

ANNUAL REPORT 2011-12



Brigade Enterprises Limited
29th & 30th Floors, World Trade Center, Brigade Gateway Campus
26/1, Dr Rajkumar Road, Malleswaram-Rajajinagar
Bangalore 560 055 Karnataka, INDIA
Tel: +91-80-4137 9200 Toll free: 1800-102-9977 BrigadeGroup.com



QUALITY & CUSTOMER-FIRST

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CMD's Message

THE financial year 2011-12 was an important milestone for the Group, as we have successfully completed 25 years of operations, to be precise on 10 October 2011.

What started as a one project venture in October 1986, blossomed into a multiproduct and multicity company. The success of our maiden venture Brigade Towers, the support we have received throughout from stakeholders like you, and the trust reposed on us by our customers, have brought us thus far.

With the completion of Orion Mall and, with it, the total completion of the iconic, landmark Brigade Gateway project, a major milestone was reached this year. Many of the components of Brigade Gateway—be it Orion Mall, World Trade Center Bangalore, Sheraton Bangalore Hotel, Galaxy Club, The Brigade School or Columbia Asia Hospital—apart from the entire Brigade Gateway project itself—have set new standards in development and become benchmarks for others to follow. (The Orion launch event itself was considered by many to be the best product launch ever seen in Bangalore.) This milestone, coupled with shifting of our corporate offices to WTC Bangalore, should be considered as a new chapter in the life of the organisation.

During the last 25 years, we have seen many ups and downs, as have most other businesses. Through it all, we have managed to survive and grow. We have tried, and we continue to try, to do business respecting our core values, which are quality-centric and customer-centric, built around the principles of fairness, innovation, social responsibility and trust. I can only say that it is not easy; it takes enormous effort and determination to live up to



our core values. Our vision is to become a world-class organisation, in our people, products, processes and performance.

I am delighted to mention that Sheraton Bangalore Hotel at Brigade Gateway received the coveted recognition as the *Best New 5-Star Upscale Hotel in South Asia in 2011* at the annual HICSA Conference of HVS.

What is significant, and very satisfying, is that our Mercure Homestead Serviced Residences (now Grand Mercure) won a similar award in the Apartment Hotel category in 2009—making both our hotel properties the 'best in class'.

On Brigade Group's social contribution to society: in addition to setting up three Brigade Schools, we are supporting and contributing in a significant way to the setting up of a unique museum at JP Nagar. The Centre for Indian Music Experience or IME will be the first of its kind in India, similar to such music museums in Seattle and Vienna. Another major CSR initiative we would like to launch is a Not-for-Profit

company in the Social Housing sector, to help the urban poor. We would take up this project once the global and Indian economic scenario stabilises.

Having completed 20 million sft in over 100 buildings, we have geared up to launch and complete 30 million sft of new projects in seven South Indian

cities over the next five years. As an optimist, like most businessmen, I hope that the not so favourable macro-environment will change for the better fairly soon.

I seek your good wishes and support in the years ahead.

— M. R. Jaishankar, CMD

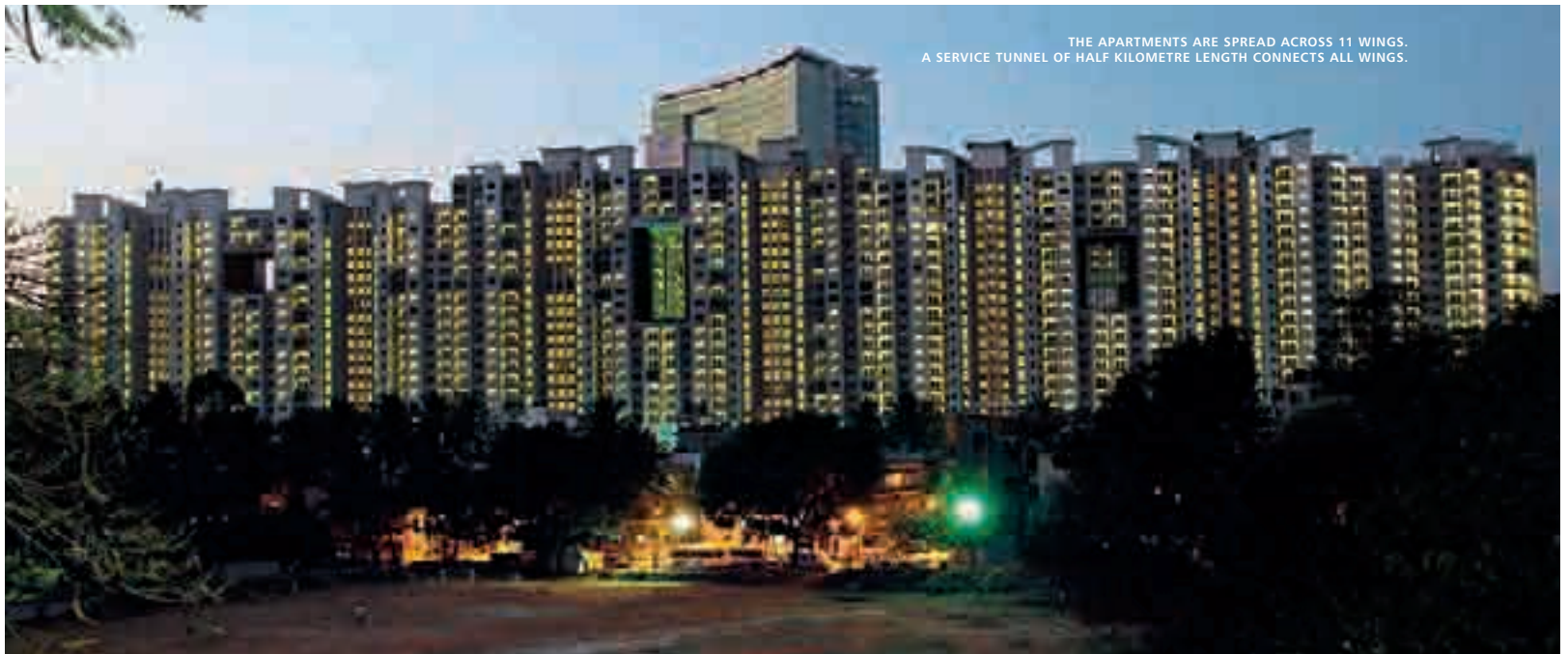


Brigade Gateway: A vision realised

THE 40-acre Brigade Gateway enclave, based on the best practices of modern town planning, comprises several independent and self-sufficient facilities that come together seamlessly as a whole. These are the residential section, with 1250+ apartments; the iconic World Trade Center Bangalore office facility; Orion Mall & Multiplex; Sheraton Bangalore Hotel; Galaxy Club; Columbia Asia Hospital and The Brigade School—separated from each other by broad roads, trees and garden areas. A central feature of the enclave is its man-made lake and surrounding promenade. Enclaves of this size and description are usually located outside the city core. Brigade Gateway, in the central Malleswaram-Rajajinagar region, is an exception. With all these features and advantages, Brigade Gateway may well be one of the most outstanding integrated enclaves in the world.



A view of the Brigade Gateway enclave. The 5-star Sheraton Bangalore Hotel is on the left, with the WTC Bangalore opposite. Sky bridges offer aerial connectivity between residences, Orion Mall, Sheraton and WTC.



**THE APARTMENTS ARE SPREAD ACROSS 11 WINGS.
A SERVICE TUNNEL OF HALF KILOMETRE LENGTH CONNECTS ALL WINGS.**

THE 800,000 SFT ORION MALL OFFERS A MIX OF ILLUSTRIOUS GLOBAL AND NATIONAL BRANDS, ACROSS CATEGORIES; AN 11-SCREEN PVR MULTIPLEX; 27-LANE BOWLING ALLEY; FOOD COURT, RESTAURANTS AND LAKESIDE CAFES AND A LARGE CAR PARK.



Electric carts ferry people around the enclave. Seen behind is the World Trade Center Bangalore or WTCB—the tallest building in the city and one of its most sought after business addresses.



The 200-bed multi-specialty Columbia Asia Hospital provides comprehensive tertiary-level services, as well as secondary-level medical care.



Winner of 'Best Hospitality Architecture' title at the CNBC AWAAZ CRISIL CREDAI Real Estate Awards 2010, the Galaxy Club offers a range of sports, entertainment, dining and leisure facilities.



The Brigade School, the third and most recent in The Brigade Schools chain, offers excellent teaching, infrastructure and facilities.

Residential projects across cities and market segments

ENCLAVES like Brigade Gateway are only one aspect of our residential portfolio. Also on that portfolio are a range of independent residential projects—premium, luxury and high end residences in seven cities across South India. Several more, including villa options and residential sections within enclaves, are under different stages of construction and on our drawing boards. Importantly, we have sharpened our focus on environmental and ecological sustainability. A case in point is Brigade Exotica, which is a CRISIL 5-star rated, IGBC Pre-certified Gold Standard green building.

More recently, we have launched an initiative to bring no-compromise, affordable homes into the housing market. Our value homes will be located within mixed use developments like Brigade Orchards in Devanahalli, in the northern part of the city, and Brigade Meadows on Kanakapura Road, in the south of Bangalore. They will offer their residents the benefit not only of affordable housing, but also lifestyle enriching social and recreational facilities. Our portfolio of new projects includes ...



Brigade Caladium, Hebbal, Bangalore



Brigade Omega, off Kanakapura Road, Bangalore



Brigade Oak Tree Place, Devanahalli, Bangalore



Brigade Altamont, Arkavathy Layout, Bangalore



Brigade Palmgrove, Bogadi Road, Mysore



Brigade Zenith, Banjara Hills, Hyderabad



Brigade Serenity, Chikmagalur

Notice



Notice is hereby given that the Seventeenth Annual General Meeting of **Brigade Enterprises Limited** will be held at Chowdiah Memorial Hall, Gayathri Devi Park Extension, 16th Cross, Malleswaram, Vyalikaval, Bangalore 560 003, on Tuesday, 7th August, 2012, at 10.30 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet and Audited Profit & Loss Account for the Financial Year ended 31st March, 2012, and the reports of Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Dr Anumolu Ramakrishna, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr M. R. Gurumurthy, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Statutory Auditors of the Company for the period commencing from the conclusion of this Meeting until the conclusion of the next Annual General Meeting, at a remuneration to be fixed by the Board of Directors in consultation with the Auditors.

SPECIAL BUSINESS

- 6) To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 198, 269 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the said Act, approval be and is hereby given to the re-appointment

of Mr M. R. Jaishankar as Chairman and Managing Director for a period of 5 years with effect from 1st April 2012 on a remuneration as detailed in the Explanatory Statement annexed to the Notice."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase as the case may be is within the overall limits specified in Schedule XIII & the relevant provisions of the Companies Act, 1956."

- 7) To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 198, 269 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the said Act, approval be and is hereby given to the re-appointment of Ms. Githa Shankar as Wholetime Director for a period of 5 years with effect from 1st April 2012 on a remuneration as detailed in the Explanatory Statement annexed to the Notice."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase as the case may be is within the overall limits specified in Schedule XIII & the relevant provisions of the Companies Act, 1956."

Notes

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, must be received at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
3. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to Special Business to be transacted at the meeting is annexed hereto and forms part of the Notice.
4. The Register of Members and Share Transfer Books will be closed from Wednesday, 1st August, 2012 to Tuesday, 7th August, 2012 (both days inclusive).

Notes

5. Members are requested to send all communications relating to Shares to our Share Transfer Agents at the following address:
Karvy Computershare Private Limited
Plot Nos 17 to 24 Vittalrao Nagar, Madhapur,
Hyderabad 500 081
Telephone No.: +91-40-2342 0815 to 24
Fax No : +91-40-2342 0814
Email: svraju@karvy.com
6. Members are requested to send their queries in regard to the Accounts at least 10 days in advance to the registered Office of the Company.
7. Members / Proxies are requested to bring the attendance slips duly filled in and their copies of the Annual Report to the Meeting.
8. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank details to their depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address or bank details immediately to our Registrars and Transfer Agent, M/s Karvy Computershare Private Limited.
10. Members are requested to note that the dividends not encashed or claimed within seven years from the date of transfer to the Unpaid Dividend Account, will as per Section 205A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.

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

Place: Bangalore
Date: May 07, 2012

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

P. Om Prakash
Company Secretary

Annexure to the Notice

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

Item No. 6

The present term of Mr M. R. Jaishankar as Chairman & Managing Director of the Company was upto 31st March 2012. The Board of Directors have approved the re-appointment of Mr M. R. Jaishankar for further period of five years subject to the approval of shareholders.

Approval of the members is sought for ratifying the re-appointment of Mr M. R. Jaishankar as Chairman and Managing Director for a further period of 5 years w.e.f. 1st April 2012 pursuant to Section 198, 269 and other applicable

provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956.

Mr M. R. Jaishankar has been guiding force behind the Company's exponential growth of the Company. Under his guidance the company has successfully completed 25 years of operations. Mr M. R. Jaishankar has been the guiding force for the Brigade Group completing construction of over 100 residential, commercial, retail and hospitality projects, covering over 20 million sft of developable area.

An abstract of the terms of the agreement entered into for his appointment is given below and shall be treated as disclosure required to be made under Section 302 of the Companies Act, 1956:

1. Duties and Powers

Mr M. R. Jaishankar, the Chairman and Managing Director shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned by him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its subsidiaries, including performing duties as assigned by the Board from time to time by serving on the boards of such subsidiaries or any other executive body or committee of such a company.

2. Period of Appointment: From 1st April 2012 to 31st March 2017.

3. Remuneration

(a) Salary up to a maximum of Rs 4,00,000/- p.m. (Rupees Four Lakhs Only), with authority to the Board to fix the salary within the said maximum amount from time to time. The annual increments shall be effective 1st April each year, and shall be decided by the Board and will be merit based and take into account the Company's performance.

(b) Perquisites

(1) In Addition to the salary, Mr M. R. Jaishankar shall be entitled to perquisites such as:

- (i) Furnished accommodation, with expenditure on gas, electricity, water and maintenance and repairs thereof or, House Rent Allowance and house maintenance allowance with expenditure on gas, electricity, water and furnishings.
- (ii) Leave Travel Allowance for self and family.
- (iii) Medical Reimbursement: Expenses incurred by the Managing Director and his family will be subject to ceiling of one month's salary.

(iv) Club Fee

And such other perquisites and allowances in accordance with the rules of the Company and as may be agreed by the Board of Directors and Mr M. R. Jaishankar; and such perquisites and allowances will be subject to overall ceiling as may be fixed by the Board of Directors from time to time.

- (2) Company maintained Car with Driver for official and personal use.
- (3) Telecommunication facilities at residence.
- (4) Contribution of Provident Fund and Gratuity: The Managing Director will be eligible to the benefit of contribution to Provident Fund, which presently is Rs 780/- (Rupees Seven

Hundred and Eighty only).

(5) Leave and encashment of unavailed leave as per the rules of the Company.

(6) Other Benefits: Such as servant allowance, entertainment expenses etc. as applicable from time to time as per the Company's rules.

(c) Commission

Such remuneration by way of Commission, in addition to salary and perquisites, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of Directors of the Company at the end of the each financial year. The exact amount payable will be decided by the Board of Directors based on certain performance criteria and shall be payable only after the Annual Accounts of the Company have been approved by the Board of Directors.

The remuneration payable including commission shall not exceed the limits specified in Section I of Part II to Schedule XIII to the Companies Act, 1956.

(d) Termination:

The appointment will be for a period of five years, which may be terminated by either party giving to the other 90 days notice in writing.

The Board of Directors recommend this resolution for your consideration and approval as a special resolution.

None of the Directors except Mr M. R. Jaishankar are concerned or interested in the resolution.

Item No. 7

Ms Githa Shankar is on the Board of the Company with effect from 8th November 1995 as a Non Executive Director. The Board of Directors in their meeting held on 7th March 2007 approved her appointment as a Wholtime Director for a period of five years w.e.f. 1st April 2007. The Board of Directors have recommended her re-appointment as Wholtime director for a period of five years from 1st April, 2012.

Approval of the members is sought for ratifying the re-appointment of Ms Githa Shankar as an Wholtime Director of the Company for a period of five years w.e.f. 1st April 2012 pursuant to Section 198, 269 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956.

An abstract of the terms of the agreement entered into is given below and shall be treated as disclosure required to be made under Section 302 of the Companies Act, 1956:

1. Duties and Powers

Ms Githa Shankar, the Executive Director of the Company shall devote her whole time and attention

Annexure to the Notice

to the business of the Company and carry out such duties as may be entrusted to her by the Board from time to time and separately communicated to her and exercise such powers as may be assigned by her, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its subsidiaries, including performing duties as assigned by the Board from time to time by serving on the boards of such subsidiaries or any other executive body or committee of such a company.

2. Period of Appointment: From 1st April 2012 to 31st March 2017.

3. Remuneration

(a) Salary up to a maximum of Rs 4,00,000/- p.m. (Rupees Four Lakhs only), with authority to the Board to fix the salary within the said maximum amount from time to time. The annual increments shall be effective 1st April each year, and shall be decided by the Board and will be merit based and take into account the Company's performance.

(b) Perquisites

(1) In Addition to the salary, Ms Githa Shankar shall be entitled to perquisites such as:

(i) Furnished accommodation, with expenditure on gas, electricity, water and maintenance and repairs thereof or, House Rent Allowance and house maintenance allowance with expenditure on gas, electricity, water and furnishings.

(ii) Leave Travel Allowance for self and family.

(iii) Medical Reimbursement: Expenses incurred by the Whole-time Director and her family will be subject to ceiling of one month's salary.

(iv) Club Fee

And such other perquisites and allowances in accordance with the rules of the Company and as may be agreed by the Board of Directors and Ms Githa Shankar; and such

perquisites and allowances will be subject to overall ceiling as may be fixed by the Board of Directors from time to time.

(2) Company maintained Car with Driver for official and personal use.

(3) Telecommunication facilities at residence.

(4) Contribution of Provident Fund and Gratuity: The Executive Director will be eligible to the benefit of contribution to Provident Fund, which presently is Rs 780/- (Rupees Seven Hundred and Eighty only)

(5) Leave and encashment of unavailed leave as per the rules of the Company.

(6) Other Benefits: Such as servant allowance, entertainment expenses etc. as applicable from time to time as per the Company's rules.

(c) Commission

Such remuneration by way of Commission, in addition to salary and perquisites, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of Directors of the Company at the end of the each financial year. The exact amount payable will be decided by the Board of Directors based on certain performance criteria and shall be payable only after the Annual Accounts of the Company have been approved by the Board of Directors.

The remuneration payable including commission shall not exceed the limits specified in Section I of Part II to Schedule XIII to the Companies Act, 1956.

(d) Termination:

The appointment will be for a period of five years, which may be terminated by either party giving to the other 90 days notice in writing.

The Board of Directors recommend their resolution for your consideration and approval as a special resolution.

None of the Directors except Ms Githa Shankar are concerned or interested in the resolution.

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

Place: Bangalore
Date: May 07, 2012

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

P. Om Prakash
Company Secretary

Details of the Directors seeking re-appointment at the 17th Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Mr M. R. Jaishankar	Ms Githa Shankar	Dr Anumolu Ramakrishna	Mr M. R. Gurumurthy
Date of Birth	22/04/1954	23/01/1954	20/12/1939	04/05/1941
Age (in years)	58	58	73	71
Date of Appointment	08/11/1995	08/11/1995	25/04/2008	08/11/1995
Qualification	Bachelors in Science and Masters in Business Administration	Bachelors in Arts, Bachelors in Library Science and a Masters in Business Administration	Masters in Structural Engineering	Bachelors in Science
No. of equity shares held in the Company	23045064	18700500	Nil	2137722
Expertise in functional areas	He has around 3 decades of rich experience in real estate industry	She has over 3 decades of experience in the fields of advertising, stock broking, insurance, education and real estate	He has around 4 decades of rich experience in real estate industry	He has more than 4 decades of business experience
Directorships held in other Companies	a. Brigade Hospitality Services Ltd b. Mysore Holdings Pvt. Ltd c. Brigade Estates & Projects Pvt. Ltd d. Brigade Tetrarch Pvt. Ltd e. Brigade Properties Pvt. Ltd f. Brigade Infrastructure & Power Pvt. Ltd g. BCV Developers Pvt. Ltd h. WTC Trades & Projects Pvt. Ltd. i. BCV Estates Pvt. Ltd. j. Orion Mall Management Company Limited	a. Brigade Hospitality Services Ltd b. Brigade Tetrarch Pvt. Ltd c. Brigade Estates & Projects Pvt. Ltd d. Brigade Properties Pvt. Ltd e. Mysore Holdings Pvt. Ltd f. Brigade Infrastructure & Power Pvt. Ltd g. Tetrarch Equity Research & Analysis Pvt. Ltd h. Orion Mall Management Company Limited	a. The K C P Limited b. Teesta Urja Limited c. Madras Cements Limited d. GVK Jaipur Expressway Private Limited e. GVK Power & Infrastructure Limited f. GVK Industries Limited Power Pvt. Ltd g. Taj GVK Hotels & Resorts Limited h. SPEL Semiconductor Limited i. Ramco Industries Limited j. GVK Gautami power Limited k. The Andhra Sugars Limited l. Mumbai International Airport Private Limited m. The Andhra Petrochemicals Limited n. Anumolu Hi-Tec Promoter Private Limited o. GVK Energy Limited	a. Capronics Private Limited
Committee positions held in other Companies	NIL	NIL	8	NIL