items	232.37	118.20
Door & PVC Windows	29.42	536.90
Steel	8,022.56	8,569.70
	11,657.52	12,518.20
Land and Construction Expenses		
Construction Expenses	31,296.12	24,420.30
Architect & Consultancy Fees	1,076.06	1,580.80
Electrical Work and Power Charges	5,149.04	2,442.90
Interiors - Projects	1,562.23	2,022.80
Miscellaneous Expenses Construction	413.65	364.70
Land cost - Projects	(142.89)	6,010.00
Land cost - Capital	2,060.56	2,795.40
Rates & Taxes - Projects	636.45	305.10
Other Direct Project Expenses		
Personnel Expenses - Projects (transferred from Schedule Q)	753.90	3.50
Administrative and Selling Expenses - Projects (transferred from Schedule R)	1,755.24	949.20
Interest - Projects (transferred from Schedule S)	4,288.52	3,588.90
Total of Construction Material and Expenses	60,506.40	57,001.80
Increase / Decrease in Stock and WIP		
Opening Stock	—	—
Opening Work in Progress - Projects	14,939.71	10,866.10
Opening Work in Progress - Capital	40,435.41	22,050.00
Less: Cost of Projects Sold / Transferred	5,166.47	1,674.40
Total	50,208.65	31,241.70

CONSOLIDATED SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

PARTICULARS	(Rupees in Lakhs)	
	As on 31st March, 2009	As on 31st March, 2008
Closing Stock	—	4,259.70
Closing Work in Progress - Projects	17,068.40	14,939.70
Closing Work in Progress - Capital	66,453.49	40,435.40
Total	83,521.89	59,634.80
Net (Increase) / Decrease in value of Stock and WIP	(33,313.24)	(28,393.10)
Hospitality Expenses	—	—
Operating	545.21	432.70
Materials consumed	258.76	210.90
Total of Project and Direct Expenses	27,997.12	29,252.30
SCHEDULE Q - Personnel Expenses		
Salaries & Wages	2,349.13	3,099.30
Training & Recruitment	45.74	25.30
Staff Welfare	113.22	196.80
Contributions to Funds	393.54	84.80
Total of Personnel Expenses	2,901.62	3,406.20
Less: Transferred to Schedule - O (Project Expenses)	753.90	3.50
Total	2,147.72	3,402.70
SCHEDULE R - Administrative and Selling Expenses		
Advertisement & Sales Promotion	867.25	738.00
Agency Commission	986.41	521.00
Bad Debts	41.12	3.10
Communication Expenses	120.72	90.00
Directors Sitting Fee	6.30	6.00
Discount	10.13	61.20
Donation	65.50	59.90
Miscellaneous Expenses	126.96	85.80
Insurance A/c.	69.87	31.80
Legal, Professional & Consultancy Charges	539.97	482.50
Power / Fuel Charges	33.06	28.40
Printing & Stationery	97.72	36.50
Rates & Taxes	90.83	94.00
Rent Paid	878.13	794.80
Repairs & Maintenance	103.08	154.40
Security Charges	126.02	16.20
Customer - Pre EMI Pmt.	36.70	—
Travelling & Conveyance Expenses	141.28	198.80
Amortisation of Deferred Revenue Expenditure	6.18	—
Total of Administrative & Selling Expenses	4,347.23	3,402.40
Less: Transferred to Project Expenses Schedule - O	1,755.24	949.20
Total	2,591.99	2,453.20

CONSOLIDATED SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

PARTICULARS	(Rupees in Lakhs)	
	As on 31st March, 2009	As on 31st March, 2008
SCHEDULE S - Interest and Financial Charges		
Bank Charges	144.67	36.50
Interest Paid	4,456.17	3,924.60
Total of Interest & Financial Charges	4,600.84	3,961.10
Less: Transferred to Project Expenses Schedule - O	4,288.52	3,588.90
Total	312.32	372.20
SCHEDULE T - Current Taxes		
Provision for Taxation - Current Taxes	1,712.19	3,342.40
Provision for Taxation - Wealth Tax	2.77	2.20
Fringe Benefit Tax Paid	29.65	20.90
Excess provision for Income Tax Reversed	—	56.00
Total	1,744.60	3,421.50

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIALS FOR THE YEAR ENDED 31ST MARCH, 2009

1. BACKGROUND:

Brigade Enterprises Limited (referred to as "BEL", "Parent" or "the Company") was incorporated in 1995. The Company is carrying on the business of real estate development. BEL has following subsidiary / associates as on 31st March, 2009:

- Tandem Allied Services Private Limited (referred to as "Tandem"), a company incorporated in India, is an associate company wherein 37.00% of its share are held by the Company and is carrying on the business of Realty, Property Management Services and related financial services.
- AEC Infotech Private Limited (referred to as "AEC"), a Company incorporated in India, is an associate company wherein 24.74% of its share are held by the Company and is carrying on the business of Software and Project Engineering Products and Services.
- Brigade Hospitality Services Limited (referred to as "BHSL"), a company incorporated in India, is a 100% subsidiary of the Company and is carrying on the business of running and managing clubs, service apartments, and convention centres.
- Brigade Estates and Projects Private Limited (referred to as "Brigade Estates"), a company incorporated in India, is a 100% subsidiary of the Company and is carrying on the business of real estate development.
- Tetrarch Holdings Private Limited (referred to as "Tetrarch"), a company incorporated in India, is a 100% subsidiary of the Company and is carrying on the business of real estate development.
- Brigade Properties Private Limited (referred to as "Brigade Properties"), a company incorporated in India, is a 100% subsidiary of the Company and is carrying on the business of real estate development.
- Brigade Infrastructure and Power Private Limited (referred to as "Brigade infrastructure"), a company incorporated in India, is a 100% subsidiary of the Company and is carrying on the business of real estate development.
- BCV Developers Pvt. Ltd. (referred to as "BCV"), a company incorporated in India is a Joint Venture wherein the company owns 50% of its shares and is carrying on the business of real estate development.

The Company together with its subsidiaries and associates are hereinafter referred to as "Brigade Group".

2. PRINCIPLES OF CONSOLIDATION:

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

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

The Consolidated Financial Statements include the financial statements of the Company and all its subsidiaries which are more than 50 per cent owned or controlled as at 31st March, 2009. Investments in entities that were not more than 50 per cent owned or controlled as at 31st March, 2009 have been accounted for in accordance with the provisions of Accounting Standard 13 "Accounting for Investments", or Accounting Standard 23 "Accounting for Associates" or Accounting Standard 27 "Accounting for Joint Venture", as applicable which are prescribed by the Companies (Accounting Standard) Rules, 2006.

The Financial Statements of the Parent Company, BHSL, Tetrarch, Brigade Estates, Brigade Properties, Brigade Infrastructure, and BCV - have been combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting unrealised profits in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the Balance Sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the entities consolidated. Investments in associate companies have been accounted for, by using equity method whereby investment is initially recorded at cost and the carrying amount is adjusted thereafter for post acquisition change in the Company's share of net assets of the associate.

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

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIALS FOR THE YEAR ENDED 31ST MARCH, 2009

3. SIGNIFICANT ACCOUNTING POLICIES:

3.1 Basis for Preparation of Financial Statements:

The Financial Statements are prepared under the historical cost convention, in accordance with generally accepted accounting principles and the provisions of the Companies Act, 1956, as adopted consistently by the Company. All income and expenditure having a material impact / bearing on the financial statements are recognized on the accrual basis.

3.2 Use of Estimates:

Preparation of financial statements in conformity with Generally Accepted Accounting Principles requires Company management to make estimates and assumptions that affect reported balance of Assets & Liabilities and disclosures relating to contingent Assets & Liabilities as of the date of Financials and reported amounts of Income & Expenses during the period. Examples of such estimate include Revenues and Profits expected to be earned on projects carried on by the Company, Contract Costs expected to be incurred to completion of project, provision for Doubtful Debts, Income-Taxes, etc. Actual results could differ from these estimates. Differences, if any, between the actual results and estimates are recognised in the period in which the results are known or materialized.

3.3 Expenditure:

Expenses are accounted on the accrual basis and provisions are made for all known Losses and Liabilities.

3.4 Valuation of Inventories & Construction Work-in-Progress:

- Valuation of Inventories, representing stock of materials at project site, has been done after providing for obsolescence, if any, at lower of Cost or Net Realisable Value.

Inventories of BHSL are valued at cost determined on weighted average basis or net Realizable Value whichever is lower. Expenses on soft furnishing, linen, cutlery and crockery are amortized over 24 months.
- The value of Construction Work-in-Progress during the period is determined as follows:
 - The aggregate of opening stock, opening work-in-progress, cost of construction and construction overheads incurred during the Year as reduced by cost of completed contract transferred to income and closing stock of materials, if any.

- The value of completed projects intended for immediate sale is considered as an inventory and value of completed projects / units intended to be retained / leased is considered as Fixed Asset.
- Land held for Development, Work-in-progress, Transferable Development Rights, and Closing Stock of unsold units is valued at Cost or Net Realisable Value whichever is lower.

3.5 Cash Flow Statement:

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

3.6 Events occurring after the date of Balance Sheet:

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

3.7 Depreciation:

Depreciation in respect of Fixed Assets, is provided adopting Written Down Value Method at the rates provided under Schedule XIV to the Companies Act, 1956, except:

- On Assets held for the purpose of sale, no depreciation is charged.
- On Assets leased out, depreciation is charged on Straight Line Method over the period of the lease as shown below.

Project Name	Building	Furniture, Fixture and Interiors	Office Equipment and Plant and Machinery
Brigade Court	25 Years	5 Years	5 Years
Augusta Club	25 Years	5 Years	5 Years
Brigade MLR Convention Centre	25 Years	5 Years	5 Years
Woodrose Club	25 Years	5 Years	5 Years
Homestead – 2	25 Years	5 Years	5 Years
Brigade Plaza	25 Years	5 Years	Not Applicable
Brigade South Parade	14 Years	5 Years	Not Applicable
BTP – LG CNG and Capgemini	Not Applicable	5 Years	5 Years
Brigade Hulkul 1 & 2 Floor	Not Applicable	3 Years	3 Years
Brigade Hulkul 3 Floor	Not Applicable	4 Years	4 Years

Depreciation is charged on a pro-rata basis for assets purchased / sold during the year. Individual assets costing less than Rs. 5,000/- is charged off in the year of purchase.

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIALS FOR THE YEAR ENDED 31ST MARCH, 2009

In case of BHSL, Depreciation is provided on assets purchased upto 31st March, 2005 on the written down value method at the rates specified in Schedule XIV to the Companies Act, 1956 and Depreciation is provided on the Straight Line Method applying the rates which are more than the corresponding rates specified in Schedule XIV to the companies Act, 1956.

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

3.8 Revenue Recognition:

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

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

Stage of completion of projects in progress is determined on the basis of the proportion of the Contract Costs incurred, in respect of individual projects for work performed up to the period of the Financial Statements, bear to the estimated total project cost. Income recognised as Contract Revenue during the period is based on the lower of stage of completion as determined above and percentage of actual amount received on Sale (pursuant to agreements entered into by the Company) of the estimated contract value of these projects. Project revenues on new projects are recognised when the stage of completion of each project reaches a significant level, which is estimated to be at least 25%.

The estimates for Sale Value and Contract Costs are reviewed by Management periodically and the cumulative effect of the changes in these estimates, if any, are recognised in the period in which these changes may be reliably measured.

- Interest income is recognised on time basis and is determined by the amount outstanding and rate applicable.
- Dividend income is recognised as and when right to receive payment is established.
- Rental income / lease rentals are recognised on accrual basis in accordance with the terms of agreement.
- Differential income arising on account of any charges collected including Deposits and the related expenses incurred are recognised in the year of handing over of the flats to the customers.

In case of Brigade Hospitality Services Limited, Revenue from room rent and facilities are recognised on usage basis.

Subscription received for membership of club(s) is recognised as income on a straight line basis by Amortising the amount received from the year of admission up to the period of expiry of the relevant membership. The balance unamortised amount received as well as membership fees received for clubs which are not operational has been shown as a liability under the head 'Deferred Income'. Commission incurred for procurement of members is Amortised and recognised as expense over the same period as the corresponding income. Subscription charges for facility usage have been accounted on monthly basis for usage of clubs.

3.9 Fixed Assets:

Fixed Assets are stated at cost of acquisition including directly attributable costs for bringing the asset into use, less accumulated depreciation. Capital Work-in-Progress comprises the cost of fixed assets under construction and not yet ready for their intended use.

3.10 Foreign Currency Transaction:

Foreign Currency Transactions are restated at the rates ruling at the time of receipt / payment and all exchange losses / gains arising there from are adjusted to the respective accounts. All monetary items denominated in foreign currency are converted at the rates prevailing on the date of the financial statement.

3.11 Investments:

Investments are classified as Current Investments and Long-Term Investments. Long-Term Investments are carried at the cost, unless there is a permanent diminution in value of the investments and Current Investments are carried at the lower of cost or market value.

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIALS FOR THE YEAR ENDED 31ST MARCH, 2009

3.12 Employee Benefits:

a. Short-Term Employee Benefits:

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

b. Post Employment Benefits:

i. Defined Contribution Plans:

The Company has contributed to State Governed Provident Fund Scheme, Employee State Insurance Scheme and Employee Pension Scheme which are defined contribution plans. Contribution paid or payable under the schemes is recognised during the period in which employee renders the related service.

ii. Defined Benefit Plans:

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

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

3.13 Borrowing Costs:

Cost of funds borrowed for acquisition of fixed assets up to the date the asset is put to use is added to the value of the assets.

3.14 Earnings Per Share:

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

The number of Shares used in computing diluted Earnings Per Share comprises the weighted average shares considered for deriving basic Earnings Per Share, and also the weighted average number of Equity Shares that could have been issued on the conversion of all dilutive potential equity shares. The diluted potential Equity Shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value (i.e., the average Market Value of the outstanding shares). Diluted potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date.

3.15 Provision for Taxation:

Deferred Tax is recognized, subject to the consideration of prudence, in respect of Deferred Tax Assets or Liabilities, on timing differences, being the difference between taxable incomes and Accounting Incomes that originate in one period, and are reversible in one or more subsequent periods.

The provision for taxation is made on Taxes Payable Method after considering the effect of Deduction under Section 80IB of the Income-Tax Act, 1961, wherever it is applicable.

3.16 Impairment of Assets:

At the end of each year, the Company determines whether a provision should be made for impairment loss on Fixed Assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard - 28 "Impairment of Assets" issued by the Institute of Chartered Accountants of India, where the recoverable amount of any fixed asset is lower than its carrying amount, a provision for impairment loss on Fixed Assets is made for the difference.

3.17 Provisions and Contingent Liabilities:

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

3.18 Amortisation of Miscellaneous Expenditure:

Expenses incurred towards Initial Public Offer and other deferred expenses classified under Miscellaneous Expenditure are written off equally over a period of 5 years.

4. NOTES ON ACCOUNTS (forming an integral part of Accounts)

4.1 Share Capital:

Issued, Subscribed, and Paid-up Capital of the Parent Company of 11,22,51,940 (Previous 11,22,51,940) Equity Shares includes:

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIALS FOR THE YEAR ENDED 31ST MARCH, 2009

- 5,00,000 (Previous Year 5,00,000) Equity Shares of Rs.10/- each fully paid-up, issued as Bonus Shares in 1996; 71,77,656 (Previous Year 71,77,656) Equity Shares of Rs.10/- each fully paid-up, issued as Bonus Shares during 2004-05; 1,61,49,726 (Previous Year 1,61,49,726) Equity Shares of Rs.10/- each fully paid-up, issued as Bonus Shares during 2005-06 and 6,72,90,525 Equity Shares of Rs. 10/- each Fully Paid-up issued as Bonus Shares during the year 2007-08.
- 16,22,628 (Previous Year 16,22,628) Equity Shares allotted as fully-paid up on amalgamation of the erstwhile Brigade Developers Private Limited with the Company in the year 2001-02. This includes 9,000 Equity Shares allotted in lieu of Bonus Shares issued to the shareholders of the erstwhile Brigade Developers Private Limited.
- 68,400 (Previous Year 68,400) Equity Shares allotted as fully paid up on amalgamation of the erstwhile Brigade Investments Private Limited with the Company in the year 2001-02.
- During the financial year 2007-08 the Parent Company has raised money through an Initial Public Offer by issuing 1,80,45,205 Shares as fully paid up shares of Rs. 10/- each at a Premium of Rs. 380/- per Share.

4.2 Initial Public Offer and its Utilisation:

Details of Deployment of IPO Proceeds are as Follows:

Utilisation of Funds	Rupees in Lakhs	
Acquisition of Land	25,508.71	
Construction & Development of Ongoing Projects	23,674.58	
General Corporate Purpose	12,972.21	
Initial Public Offer Expenses	3,920.80	
Unutilised amount invested in Mutual Funds	4,300.00	
Total	70,376.30	

4.3 Disclosure pursuant to Accounting Standard 7 (Revised):

(Rupees in Lakhs)

Particulars	2008-09	2007-08
Contract Revenue recognized as Revenue in the year	34,979.17	46,070.50
Aggregate amount of contract cost incurred up to the reporting date and Recognised Profits (less recognised losses) up to the reporting date	1,20,288.72	85,505.24
Advances Received from Customers	14,651.60	17,341.90

4.4 Warranty Costs:

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

4.5 Gratuity Plan:

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

PARTICULARS	(Rupees in Lakhs)	
	As at 31st March, 2009	As at 31st March, 2008
Obligations at the beginning of the year	72.08	55.50
Service Cost	24.69	24.50
Interest Cost	5.65	4.20
Benefits Settled	(1.68)	(10.10)
Actuarial (Gain) / Loss	1.90	(2.10)
Obligations at the end of the Year	98.84	72.10
Change in Plan Assets		
Plan Assets at the beginning of the year, at Fair Value	41.70	27.50
Expected Return on Plan Assets	3.95	2.30
Contributions	8.69	10.70
Benefits Settled	(1.68)	10.10
Actuarial Gain / (Loss)	(0.09)	Nil
Plan Assets at the end of the year, at Fair Value	52.56	30.50
Reconciliation of Present Value of the Obligation and the Fair Value of the Planned Assets		
Fair Value of Plan Assets at the end of the Year	52.56	40.80
Present Value of the defined benefit obligation at the end of the year	(98.84)	(61.80)
Asset / (Liability) recognised in the Balance Sheet	(46.28)	(41.60)
Gratuity Cost for the Year		
Service Cost	24.69	24.50
Interest Cost	5.65	4.20
Expected return on Plan Assets	(3.95)	2.30
Actuarial (Gain) / Loss	1.81	(2.10)
Net Gratuity Cost	24.59	24.20
Assumptions	BEL	BHSL
Interest rate	7.50%	7.00%
Expected Rate of Return on Plan Assets	7.50%	8.00%
Expected Rate of Salary Increase	7.00%	6.00%
Attrition Rate	9.00%	10.00%
Retirement Age	58 Years	58 Years

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIALS FOR THE YEAR ENDED 31ST MARCH, 2009

The above figures doesn't represent the Gratuity Plan in respect of Brigade Estate and Projects Pvt. Ltd., Tetrach Holdings Pvt. Ltd., Brigade Properties Pvt. Ltd., Brigade Infrastructure & Power Pvt. Ltd., which are the Subsidiary Companies, and M/s. BCV Developers Private Limited, a joint venture company, as actuarial calculations were not carried out. The assumptions used by BHSL, a subsidiary company, for the year ended 31st March, 2009, being different are shown separately.

4.6 A sum of Rs. 40.44 Lakhs (Previous Year Rs. 272.54 Lakhs), being borrowing cost incurred by the Company in respect of Assets / Projects, was capitalised during the year. A sum of Rs. 2,764.85 Lakhs (Previous Year 2,100.87 Lakhs), being borrowing cost incurred by the Company in respect of Assets / Projects under Construction is carried forward as Capital Work-in-progress.

4.7 Related Party Disclosure:

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

4.7.1 Relationships:

Associated Companies and Joint Ventures	AEC Infotech Pvt. Ltd. Tandem Allied Services Pvt. Ltd. BCV Developers Pvt. Ltd.
Other related parties where common control exists	Mysore Holdings Pvt. Ltd. Brigade Foundation Brigade Millennium Welfare Trust
Key Managerial Personnel (KMP)	Mr. M.R. Jaishankar, Chairman and Managing Director Ms. Githa Shankar, Executive Director
Relatives of Key Managerial Personnel	Ms. Nirupa Shankar (Daughter of KMP) Ms. Pavitra Shankar (Daughter of KMP) Mr. M.R. Shivram (Relative of KMP)

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

(Rupees in Lakhs)

Particulars	Brigade Foundation	Key Managerial Personnel	Relatives of Key Managerial Personnel
Sale of materials / finished goods / services	8.78	145.17	165.96
Purchase of material / finished goods / services / Other expenses	2.24	51.20	36.09
Outstanding receivables/ (payables), as at 31.03.2009	6.82	10.81	1.98
Remuneration paid to Executive Directors	NIL	244.63	NIL

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIALS FOR THE YEAR ENDED 31ST MARCH, 2009

4.7 Assets given under Operating Leases:

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

(Rupees in Lakhs)

Sl. No.	Description of Asset	Gross amount as on 31.03.2009	Accumulated Depreciation	Depreciation from 01.04.2008 to 31.03.2009	Accumulated Impairment Loss
1.	Brigade Software Park Building (cost incurred) and equipments	71.40	—	—	NIL
2.	Brigade Seshmahal - Building	166.60	(18.50)	(7.40)	NIL
	Brigade Seshmahal - Land	136.30	—	—	NIL
	Total of Brigade Seshmahal	302.90	(18.50)	(7.40)	NIL
3.	Brigade Southparade - Interiors	317.80	(206.40)	(63.60)	NIL
	Brigade Southparade - Building	1,599.70	(408.30)	(114.30)	NIL
	Total of Brigade South Parade	1,917.50	(614.70)	(177.80)	NIL
4.	Brigade Plaza - Interiors	64.70	(48.50)	(12.90)	NIL
	Brigade Plaza - Building	170.10	(7.00)	(6.80)	NIL
	Brigade Plaza - Land	169.70	—	—	NIL
	Total of Brigade Plaza	404.50	(55.50)	(19.70)	NIL
5.	Brigade Court - Furniture and Fixtures	71.10	(52.90)	(14.20)	NIL
	Brigade Court - Interiors	73.30	(54.60)	(14.70)	NIL
	Brigade Court - Office Equipment	94.00	(69.90)	(18.80)	NIL
	Brigade Court - Building	58.50	(2.40)	(2.30)	NIL
	Brigade Court - Land	47.90	—	—	NIL
	Total of Brigade Court	344.80	(179.70)	(50.00)	NIL
6.	Brigade Techpark - 4th Floor - Interiors	388.40	(90.50)	(77.70)	NIL
7.	B. Homestead-2 - Furniture and Fixtures	29.70	(7.30)	(5.90)	NIL
	B. Homestead-2 - Interiors	113.60	(27.90)	(22.70)	NIL
	B. Homestead-2 - Buildings	556.70	(27.80)	(22.30)	NIL
	B. Homestead-2 - Plant and Machinery	79.30	(19.80)	(15.90)	NIL
	B. Homestead-2 - Land	187.40	—	—	NIL
	Total of Brigade Homestead-2	966.80	(82.70)	(66.80)	NIL
8.	Brigade Gateway Hospital - Land	459.20	—	—	NIL
	Brigade Gateway Hospital - Building	2,948.90	—	(133.70)	NIL
	Brigade Gateway Hospital - Interior, Furniture	911.30	—	(149.60)	NIL
	Brigade Gateway Hospital - Plant and Mach.	755.00	—	(95.20)	NIL
	Total of Brigade Gateway Hospital	5,074.40	—	(378.50)	NIL
9.	B.M.MLR Conv Centre - Land	22.90	—	—	NIL
	B.M.MLR Conv Centre - Building	995.80	(59.40)	(39.80)	NIL
	B.M.MLR Conv Centre - Interiors	148.30	(44.40)	(29.70)	NIL
	B.M.MLR Conv Centre - Plant and Machi.	60.80	(18.20)	(12.20)	NIL
	Total B. Millennium MLR Convention Centre	1,227.80	(122.10)	(81.70)	NIL

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIALS FOR THE YEAR ENDED 31ST MARCH, 2009

Sl. No.	Description of Asset	Gross amount as on 31.03.2009	Accumulated Depreciation	Depreciation from 01.04.2008 to 31.03.2009	Accumulated Impairment Loss
10.	Brigade Woodrose Club - Land	48.80	—	—	NIL
	Brigade Woodrose Club - Building	1,348.00	(134.60)	(53.90)	NIL
	Brigade Woodrose Club - Interiors	241.70	(120.80)	(48.30)	NIL
	Brigade Woodrose Club - Plant and Mach.	87.70	(43.80)	(17.50)	NIL
	Total Brigade Millennium Woodrose Club	1,726.20	(299.10)	(119.80)	NIL
11.	Brigade Augusta Club - Land	14.80	—	—	NIL
	Brigade Augusta Club - Building	510.80	(28.10)	(20.40)	NIL
	Brigade Augusta Club - Interiors	75.10	(21.10)	(15.00)	NIL
	Brigade Augusta Club - Plant and Mach.	28.50	(7.70)	(5.70)	NIL
	Total of Brigade Augusta Club	629.10	(56.90)	(41.10)	NIL
12.	Brigade Tower 10 Floor Unit 9 & 10 - Interiors	21.90	(6.60)	(2.80)	NIL
13.	Brigade Tower 10 Floor Unit 11 & 12 – Interiors	15.30	(3.40)	(2.10)	NIL
14.	Brigade Tower -10th Floor Unit 1001 to 1006 Interior works and Furniture	43.81	(22.37)	(4.04)	NIL
15.	Brigade Techpark - 5th Floor Kitchen Equipment	51.90	(3.80)	(6.70)	NIL
16.	BTP-B - LG CNG Interiors	271.00	—	(2.03)	NIL
	BTP-B - Plant and Machinery	41.30	—	(0.31)	NIL
	Total of BTP-B - LG CNG	312.20	—	(2.34)	NIL
17.	BTP-B Capgemini - Furniture and Fixtures	31.70	—	(2.50)	NIL
	BTP-B Capgemini - Interiors	22.20	—	(1.70)	NIL
	BTP-B Capgemini - Plant and Machinery	17.20	—	(1.30)	NIL
	Total of BTP-B Capgemini - Interiors	71.10	—	(5.50)	NIL
18.	Hulkul Brigade Centre - 1st Floor	—	—	—	NIL
	Hulkul Brigade Centre - Furniture and Fixtures	90.90	(90.90)	—	NIL
	Hulkul Brigade Centre - Interiors	66.40	(66.40)	—	NIL
	Hulkul Brigade Centre - Plant and Machinery	235.00	(235.00)	—	NIL
	Total of Hulkul Brigade Centre	392.30	(392.30)	—	NIL

The parent Company has given on non-cancellable operating lease certain assets the future minimum lease receivables in respect of which, as at 31st March, 2009 are as follows:

	(Rupees in Lakhs)	
Minimum Lease Receivable	2008-09	2007-08
Receivable not later than 1 year	453.69	537.50
Receivable later than 1 year and not later than 5 years	518.72	145.80
Receivable later than 5 years	—	NIL

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

The parent Company has taken on non-cancellable operating lease certain assets (lands) the future minimum lease payments in respect of which, as at 31st March, 2009 are as follows:

	(Rupees in Lakhs)	
Minimum Lease Payables	2008-09	2007-08
Payable not later than 1 year	122.50	112.80
Payable later than 1 year and not later than 5 years	543.60	513.30
Payable later than 5 years	3,283.60	3,486.60

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

Contingent rent recognised in the Profit and Loss Account is Rs. Nil

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIALS FOR THE YEAR ENDED 31ST MARCH, 2009

4.8 Earnings Per Share:

Particulars	Earning per Share	
	2008-09	2007-08
Equity Share of face value Rs. 10/- each	–	–
Net Profit (amount used as numerator)*** (Rs. in Lakhs)	3,840.99	10,160.20
Number of shares used in computing Earnings Per Share (number used as denominator)	11,22,51,940	9,89,80,821
Basic & Diluted (in Rupees)	3.42	10.26

(Rupees in Lakhs)

Particulars	2008-09	2007-08
Net Profit Available for Appropriation	8,678.11	10,160.20
Less: Prior Period Adjustments	4,837.12	NIL
Net Profit considered for Earnings Per Share	3,840.99	10,160.20

4.9 Deferred Taxation:

During the year, the Group has accounted for Rs. 0.28 Lakhs (Previous Year 16.00 Lakhs towards Deferred Tax Liability) towards Deferred Tax Asset and the same has been credited to Profit and Loss Account of the current year.

4.10 Contingent Liabilities:

Capital commitments and Contingent liabilities on account of:

(Rupees in Lakhs)

Particulars	2008-09	2007-08
Claims from Govt. Department not acknowledged as debts	6,988.65	181.70
Counter Guarantee to bank for issuing Bank Guarantee	2,567.85	1,255.50
Capital Commitments not provided in the books	67,693.47	84,362.40

4.11 Non Adjustment Items:

4.11.1 Disclosure pursuant to AS – 23:

Depreciation:

The depreciation policy adopted by Tandem (an Associated Company) is Straight Line Basis as per the rates prescribed in Schedule XIV. This differs from the depreciation policy adopted by the Company as indicated in Clause 3.7 of the Accounting Policies given above.

Gratuity and Leave Encashment:

Gratuity liability of Tandem and AEC (Associated Companies) are based on actual basis, whereas the Company follows actuarial method for the purpose of Gratuity Liability Calculation. Tandem and AEC (Associated

Companies) have not provided leave encashment liability and expenses are considered on cash basis.

This differs from the Policy on Employee Benefits adopted by the Company as indicated in Clause 3.12 of the Accounting Policies given above.

4.11.2 Disclosure pursuant to AS – 21:

Depreciation:

Depreciation in respect of Assets of BHSL, wholly owned subsidiary of BEL is computed on Straight Line Method as against written down value method which is followed by the Company. However, no adjustments have been made for any periods since such depreciation is not for like transactions or other events in similar circumstances as those of the Company. The written down value of Fixed Assets amounting to Rs. 1,736.33 Lakhs out of Fixed Assets amounting to Rs. 14,142.56 lakhs and depreciation for the year amounting to Rs. 172.85 Lakhs out of total depreciation amounting to Rs. 1,511.76 Lakhs relates to BHSL.

4.12 Current Liabilities include a sum of Rs. 3,620.47 Lakhs (Previous Year Rs. 3,216.19 Lakhs) being deferred income of BHSL from membership of clubs.

4.13 The Foreign Exchange Inflow & Outflow:

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

(Rupees in Lakhs)

Particulars	2008-09	2007-08
Inflow:		
Advance for Sale of Units, Lease deposits & Rentals	601.90	1,762.00
Outflow:		
i. Professional charges	197.40	161.20
ii. Consultation Fees	70.41	3.40
iii. Capital Goods	244.67	NIL
iv. Others	2,457.85	444.50

CIF Value of imports during the year ended 31st March, 2009 is Rs. 2,215.55 Lakhs.

4.14 Balances of Debtors and Creditors and Loans and Advances are subject to confirmation.

4.15 As per the information available with the parent Company, the principal amount payable to Micro, Small and Medium Enterprises falling under the provisions of Micro, Small and Medium Enterprises Development Act, 2006, Rs. 60.90 Lakhs.

SCHEDULES FOR NOTES TO ACCOUNTS FOR THE CONSOLIDATED FINANCIALS FOR THE YEAR ENDED 31ST MARCH, 2009

In case of AEC InfoTech Private Limited, the Company does not owe any amount to any Micro, Small and Medium Enterprises registered under the Micro Small and Medium Enterprises Development Act, 2006 as on 31st March, 2009, which is due for a period more than 45 days from the date of supply of goods or services.

In case of Brigade Hospitality Services Limited (a 100% Subsidiary Company), and Tandem Allied Services Private Limited (an Associated

Company), companies are in the process of compiling necessary data regarding the status of creditors under the Micro, Small and Medium Enterprises Development Act, 2006. Consequently, the disclosure under the Act has not been furnished.

4.16 Previous year Amounts:

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

As per our report of even date
for **Narayanan, Patil & Ramesh**
Chartered Accountants

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

Place: Bangalore
Date: May 26, 2009

for **Brigade Enterprises Limited**

M.R. Jaishankar
Chairman & Managing Director

A. Anil Kumar
Chief Financial Officer

M.R. Shivram
Director

P. Om Prakash
Company Secretary



BRIGADE ENTERPRISES LIMITED

Regd. Office: 135, Penthouse, Brigade Towers, Brigade Road, Bangalore 560 025

14TH ANNUAL GENERAL MEETING - 30TH JULY, 2009 AT 4.00 P.M.

PROXY FORM

Client ID/Folio No. :

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

DP ID :

--	--	--	--	--	--	--	--	--	--

No. of Shares held :

--	--	--	--	--	--	--	--	--	--

I/We _____ of _____
_____ in the district of _____ being a Member(s) of Brigade
Enterprises Limited hereby appoint _____ of _____ in
the district of _____ or failing him/her appoint _____ of _____ in
the district of _____ as my/our Proxy to attend and vote for me/us and on my/our behalf at the
14th Annual General Meeting of the Company, to be held on Thursday, 30th July, 2009 at 4.00 p.m. at MLR Convention Centre, Brigade Millennium
Campus, 7th Phase, J.P. Nagar, Bangalore - 560 078 and at any adjournment thereof.

Signature

Affix
Revenue
Stamp
here

Date: _____

Place: _____

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



BRIGADE ENTERPRISES LIMITED

Regd. Office: 135, Penthouse, Brigade Towers, Brigade Road, Bangalore 560 025

14TH ANNUAL GENERAL MEETING - 30TH JULY, 2009 AT 4.00 P.M.

ATTENDANCE SLIP

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

Client ID/Folio No. :

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

DP ID :

--	--	--	--	--	--	--	--	--	--

No. of Shares held :

--	--	--	--	--	--	--	--	--	--

I certify that I am Registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the 14th Annual
General Meeting of the Company being held on Thursday, 30th July, 2009 at 4.00 p.m. at MLR Convention Centre, Brigade Millennium Campus,
7th Phase, J.P. Nagar, Bangalore - 560 078.

Name of the Member/Proxy (in Block Letters)

Signature of Member/Proxy

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

AWARDS AND RECOGNITIONS



REGIONAL
DEVELOPER OF
THE YEAR-
SOUTH

**Brigade Enterprises awarded Regional developer of the Year
- South by Realty Plus**

Brigade Enterprises Ltd has been recognized and awarded the Regional Developer of the year-South by Realty Plus at the Realty Plus Excellence Awards, 2009.

The 'Regional Developer of the Year-South' Award has been conferred on the company for having demonstrated excellence in developing and delivering real estate properties (residential, commercial and retail) in our region of India in the last 3 years.



**BRIGADE IN FORBES
"BEST UNDER A BILLION"**

Brigade Enterprises made it to the Forbes list of "200 Best under a billion dollar" companies in the Asia-Pacific region in 2008. This prestigious list selects 200 of Asia-Pacific's best small and medium sized companies with sales under \$ 1 billion. Brigade is the only real estate company from India to find a place in this years Forbes list.



**BRIGADE GROUP-
AMONG INDIA'S
TOP TEN BUILDERS**



Brigade Group has been listed among India's Top Ten Builders for two consecutive years- 2007 and 2008 by Construction World. This award is based on an annual perception poll conducted by the magazine.



Brigade Enterprises Limited
Hulkul Brigade Centre, 82, Lavelle Road, Bangalore 560 001.
Ph: +91-80-4137 9200 brigadegroup.com

If undelivered, please return to the above address.