

ANNUAL REPORT  
**2012-13**  
BRIGADE ENTERPRISES LIMITED  
QUALITY & CUSTOMER-FIRST



Innovation. Consolidation. Growth.

# THE BOARD OF DIRECTORS

**M. R. Shivram**  
Director

**M. R. Gurumurthy**  
Director

**P. V. Maiya**  
Independent Director

**Dr Anumolu Ramakrishna**  
Independent Director



**M. R. Jaishankar**  
Chairman & Managing Director

**Githa Shankar**  
Wholtime Director

**P. M. Thampi**  
Independent Director

**Dr K. R. S. Murthy**  
Independent Director

**COMPANY SECRETARY**  
P. Om Prakash

**BANKERS**  
Allahabad Bank  
Bank of Baroda  
Bank of India  
Corporation Bank  
Indian Overseas Bank  
Karur Vysya Bank  
Lakshmi Vilas Bank  
Punjab National Bank  
State Bank of India  
State Bank of Mysore  
State Bank of Patiala  
United Bank of India

**STATUTORY AUDITORS**  
Narayanan, Patil & Ramesh

**INTERNAL AUDITORS**  
Grant Thornton India LLP

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

**REGISTRAR & SHARE TRANSFER AGENTS**  
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**L**IKE many financial years, 2012-13 is a mixed bag of fortunes. After much effort in the last few years, we could make entry into new markets—Chikmagalur, Hyderabad, Kochi and Mangalore—with small- and medium-sized projects. We have also started a commercial project and entered into a Joint Development Agreement for a 36-acre residential project in Chennai.

The year also saw us accepting private equity for the first time, from the reputed Government Investment Corporation (GIC), Singapore, to purchase a 9.3 acre prime property in Whitefield, Bangalore, from Hindustan Unilever Ltd.

Although the organisation has shown a topline growth of 30% over its previous year, we could have performed much better had we received the required approvals for some of the large projects. The good news is that in the current financial year, we would be launching 10 million sq ft. While the world economy, in particular that of the US and Europe, is beginning to stabilise, unfortunately, the growth rate of the Indian economy is contracting. In my opinion, the primary reason seems to be a case of 'self-inflicting wounds', with the government at the centre having hardly functioned in the last financial year, resulting in the country's GDP having come down to below 5% growth. The growth-related policies, or the lack of them, coupled with the continued high rate of interest, have resulted in negative sentiments in the industry. Most of the infrastructure projects—be it in construction, power or telecommunication sectors—are all embroiled in mega-sized scams. Continued high interest rates, though beginning to be on the downward mode, have not helped in improving the confidence of business and industry.

In spite of this, I feel there is inherent strength in the economy, with business and industry raring to go, but waiting for the right cues from the government. The insatiable demand for gold is a good indicator of money waiting to be invested, but finding its way to gold due to lack of other investment opportunities. This seems to be one of the major reasons for the rupee to depreciate against the dollar, as the government allowed indiscriminate import of gold causing huge foreign exchange outflows. Although most economists predict India will be the third largest economy in the world in the next 15 years, the cause for concern is the state of the economy in the immediate term. With parliamentary elections in the offing within the next 12 months, it remains to be seen what steps the government will take to give a fillip to the economy.

In an otherwise bleak scenario, Brigade Group continues to be optimistic as the real estate sector is one which is doing reasonably well and demand should exist at the right price point in the right location. The much debated Real Estate Management Bill should probably come into force in the next few months. This is one more 'super' regulation to the already



highly regulated sector at the state and civic authority levels. While the bill certainly has a few positives, like sale of space based on carpet area and escrow account mechanism, it may lead to delays in project launches and escalation in costs due to additional time required for complying with the formalities of the bill.

The company has taken few neighbourhood improvement initiatives as part of its CSR:

- Developing the 3-acre park and 5-acre playground in Malleswaram, Bangalore near Brigade Gateway, our flagship project;
- Similarly, to improve the lake in Whitefield, Bangalore, adjacent to Brigade LakeFront, our large residential project to be launched shortly.

Some of the important accolades received by the Company during the year are:

1. **India's Best Companies to Work For 2012** by Great Place to Work Institute and Economic Times, for the second time in a row. (3rd in the Real Estate Industry).
2. World Trade Center @ Brigade Gateway won the award for **Best Office Space in India** at the CREDAI Real Estate Awards 2012.
3. Brigade Gateway Residences won the award for **Best Project in the Mid-Segment Housing Category** at the national level, at the CREDAI Real Estate Awards 2012.
4. Sheraton Bangalore @ Brigade Gateway won the award for **Best New Hotel of the Year 2012** in the 'Upscale Segment -Business' by HVS South Asia at the HICSA 2012 event.
5. Orion Mall at Brigade Gateway won the award for **Best Marketing Campaign for the Year** in the ET Now-Asia Retail Congress 2012 Awards.
6. Brigade Group received the **Platinum Award of Excellence** at the Construction World Awards 2012, for being recognised as one of India's Top 10 Builders for 5 consecutive years (2007-2011).

Property Development is a never ending game of launching and completing projects. Bangalore Metropolitan City, along with other Metros and mini-metros, is growing by leaps and bounds due to increased urbanisation, offering business opportunities to well-managed developers. The infrastructure bottlenecks will continue and may even increase. Sadly, Indians will have to learn to live in urban chaos and that does not give much hope, in general, for a better tomorrow. So we in Brigade will continue to concentrate on creating many Oases, which will offer a 'Better Quality of Life' to our customers within the communities we create. We are gearing up to accomplish our high-growth projections of developing 40 million sq ft of space across cities in south India in the next 4-5 years. We will definitely achieve our business goals with our focussed approach and dedicated efforts.

— M. R. Jaishankar, CMD



## Brigade homes in six cities across South India



Brigade LakeFront, Bangalore



Brigade Begonia, Bangalore



Brigade Caladium, Bangalore

**O**VER the last 26 years, we have created value homes, luxury apartments, premium residences and villas; some as stand-alone projects, others set in enclaves. Our residential projects presently span across six cities in South India: Bangalore, Mysore, Chikmagalur, Mangalore, Chennai and Hyderabad.

Our focus—across market segments that range from value homes to high-end residences—is not just on space, but on the *quality* of space. This applies to design, specifications, features, facilities and eco-friendly initiatives like waste

management, rainwater harvesting and use of solar energy. The homes we've created have added value to both the lives and lifestyles of their occupants.

The coming years will see the completion of several more unique projects in the residential domain. A section of our projects is featured on these two pages; two ambitious enclave projects are described overleaf.

*One in every three Indians now lives in an urban habitat and the move towards towns and cities has happened mostly in south India.*

—Census, 2011







Innovation. Consolidation. Growth.

Our enclaves: Brigade Komarla Residency > Brigade Gardenia >  
Brigade Millennium > Brigade Metropolis > Brigade Gateway > and now ...

## Brigade Meadows & Brigade Orchards

### Two new mega enclaves under development



**W**E introduced the concept of integrated enclaves to Bangalore. Our award-winning enclaves have met increasingly high expectations and set new benchmarks.

Now we've raised the bar even higher with Brigade Orchards and Brigade Meadows, two enclaves being developed at opposite ends of Bangalore. What they have in common is size (130 acres and 60+ acres respectively), scale and the breadth of vision that has gone into their planning and development. Both enclaves are mixed-use, multi-segment projects. A unique feature in these enclaves is that they also offer affordable value homes, with

no compromise on quality, for the less affluent sections of our society.

#### **BRIGADE MEADOWS, KANAKAPURA ROAD**

Covering 60+ acres, Brigade Meadows, the only integrated enclave on Kanakapura Road, features residential options designed to suit different budgets. Amenities include a clubhouse with gymnasium and swimming pool, play areas and parks. It also has areas earmarked for a school, neighborhood shopping arcade and hospital. Phase I of the development offers about 1850 units.



Brigade Orchards



Actual shots of pavilion villas at Brigade Orchards



Brigade Orchards—Value home model apartment



Pre-fabrication plant at Brigade Orchards



Retirement Homes at Brigade Orchards

#### BRIGADE ORCHARDS, DEVANAHALLI

This 130 acre enclave has been designed to global best practices by master planner nbbj, USA.

Proposed features include • Residential options in categories ranging from pavilion villas to value homes • Signature Club, a world-class leisure destination with sports, leisure, business and dining facilities • Office spaces • Retail options for daily-need and boutique formats • Fast food restaurants and take-aways • Traffic-free cycling and jogging tracks • Hospital/nursing home • Fire station • Police station • School • Arts Village.

#### THREE FACILITIES UNIQUE TO BRIGADE ORCHARDS

- ◊ Sporting Edge: A venture of sporting legend Steve Waugh, this world-class sports academy will provide state-of-the-art facilities and expert coaching to its members.
- ◊ Retirement Home Facility: Retirement homes, with assisted living facilities, will be managed by Age Ventures India (AVI), an associate of Help Age India.
- ◊ An on-site pre-fabrication plant will bring down costs and enable quick completion of work.



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## Brigade Offices: From small offices to SEZs



*Brigade Technopolis, Kochi*



*Brigade Magnum, Bangalore*



*Brigade Vantage, Chennai*



*Brigade IRV Centre, Bangalore*

**W**E have developed landmark commercial spaces over the last 26 years. Our client portfolio includes some of the biggest and most respected organisations, across sectors.

We have contributed many prestigious buildings to the urban skyline. Amongst these are Brigade Towers, Brigade Seshamahai, Brigade Techpark, Brigade Rubix, Summit and World Trade Center (WTC) Bangalore, to name just a few. WTC Bangalore, one of the city's most iconic buildings and

our corporate headquarters, is a signature real estate project and a premier business address.

Many more commercial projects are in progress and on the drawing boards. The next five years will see us developing commercial spaces in Bangalore, Mysore, Mangalore, Chennai and Kochi. Projects in the offing include small- and medium-sized offices; large working environments, with built-to-suit options; state-of-the-art techparks and SEZs.





## WTC Bangalore: Growing activities, services and reputation



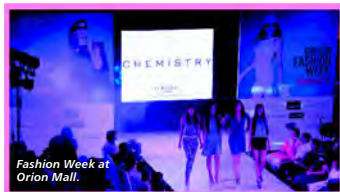
**T**HE World Trade Centers Association, USA, awarded the license for World Trade Center for the city of Bangalore to WTC Trades & Projects Private Limited, a subsidiary of Brigade Enterprises Ltd.

Through its services, programmes and trade shows, the WTC Bangalore facilitates communication between businesses and government agencies and amongst related businesses.

In April this year, World Trade Centers Association

(WTCA) New York awarded WTC Bangalore its *Certification of Excellence* in the following areas: Trade Information Services, Business Services, Trade Education Services, Conference Facilities, Group Trade Missions (Inbound) and Tenant Services. Securing quality certification by the WTCA in the second year of operations is a record achievement. WTC Bangalore also received an award for *Best Practice in Tenant Services*.

## Our flagship retail venture makes history



**O**RION Mall, our flagship project in the retail sector, celebrated its first anniversary this April. In that one year, it has made mall history, drawing 12.5 million visitors in 12 months—a feat that other malls have taken years to achieve. We have been recognised and rewarded with customer and retailer delight and a slew of prestigious awards.

Designed by New York's renowned architectural firm H.O.K., Orion Mall is located in the upmarket Brigade Gateway enclave. Arguably one of the best planned retail spaces in the city, the mall covers 8.2 lakh square feet

spread over 4 floors and incorporates the latest technological advancements in structure, space utilisation and security systems. It has a portfolio of over 100 brands, a wide range of food and entertainment options (including India's best PVR and Bangalore's largest bowling alley) and ample parking.

Our vision of establishing vibrant retail, leisure and entertainment experiences is now being confidently extended to other facilities—both stand-alone retail and within star hotels—in Bangalore, Mysore and Chennai.