# BRIGADE PROPERTIES PRIVATE LIMITED

## ANNUAL REPORT 2020-2021

# N O T I C E

Notice is hereby given that the **Fourteenth Annual General Meeting** of the members of **Brigade Properties Private Limited** will be held on Friday, 13$^{th}$ August, 2021 at 10.00 a.m. through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') to be held from the Board Room, 30$^{th}$ Floor, World Trade Center, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bangalore – 560 055 to transact the following business:

**ORDINARY BUSINESS**

**1.** To receive, consider and adopt the financial statements of the Company for the financial year ended 31$^{st}$ March, 2021, including the Audited Balance Sheet and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.

**2.** To appoint a Director in place of Mr. Roshin Mathew (DIN: 00673926), who retires by rotation and being eligible for re-appointment, offers himself for re-appointment.

**SPECIAL BUSINESS**

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), payment of remuneration not exceeding Rs.75,000/- (Rupees Seventy Five Thousand) apart from applicable taxes and out of pocket expenses to Messrs Murthy & Co. LLP, Cost Accountants (LLP ID No. AAB-1402), appointed as Cost Auditors by the Board of Directors of the Company for conducting cost audit for the financial year 2020-21 (1$^{st}$ April 2020 to 31$^{st}$ March, 2021) be and is hereby approved.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution."

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

"**RESOLVED THAT**, pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Amit Mathur (DIN: 01943856), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 30$^{th}$ March, 2021 and who holds office until the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the

Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

5. **<u>Approval for the proposed issuance of C series Unsecured Non-Convertible Debentures ("NCDs")</u>**

To consider and, if thought fit, to pass with or without modification, the following resolutions as **Special Resolution**:

"**RESOLVED THAT** in accordance with the provisions of section 42, section 62 and section 71 of the and other applicable provisions of the Companies Act, 2013 and the rules enacted thereunder (to the extent that each may be applicable), and such other provisions (including any statutory modifications or re-enactment thereof) as maybe applicable for time being in force, the Memorandum and Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to the Board to make issuance of 100,00,000 12.00% C series unsecured unlisted Non-Convertible Debentures of INR 100 /- each aggregating to INR 100 Crores (Rupees One Hundred Crores only) to Brigade Enterprises Limited, Reco Iris Pte Ltd. or such other persons affiliated to it, its co-investors or assignees the following securities on a private placement basis in electronic form in one or more tranches within a period 12 months from the date of approval.

**RESOLVED FURTHER THAT** any Director or Company Secretary of the Company, be and are hereby severally authorised to do all acts in relation to the issuance of C series NCDs including but not limited to the following:

i) Approve, finalise, sign, execute and deliver documents including the letter of offer in Form PAS-4 and/or any other applicable form as per the requirements provided under the Companies Act, 2013

ii) To make any corrections, amendments, deletions, additions in the letter of offer and / or information memorandum relating to the proposed offer and to give any information, explanation, declaration and confirmations as may be required by the concerned authorities

iii) To make any corrections, amendments, deletions, additions in the letter of offer and / or information memorandum relating to the proposed offer and to give any information, explanation, declaration and confirmations as may be required by the concerned authorities

**RESOLVED FURTHER THAT** any Director, Company Secretary, Manager or Chief Financial Officer, be and are hereby severally authorised on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient to the issue or allotment of the securities under the offer and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of the securities in electronic form, the utilization of the issue proceeds for the purpose stated in the offer letters and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**RESOLVED FURTHER THAT** the terms of issue of the 12% series C Unsecured Unlisted Non-Convertible Debentures are as follows:

(i) **Face Value**

a. The NCDs shall have a face value of Rs. 100.

**(ii) Inter-se ranking of debentures**

a. The debenture payments shall, among the holders of the Series C Unsecured NCDs *inter-se*, rank *pari passu* without any preference or priority whatsoever on account of date of issue or allotment, or otherwise.

**(iii) Tenor**

a. The term of the Series C Unsecured Unlisted NCDs shall be for 5 years from the date of allotment ("**5 years**").

**(iv) Transferability**

a. Any of the Series C Unsecured Unlisted NCDs may be transferred in the manner permitted under the Agreement.

**(v) Distributions**

a. The Series C Unsecured Unlisted NCDs will be entitled to distributions, as set out in the Agreement and the Articles.

**(vi) Interest**

a. Each Series C Unsecured Unlisted NCDs shall carry interest at the rate of 12% per cent per annum or such other rate as may be decided by the Board in compliance with the Transfer Pricing provisions, on the Interest Due Date on an 'as able basis' and in the manner set out in this paragraph.

b. Except in case of default or breach by the Company of any of the terms and conditions of the issue, until the Series C Unsecured Unlisted NCDs are fully converted, the Interest shall be payable on an annual basis on March 31 of every year starting from 31st March, 2022, or such other date as may be approved by the Board ("**Interest Due Date**").

c. The Company shall, until the Series C Unsecured Unlisted NCDs are fully redeemed, pay to the Debenture Holders, Interest on the principal amount of the Series C Unsecured NCDs outstanding from time to time by the Interest Due Date.

d. Interest, default interest, if any, and all other charges shall be computed on the basis of actual day count convention.

**e.** The Interest payable on the Series C Unsecured Unlisted NCDs shall be calculated from (and including) the Date of Allotment to (but excluding) the immediately subsequent Interest Due Date and thereafter shall be computed from (and including) an Interest Due Date to (but excluding) the immediately subsequent Interest Due Date.

(vii) **Modification of Rights of the Debenture Holder**

a. The rights, privileges and conditions attached to the Series C Unsecured Unlisted NCDs may be varied, modified or abrogated in accordance with the Agreement, the Articles and applicable Law.

b. The Series C Unsecured Unlisted NCDs shall be subject to the terms and conditions contained herein and the Agreement and the Articles. The terms and conditions set out in this Annex shall be endorsed on the reverse of the certificate representing each of Series C Unsecured Unlisted NCDs and the terms and conditions set out herein shall be binding on the Parties and shall be deemed to be incorporated in the body of the Agreement. The salient terms and conditions of the Series C Unsecured Unlisted NCDs shall be stated on the certificate(s) issued by the Company.

**(viii) Taxation**

a. Any Debenture Payment shall be reduced by the amount of Tax that is required to be made under applicable Law by the Company, and then paid to the Debenture Holders.

Place : Bangalore
Date : 4th May, 2021

**By Order of the Board**

**Akanksha Bijawat**
**Company Secretary**

Registered Office
29th Floor, World Trade Center
Brigade Gateway Campus
26/1, Dr. Rajkumar Road
Malleswaram-Rajajinagar
Bangalore – 560 055

**NOTES:**

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed hereto.

2. **A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the company. However, as this AGM is being held through VC/OAVM, physical attendance of Members is being dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence the proxy form and attendance slip are not being annexed to this Notice and the resultant requirement for submission of proxy forms does not arise.**

3. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

## STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

**Item No.3:**

The provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 mandates the Company to get its cost records audited. The Board of Directors have appointed M/s. Murthy & Co. LLP, Cost Accountants (LLP ID No. AAB-1402) as the Cost Auditors of the Company for the financial year 2020-21 at a remuneration of Rs.75,000/- (Rupees Seventy Five Thousand only) apart from applicable taxes and out of pocket expenses, if any, for the financial year 2020-21.

Ratification of remuneration payable to cost auditors needs to be done by the shareholders of the Company in terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014. Due to which the consent of the members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2020-21.

None of the Promoters, Directors, Key Managerial Personnel or their relatives are interested, financial or otherwise, if any in the Resolution No.3 of the accompanying Notice except to the extent of their Shareholding, if any in the Company.

The Board recommends the Ordinary Resolution set out in Item No.3 of the Notice for approval by the Shareholders.

**Item No.4:**

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, the Board of Directors have appointed Mr. Amit Mathur (DIN: 01943856) as an Additional Director of the Company with effect from 30th March, 2021. In terms of the provisions of Section 161(1) of the Act, Mr. Amit Mathur would hold office up to the date of the ensuing Annual General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member under Section 160 of the Act proposing the candidature of Mr. Amit Mathur for the office of Director of the Company.

Mr. Amit Mathur is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

None of the Promoters, Directors, Key Managerial Personnel or their relatives are interested, financial or otherwise, if any in the Resolution No.4 of the accompanying Notice except to the extent of their Shareholding, if any in the Company.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Shareholders.

**Item No.5:**

The Company is proposing to offer and issue C series Unsecured Unlisted Non-Convertible Debentures ("NCDs"), the terms of which are listed in the offer letter prepared in accordance with the provisions of the Companies Act, 2013 to the persons recorded by the Board in its meeting convened on 4th May, 2021 ("Offeree").

The details of the proposed issuance of securities are provided below:

**(i) Objects of the issue**

The objective of the proposed private placement is to raise debt capital to meet the fund requirements for real estate development business and developing an IT SEZ in Bangalore. The Company proposes to raise this money to meet construction expenses and various other payments towards development/construction activities and relating to developing an IT SEZ.

**(ii) Total number of shares or other securities to be issued**

| Type of security | Number of securities offered |
|---|---|
| C series Unsecured NCDs | 100,00,000 in one or more tranches |

**(iii) Price or price band at/within which the allotment is proposed**

| Type of security | Number of securities offered | Face value per security (in Rs) | Aggregate face value of securities offered (in Rs) | Issue price per security (in Rs) | Aggregate offer size (in Rs) |
|---|---|---|---|---|---|
| C series Unsecured NCDs | 100,00,000 | 100 | 100,00,00,000 | 100 | 100,00,00,000 |

**(iv) Class or classes of persons to whom the allotment is proposed to be made**

| Type of security | Proposed allottees | Class of investors |
|---|---|---|
| C series Unsecured NCDs | Brigade Enterprises Limited | Indian Company |
| | Reco Iris Pte Ltd. | Foreign Company |

**(v) Intention of promoters, directors or key managerial personnel to subscribe to the offer**

The promoters and their affiliates have made investments in the Company which is *inter alia* proposed to be used for the objects of the issue.

**(vi) The proposed time within which the allotment will be completed**

The allotment will be completed within a week from the date of receipt of funds in each tranche from Investors.

**(vii) Change in control, if any, in the company that would occur consequent to the preferential offer**

There would be no change in control consequent to the preferential offer.

**(viii) Number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price**

N.A.

**(ix) Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.**

Not applicable

**(x) Pre and post issue Equity and Preference capital shareholding pattern of the Company**

The Pre and post issue Equity and Preference capital shareholding pattern of the Company remains unchanged as mentioned below:

| Sl No | Category | Pre Issue | | Post Issue | |
|---|---|---|---|---|---|
| | | No of shares held | Percentage of shareholding (%) | No of shares held | Percentage of shareholding (%) |
| A | **Promoters' holding**: | | | | |
| 1 | Indian: | | | | |
| | Individual | | | | |
| | Bodies Corporate | 498,17,367 | 72.25% | 498,17,367 | 72.25% |
| | **Sub Total** | **498,17,367** | **72.25%** | **498,17,367** | **72.25%** |
| 2 | Foreign Promoters | | | | |
| | **Sub Total (A)** | **498,17,367** | **72.25%** | **498,17,367** | **72.25%** |
| B | Non-Promoters' holding: | | | | |
| 1 | Institutional Investors | - | - | | |
| 2 | Non-Institution: | | | | |
| | Private Corporate | 191,37,118 | 27.75% | 191,37,118 | 27.75% |

| | | | | | |
|---|---|---|---|---|---|
| | Bodies (Foreign) | | | | |
| | Directors and Relatives | - | - | - | - |
| | Indian Public | - | - | - | - |
| | Other (Including NRIs) | - | - | - | - |
| | **Sub Total (B)** | **191,37,118** | **27.75%** | **191,37,118** | **27.75%** |
| | **GRAND TOTAL** | **689,54,485** | **100%** | **689,54,485** | **100%** |

**(xi) Pre and post issue 16% Rated, listed, redeemable, I Series Non Convertible Debentures pattern of the Company**

The Pre and post issue 16% Rated, listed, redeemable, I Series Non Convertible Debentures pattern of the Company will remain unchanged as mentioned below:

| **Sl No** | **Category** | **Pre Issue** | | **Post Issue** | |
|---|---|---|---|---|---|
| | | **No of shares held** | **Percentage of shareholding (%)** | **No of shares held** | **Percentage of shareholding (%)** |
| A | **Promoters' holding**: | | | | |
| 1 | Indian: | | | | |
| | Individual | | | | |
| | Bodies Corporate | - | - | - | - |
| | **Sub Total** | - | - | - | - |
| 2 | Foreign Promoters | - | - | - | - |
| | **Sub Total (A)** | - | - | - | - |
| B | Non-Promoters' holding: | | | | |
| 1 | Institutional Investors | | | | |
| 2 | Non-Institution: | | | | |
| | Private Corporate Bodies (Foreign) | 490 | 100% | 490 | 100% |
| | Directors and Relatives | - | - | - | - |
| | Indian Public | - | - | - | - |
| | Other (Including NRIs) | - | - | - | - |
| | **Sub Total (B)** | 490 | **100%** | 490 | **100%** |
| | **GRAND TOTAL** | 490 | **100%** | 490 | **100%** |

**(xii) Pre and post issue 16% C series Fully Convertible Debentures pattern of the Company**

The Pre and post issue 16% C series Fully Convertible Debentures pattern of the Company will remain unchanged as mentioned below:

| Sl No | Category | Pre Issue | | Post Issue | |
|---|---|---|---|---|---|
| | | **No of shares held** | **Percentage of shareholding (%)** | **No of shares held** | **Percentage of shareholding (%)** |
| A | **Promoters' holding**: | | | | |
| 1 | Indian: | | | | |
| | Individual | | | | |
| | Bodies Corporate | 51,00,000 | 100% | 51,00,000 | 100% |
| | **Sub Total** | - | - | - | - |
| 2 | Foreign Promoters | - | - | - | - |
| | **Sub Total (A)** | 51,00,000 | 100% | 51,00,000 | 100% |
| B | Non-Promoters' holding: | | | | |
| 1 | Institutional Investors | | | | |
| 2 | Non-Institution: | | | | |
| | Private Corporate Bodies (Foreign) | - | - | - | - |
| | Directors and Relatives | - | - | - | - |
| | Indian Public | - | - | - | - |
| | Other (Including NRIs) | - | - | - | - |
| | **Sub Total (B)** | - | - | - | - |
| | **GRAND TOTAL** | 51,00,000 | 100% | 51,00,000 | 100% |

**(xiii) Pre and post issue 500 14.10% B series unsecured redeemable unlisted Non-Convertible Debentures pattern of the Company**

The Pre and post issue 500 14.10% B series unsecured redeemable unlisted Non-Convertible Debentures pattern of the Company will remain unchanged as mentioned below:

| Sl No | Category | Pre Issue | | Post Issue | |
|---|---|---|---|---|---|
| | | No of shares held | Percentage of shareholding (%) | No of shares held | Percentage of shareholding (%) |
| A | **Promoters' holding**: | | | | |
| 1 | Indian: | | | | |
| | Individual | | | | |
| | Bodies Corporate | 250 | 50% | 250 | 50% |
| | **Sub Total** | - | - | - | - |
| 2 | Foreign Promoters | - | - | - | - |
| | **Sub Total (A)** | 250 | 50% | 250 | 50% |
| B | Non-Promoters' holding: | | | | |
| 1 | Institutional Investors | | | | |
| 2 | Non-Institution: | | | | |
| | Private Corporate Bodies (Foreign) | 250 | 50% | 250 | 50% |
| | Directors and Relatives | - | - | - | - |
| | Indian Public | - | - | - | - |
| | Other (Including NRIs) | - | - | - | - |
| | **Sub Total (B)** | 250 | 50% | 250 | 50% |
| | **GRAND TOTAL** | 500 | 100% | 500 | 100% |

**(xiv) Pre and post issue 12% A series unsecured unlisted Non-Convertible Debentures pattern of the Company**

The Pre and post issue 12% A series unsecured unlisted Non-Convertible Debentures pattern of the Company will remain unchanged as mentioned below:

| Sl No | Category | Pre Issue | | Post Issue | |
|---|---|---|---|---|---|
| | | No of shares held | Percentage of shareholding (%) | No of shares held | Percentage of shareholding (%) |
| A | **Promoters' holding**: | | | | |
| 1 | Indian: | | | | |
| | Individual | | | | |
| | Bodies Corporate | 30,00,000 | 50% | 30,00,000 | 50% |

| | | | | | |
|---|---|---|---|---|---|
| | **Sub Total** | - | - | - | - |
| 2 | Foreign Promoters | - | - | - | - |
| | **Sub Total (A)** | 30,00,000 | 50% | 30,00,000 | 50% |
| B | Non-Promoters' holding: | | | | |
| 1 | Institutional Investors | | | | |
| 2 | Non-Institution: | | | | |
| | Private Corporate Bodies (Foreign) | 30,00,000 | 50% | 30,00,000 | 50% |
| | Directors and Relatives | - | - | - | - |
| | Indian Public | - | - | - | - |
| | Other (Including NRIs) | - | - | - | - |
| | **Sub Total (B)** | 30,00,000 | 50% | 30,00,000 | 50% |
| | **GRAND TOTAL** | 60,00,000 | 100% | 60,00,000 | 100% |

**(xv) Pre and post issue 12% B series unsecured unlisted Non-Convertible Debentures pattern of the Company**

The Pre and post issue 12% B series unsecured unlisted Non-Convertible Debentures pattern of the Company will remain unchanged as mentioned below:

| Sl No | Category | Pre Issue | | Post Issue | |
|---|---|---|---|---|---|
| | | No of shares held | Percentage of shareholding (%) | No of shares held | Percentage of shareholding (%) |
| A | **Promoters' holding**: | | | | |
| 1 | Indian: | | | | |
| | Individual | | | | |
| | Bodies Corporate | 15,00,000 | 50% | 15,00,000 | 50% |
| | **Sub Total** | - | - | - | - |
| 2 | Foreign Promoters | - | - | - | - |
| | **Sub Total (A)** | 15,00,000 | 50% | 15,00,000 | 50% |
| B | Non-Promoters' holding: | | | | |
| 1 | Institutional Investors | | | | |
| 2 | Non-Institution: | | | | |
| | Private Corporate Bodies (Foreign) | 15,00,000 | 50% | 15,00,000 | 50% |

| | | | | | |
|---|---|---|---|---|---|
| | Directors and Relatives | - | - | - | - |
| | Indian Public | - | - | - | - |
| | Other (Including NRIs) | - | - | - | - |
| | **Sub Total (B)** | 15,00,000 | 50% | 15,00,000 | 50% |
| | **GRAND TOTAL** | 30,00,000 | 100% | 30,00,000 | 100% |

**(xvi) Pre and post issue 12% B (II) series unsecured unlisted Non-Convertible Debentures pattern of the Company**

The Pre and post issue 12% B (II) series unsecured unlisted Non-Convertible Debentures pattern of the Company will remain unchanged as mentioned below:

| Sl No | Category | Pre Issue | | Post Issue | |
|---|---|---|---|---|---|
| | | **No of shares held** | **Percentage of shareholding (%)** | **No of shares held** | **Percentage of shareholding (%)** |
| A | **Promoters' holding**: | | | | |
| 1 | Indian: | | | | |
| | Individual | | | | |
| | Bodies Corporate | 15,00,000 | 50% | 15,00,000 | 50% |
| | **Sub Total** | - | - | - | - |
| 2 | Foreign Promoters | - | - | - | - |
| | **Sub Total (A)** | 15,00,000 | 50% | 15,00,000 | 50% |
| B | Non-Promoters' holding: | | | | |
| 1 | Institutional Investors | | | | |
| 2 | Non-Institution: | | | | |
| | Private Corporate Bodies (Foreign) | 15,00,000 | 50% | 15,00,000 | 50% |
| | Directors and Relatives | - | - | - | - |
| | Indian Public | - | - | - | - |
| | Other (Including NRIs) | - | - | - | - |
| | **Sub Total (B)** | 15,00,000 | 50% | 15,00,000 | 50% |
| | **GRAND TOTAL** | 30,00,000 | 100% | 30,00,000 | 100% |

**(xvii) Names of the proposed allottees and the percentage of post preferential offer capital that may be held by them**

Refer point (iv) for names of the proposed allottees. The details of post preferential offer capital that may be held by them has been provided below:

**Expected Unsecured Non Convertible Debenture holding pattern on the basis of the proposed allotment**

| Name of the shareholder | Class of security | Number of NCD's | Face value per debenture (in Rs) | Aggregate face value of debenture (in Rs) | Percentage shareholding (%) |
|---|---|---|---|---|---|
| Brigade Enterprises Ltd | C series Unsecured Unlisted NCDs | 50,00,000 | 100 | 50,00,00,000 | 50% |
| Reco Iris Pte Ltd | C series Unsecured Unlisted NCDs | 50,00,000 | 100 | 50,00,00,000 | 50% |

As per the provisions of sections 42, section 62 and section 71 of the Companies Act, 2013 and the relevant rules framed thereunder, the approval of the shareholders of the Company by way of a special resolution is required for such issuance.

None of the Directors of the Company are deemed to be concerned or interested, either directly or indirectly, in the proposal contained as aforesaid.

In view of above, the Board of Directors recommends the passing of the resolutions set out at Item No. 5 as a **Special Resolution.**

The nature of concern or interest, financial or otherwise, if any, in respect of this item of proposed business to be transacted is as follows –

i). Directors of the Company : None
ii). Key Managerial Personnel of the Company : None
iii). Relatives of Directors and Key Managerial Personnel of the Company : None

Place : Bangalore
Date : 4th May, 2021

**By Order of the Board**

**Akanksha Bijawat**
**Company Secretary**

## BOARD'S REPORT

Dear Members,

We have pleasure in presenting the Fourteenth Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2021.

### FINANCIAL HIGHLIGHTS:

The financial highlights of the Company for the year ended 31st March, 2021 is as follows:

(Rs. in Lakhs)

| Particulars | Year ended 31st March, 2021 | Year ended 31st March, 2020 |
|---|---|---|
| Turnover | 10195 | 9,121 |
| Expenses | 14,748 | 13,021 |
| **Profit/(Loss) before taxation** | **(4553)** | **(3,900)** |
| Exceptional Items | 1778 | - |
| **Profit/(Loss) before tax** | **(6331)** | **(3,900)** |
| Less: Deferred tax charge/(credit) | (1843) | (1,177) |
| **Profit/(Loss) after tax** | **(4488)** | **(2,723)** |
| Add: Balance B/F from the previous year | 845 | 3,870 |
| Less: Appropriations | - | (303) |
| **Balance Profit / (Loss) C/F to the next year** | **(3643)** | **845** |

### STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

The turnover of the Company for the year ended 31st March, 2021 was at Rs. 10195 lakhs as compared to Rs. 9,121 lakhs during the previous financial year. Expenses for the current financial year stood at Rs. 14758 lakhs as compared to Rs. 13,021 lakhs in the previous financial year. Your company has incurred loss of Rs. 4488 during the year as compared to Rs. 2,723 lakhs for the previous financial year.

Brigade Tech Gardens, IT SEZ project is in the advanced stages of completion. Leasing traction is gaining momentum. The third phase of the residential project will be commenced only after the State Government comes out with the Transferable Development Rights policy.

### SHARE CAPITAL:

During the year under review, there was no change in the share capital of the Company.

The paid up share capital of the Company is Rs.68,95,44,850/- (Rupees Sixty Eight Crores Ninety Five Lakhs Forty Four Thousand Eight Hundred and Fifty only) comprising of:

1. Rs.10,00,000 (Ten Lakhs only) divided into 1,00,000 'Class A' equity shares of face value of Rs.10/- each;

2. Rs.19,08,81,180 (Nineteen Crores Eight Lakhs Eighty One Thousand One Hundred and Eighty

only) divided into 1,90,88,118 'Class B' equity shares of face value of Rs.10/- each;

3. Rs.19,08,61,180 (Nineteen Crores Eight Lakhs Sixty One Thousand One Hundred and Eighty only) divided into 1,90,86,118 'Class C' equity shares of face value Rs.10/- each; and

4. 30,68,02,490 (Thirty Crores Sixty Eight Lakhs Two Thousand Four Hundred and Ninety only) divided into 3,06,80,249 'Redeemable Preference Shares' (RPS) of Rs.10/- each

## DEBENTURES:

As on 31st March 2021, the Company has:

- 16% C Series 51,00,000 Fully Convertible Debentures
- 490 Listed 16% A series Non-Convertible Debentures
- 500 Unlisted 14.10% B series Non-Convertible Debentures
- 60,00,000 12.00% A Series Unsecured Unlisted Non-Convertible Debentures
- 30,00,000 12.00% B Series Unsecured Unlisted Non-Convertible Debentures
- 30,00,000 12.00% B Series (II) Unsecured Unlisted Non-Convertible Debentures

## TRANSFER TO RESERVES:

During the year, no amount has been transferred from the current year's profits to Debenture Redemption Reserve as the Company has incurred losses.

## FIXED DEPOSITS:

Your Company has not accepted any deposits in terms of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014. Accordingly, no amount is outstanding as on the Balance Sheet date.

## BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of Directors of the Company comprises of Four (4) Directors of which, 2 are Non-Executive Independent Directors and 2 are Non-Executive Directors. The composition of the Board of Directors is in due compliance of the Companies Act, 2013. Mr. Amit Mathur has been appointed with effect from 30th March, 2021. Mr. Kishore Gotety has resigned from the position of Director with effect from 30th March, 2021. Board places on record its appreciation to Mr. Kishore Gotety for his contribution to the growth of the Company during his tenure of directorship in the Company.

In accordance with the provisions of Section 152(6)(e) of the Companies Act, 2013, Mr. Roshin Mathew (DIN: 00673926) Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

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

During the year under review, Mr. Arindam Mukherjee was appointed as Manager of the Company with effect from 5th August, 2020.

Mr. Arindam Mukherjee, Manager, Ms. Akanksha Bijawat, Company Secretary and Mr. Akhil Kumar, Chief Financial Officer are the Key Managerial Personnel in accordance with the provisions of Section 203 of the Companies Act, 2013.

The Directors of the Company are appointed by the members at Annual General Meetings in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

## POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

The Company has adopted the provisions of the Companies Act, 2013 for appointment and tenure of Independent Directors. Apart from the sitting fees to the Independent Directors, the Company has not paid any remuneration to its Directors during the year under review.

The Company's Remuneration Policy for Directors, Key Managerial Personnel and Senior Management Personnel is contained in **Annexure-1** to this report.

## BOARD MEETINGS:

During the year under review, the Board of Directors of the Company met 4 times and the details of the same is as tabled below:

| Dates on Which Meetings were Held | Total Strength of the Board | No of Directors Present |
|---|---|---|
| 5th June, 2020 | 4 (Four) | 4 (Four) |
| 5th August, 2020 | 4 (Four) | 4 (Four) |
| 3rd November, 2020 | 4 (Four) | 4 (Four) |
| 28th January, 2021 | 4 (Four) | 4 (Four) |

In case of urgent business needs, the Board's approval is obtained by way of circular resolutions in accordance with the Companies Act, 2013. The Board has passed one Circular Resolution on 30th March, 2021 during the Financial Year 2020-21.

In accordance with the provisions of the Companies Act, 2013, a separate meeting of the Independent Directors was held on March 26, 2021.

## ATTENDANCE OF DIRECTORS AT BOARD MEETINGS AND ANNUAL GENERAL MEETING:

The Board of Directors of the Company have attended the Board Meetings & Annual General Meeting the details of which are as follows:

| Name of the Director | Board meetings attended in the financial year 2020-2021 | Attendance in the 13th Annual General Meeting held on 28th September, 2020 | No. of Committee positions held in other Public Limited Companies | |
|---|---|---|---|---|
| | | | Chairman | Member |
| Mr. Roshin Mathew | 4 (Four) | Yes | Nil | Nil |
| Mr. Kishore Gotety | 4 (Four) | Yes | Nil | Nil |
| Ms. Meera Krishnakumar | 4 (Four) | No | Nil | Nil |
| Mr. Pradeep Kumar | 4 (Four) | No | 2 | 7 |

### AUDIT COMMITTEE:

During the year 2020-21 the Audit Committee met 4 times. The dates on which the said meetings were held are as follows:

5th June, 2020
5th August, 2020
3rd November, 2020
28th January, 2021

The composition of the Audit Committee and the details of meetings attended by its members are given below:

| Sl No. | Name of the Directors | Designation | No. of Committee Meetings during the year 2020-21 | |
|---|---|---|---|---|
| | | | **Held** | **Attended** |
| 1 | Mr. Pradeep Kumar | Chairman | 4 (Four) | 4 (Four) |
| 2 | Ms. Meera Krishnakumar | Member | 4 (Four) | 4 (Four) |
| 3 | Mr. Roshin Mathew | Member | 4 (Four) | 4 (Four) |

The Company Secretary officiates as the Secretary of the Committee.

### NOMINATION & REMUNERATION (NRC) COMMITTEE:

During the year, the Nomination & Remuneration (NRC) Committee met on 5th August 2020. The composition of the NRC Committee and the details of meetings attended by its members are given below:

| Sl No. | Name of the Directors | Designation | No. of Committee Meetings during the year 2020-21 | |
|---|---|---|---|---|
| | | | **Held** | **Attended** |
| 1 | Mr. Pradeep Kumar | Chairman | 1 (One) | 1 (One) |
| 2 | Ms. Meera Krishnakumar | Member | 1 (One) | 1 (One) |
| 3 | Mr. Roshin Mathew | Member | 1 (One) | 1 (One) |

The Company Secretary acts as the Secretary of the Committee.

### CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

During the year, the Corporate Social Responsibility (CSR) Committee met on 26th March, 2021. The composition of the CSR Committee and the details of meetings attended by its members are given below:

| Sl No. | Name of the Directors | Designation | No. of Committee Meetings during the year 2020-21 | |
|---|---|---|---|---|
| | | | **Held** | **Attended** |
| 1 | Mr. Roshin Mathew | Chairman | 1 (one) | 1 (one) |
| 2 | Ms. Meera Krishnakumar | Member | 1 (one) | 1 (one) |
| 3 | Mr. Pradeep Kumar | Member | 1 (one) | 1 (one) |

The Company Secretary acts as the Secretary of the Committee.

## DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

(a) that in the preparation of the annual financial statements for the year ended 31st March, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(b) that such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the profit of the Company for the year ended on that date;

(c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) that the annual financial statements have been prepared on a going concern basis;

(e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

(f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## BOARD EVALUATION:

Annual evaluation of the performance of the Board, its Committees and of individual directors of the Company for the Financial Year 2020-21 has been made as per the provisions of Companies Act, 2013.

In the meeting of Independent Director's Meeting, performance of the Board as a whole and the performance of non-independent directors was carried out. Performance evaluation of the independent directors has been done by the entire board excluding the independent director being evaluated.

## REMUNERATION DETAILS OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES:

The Company has five employees as on 31st March, 2021. During the year under review, the Company has paid Rs. 27.47 lakhs as remuneration to Key Managerial Personnel as detailed in note 27 forming part of the standalone financial statements. Except this, none of the Directors has received any remuneration for attending the Board/Committee Meetings. The independent directors were paid sitting fees for attending the Board/ Committee Meetings.

## STATUTORY AUDITORS:

The members of the Company at the Twelfth Annual General Meeting held on 5th August, 2019 approved the appointment of Messers S.R. Batliboi & Associates LLP, Chartered Accountants (Firm

Registration Number 101049W/E00004), Statutory Auditors of the Company for a period of another 3 years till the conclusion of Fifteenth Annual General Meeting, in terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

There are no qualifications or adverse remarks in the Statutory Auditors' Report for the financial statements for the year ended 31$^{st}$ March, 2021 which require any explanation from the Board of Directors.

## SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors of the Company have appointed Mr. S. Ravishankar, Practising Company Secretary (CP No. 6584) to conduct the Secretarial Audit for the financial year 2020-21 and his Report on Company's Secretarial Audit is appended as **Annexure-2** to this Report.

There are no qualifications or adverse remarks in the Secretarial Audit Report which require any explanation from the Board of Directors.

## COST AUDITORS:

The Board of Directors of the Company have appointed Messrs Murthy & Co. LLP, Cost Accountants (LLP ID No. AAB-1402) as Cost Auditors of the Company for the financial year 2020-21 at a fee of Rs.75,000 plus applicable taxes and out of pocket expenses subject to the ratification of the said fees by the Shareholders at the ensuing Annual General Meeting of the Company pursuant to provisions of Section 148 of the Companies Act, 2013.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All transactions entered into during the financial year 2020-21 with related parties were in the ordinary course of business and on arm's length basis.

The details of the transactions with related parties (including material transactions) during the year are listed out in note 28 forming part of the audited financial statements.

## INTERNAL FINANCIAL CONTROL SYSTEM:

The Company has adequate internal financial control systems in place with reference to the financial statements & adequate operational controls

During the year under review, these controls were evaluated and no significant weakness was identified either in the design or operation of the controls.

## BUSINESS RISK MANAGEMENT:

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

The business risks identified are reviewed by the Audit Committee and a detailed action plan to mitigate identified risks is drawn up and its implementation monitored. The key risks and mitigation actions will also be placed before the Board of Directors of the Company on a periodic basis.

## CORPORATE SOCIAL RESPONSIBILITY:

A Corporate Social Responsibility (CSR) Committee has been constituted in accordance with the provisions of Section 135 of the Companies Act, 2013.

The disclosures as required under Section 135 of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is appended as **Annexure-3** to this Report.

## VIGIL MECHANISM:

The Company has established a vigil mechanism for Directors and Employees to report their genuine concerns, illegal, unethical behaviour, suspected fraud or violation of laws, rules and regulation or conduct to the Chief Vigilance Officer and the Audit Committee of the Board of Directors.

## EXTRACT OF ANNUAL RETURN:

In terms of Section 92 (3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return of the Company for the financial year 2020-21 has been uploaded on the website under the following link: https://www.brigadegroup.com/.

## CODE OF CONDUCT:

The Company has formulated the Code of Conduct for its Directors and senior management personnel of the Company and the Code has been posted on the Company's website.

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

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings & outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is appended as an **Annexure-4** to this report.

## HUMAN RESOURCES:

Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes, your Company has currently 5 (five) employees. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.

## COMPLIANCE WITH SECRETARIAL STANDARDS:

Your company has complied with the applicable Secretarial Standards to the company.

## DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

As a part of the policy for Prevention of Sexual Harassment in the organisation, the Company has framed a policy for the Group and constituted a “Complaints Redressal Committee” for prevention and redressal of complaints on sexual harassment of women at work place in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 and relevant rules thereunder.

The following is a summary of sexual harassment complaints received and disposed off during the year:

- No. of complaints received: Nil
- No. of complaints disposed off: Nil

## MARKET INFORMATION LISTING ON STOCK EXCHANGES:

The Company’s 490 Non-Convertible Debentures face value of Rs.10,00,000/- each are listed on the wholesale Debt market segment of the BSE Limited.

## COVID-19:

The management has made an assessment on whether Covid-19 can be considered as an event impacting the Company and also whether material uncertainty exists related to such event that may cast significant doubt on the Company’s ability to continue as a going concern. Management has prepared cash flow projections and profit forecast for the next 12 months factoring the current lock down situation and is of the view that there is no impact. Further management has considered factors like impairment of investment properties, impairment of its financial assets, net-worth, cash & bank balances, profitability, debt position etc. in the assessment of going concern. Based on the above assessment, the management concluded that Covid-19 is not an event or condition that may cast significant doubt on the Company’s ability to continue as a going concern.

## DISCLOSURES:

There are no Corporate Insolvency proceedings initiated against the company under Insolvency and Bankruptcy Code, 2016 (IBC).

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

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

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

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

There were no sweat equity shares issued by the Company.

## ACKNOWLEDGEMENTS:

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year.

By order of the Board
For **Brigade Properties Private Limited**

| | | |
|---|---|---|
| Place: Bangalore | Mr. Roshin Mathew | Ms. Meera Krishnakumar |
| Date: 4th May, 2021 | Director | Director |
| | DIN: 00673926 | DIN: 02179294 |

## ANNEXURE-1

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

### 1) PREAMBLE:

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

Brigade Properties Private Limited (BPPL) is committed to ensure that remuneration commensurate with the role and responsibilities is paid to the directors, key managerial personnel and senior management personnel.

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

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

### 2) DEFINITIONS:

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

b. Executive Director means the Directors who are in whole-time employment of the Company viz. Managing Director and Whole-time Director.

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

d. Independent Directors means Directors appointed in accordance with Section 2(47), 149 and Clause 49 of the Listing Agreement.

e. Key Managerial Personnel means –
    - the Chief Executive Officer or Managing Director or Manager
    - Chief Financial Officer
    - Company Secretary
    - Whole-time Director
    - such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
    - Such other person as may be prescribed under the Companies Act, 2013.

f. Senior Management Personnel means employees who are on level below the Board of Directors apart from Key Managerial Personnel.

g. Nomination and Remuneration Committee means the Committee constituted pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause Regulation 19 of SEBI(LODR) Regulations, 2015.

**3) POLICY SCOPE:**

The remuneration policy is the guiding principle on the basis of which the Nomination and Remuneration Committee will recommend to the Board of Directors the remuneration payable to Directors, Key Managerial Personnel and Senior Managerial Personnel.

**4) REMUNERATION TO EXECUTIVE DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR MANAGEMENT PERSONNEL:**

The Nomination and Remuneration Committee recommends the remuneration payable to the Executive Directors based on which the Board of Directors of the Company fix the remuneration of the Executive Directors within the limits approved by the shareholders.

The Nomination and Remuneration Committee will recommend the remuneration payable to Key Managerial Personnel based on which the Board of Directors will fix the remuneration. In case of any Key Managerial Personnel on the Board then the remuneration fixed should be within the limits approved by the shareholders.

The remuneration structure for Executive Directors, Key Managerial Personnel and Senior Management Personnel shall consist of the following components:

**Basic Pay**

Perquisites and Allowances

Commission (As may be applicable to Executive Directors)

Employee Stock Options (ESOP only for Key Managerial Personnel & Senior Management Personnel who are not on the Board)

Variable Pay (Applicable only for Key Managerial Personnel & Senior Management Personnel who are not on the Board)

**Retiral Benefits**

The remuneration of Executive Directors, Key Managerial Personnel and Senior Management Personnel are fixed by the Board based on the recommendation of the Nomination and Remuneration Committee on basis of individual’s qualification, experience, expertise, core competencies, job profile, positive attributes and industry standards.

Based on the comparison of actual performance of the Company in comparison with the annual budgets, the Nomination and Remuneration Committee recommends to the Board, the quantum of Commission payable to Executive Directors.

As regards to the Key Managerial Personnel who are not on the Board variable pay will be based on a weighted average factor of individual performance, department performance and Company's performance.

**5) REMUNERATION TO NON-EXECUTIVE DIRECTORS**

Non- Executive Directors are entitled to sitting fees for attending the meetings of the Board and Committees.

**6) REMUNERATION TO INDEPENDENT DIRECTORS**

The Nomination and Remuneration Committee recommends the remuneration by way of commission payable to the Independent Directors based on the performance of the Company in each financial year.

The Board then approves the payment of remuneration by way of commission payable to Independent Directors within the limits approved by the shareholders. This is apart from the sitting fees payable to them for attending the meetings of the Board/Committees.

**7) REMUNERATION PAYABLE TO OTHER EMPLOYEES**

Employees are assigned bands based on a grading structure. The assignment of a particular band is dependent on their educational qualification, work experience, skill sets, competencies and the role & responsibilities they will be discharging in the Company. Individual remuneration is based on various factors as listed above apart from industry standards.

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**ANNEXURE-4**

## I. Conservation of Energy

(a) Energy conservation measures taken:

The conservation of Energy and Water, and the protection of the environment – air, water & Land from pollution – is an integral part of Design and Development. The cost of power / fuel consumption doesn't constitute a major cost of the project. This cost per se is the power and fuel purchased for construction process such as operation of cranes, lifts, conveyors lighting, welding, cutting, drilling and operation of other electrical instruments at the project sites. The buildings being Mega and High raised structures it is imperative to use power assisted gadgets for the safety of the workers.

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

- Design of Energy Efficient Buildings by carrying out Energy & Fresh Air Modelling.
- Installation of energy efficient CFL and LED lamps / lights in Common areas of the Buildings, Street lights & for Landscape Lightings.
- Daylight sensors are used to optimize the use of energy efficient lighting systems
- Use of occupancy sensors in sparingly used area in the buildings, viz., Rest Rooms, Change Rooms, Corridors, Staircase, etc.
- Use of double glazed glass as building material to maximize the use of Day-light in offices and projects of the company and at the same time not increasing the air conditioning load by suitably shading the building.
- Non-air conditioned buildings are designed with cross ventilation to minimize the dependency on fans, coolers, split air conditioners, etc.
- Utilization of solar energy wherever possible for water heating and lighting in the project
- Energy efficient Lifts and Pumps.
- 100% rainwater harvesting systems are installed in all company projects to conserve water & energy
- The municipal solid waste is segregated at source for Organic & Inorganic Waste. The Organic Waste is converted to compost within the project site. The compost is used as manure in the landscaped / greenbelt area.
- The Inorganic Waste is further segregated into various sub categories viz., based on its recyclability and value. This segregated waste is sold to authorized recyclers.
- We have also adopted the use of Aluminium Formwork for construction. The technology is environment friendly as there is no use of timber. The formwork gives the box or cellular design resulting in the walls giving support to the super

structure in two directions. As a result, the structures are more resistant to earthquakes than the traditional RCC column and beam designs.

(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 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 being 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 Earnings and Expenditure from Foreign Exchange during the year are as follows:

**(Amount Rs. in Lakhs)**

| **Particulars** | **2020-21** | **2019-20** |
|---|---|---|
| **Expenditure:** | | |
| i. Interest Charges | - | - |
| ii. Material purchase Charges (on CIF basis) | - | - |
| iii. Architect and Consultancy Charges | 10.32 | 64.28 |
| iv. Travelling Expenses | - | - |
| v. Other Expenses | - | - |
| **Total** | **10.32** | **64.28** |

* * * * * * * * * * * * * * * * * * * * * * * * * * * *

## Annexure 3
## CSR Initiatives undertaken by the Company during the financial year 2020-21

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**1. Brief outline of Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:**

The Company has in place a Corporate Social Responsibility Committee which will monitor the CSR Policy in accordance with Section 135 of the Companies Act, 2013 and Corporate Social Responsibility (CSR) Rules, 2014 together with Schedule VII of the Companies Act, 2013.

Activities of CSR Committee includes the following:

i) Eradicating hunger, poverty and malnutrition, promoting preventive health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;

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

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

iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;

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

vi) Measures for the benefit of armed forces veterans, war widows and their dependents Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

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

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

ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

x) rural development projects

xi) slum area development.

xii) disaster management, including relief, rehabilitation and reconstruction activities.

**2. The composition of the CSR Committee:**

The Composition of the CSR Committee is as follows:

| **SI No.** | **Name of Director** | **Designation / Nature of Directorship** | **Number of meetings of CSR Committee held during the year** | **Number of meetings of CSR Committee attended during the year** |
|---|---|---|---|---|
| 1 | Mr. Roshin Mathew | Chairman/ Non-Independent Director | 1 | 1 |
| 2 | Ms. Meera Krishnakumar | Member/ Independent Director | 1 | 1 |
| 3 | Mr. Pradeep Kumar Panja | Member-Independent Director | 1 | 1 |

**3.** Web-link where Composition of CSRcommittee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

**4.** Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

**N.A.**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **N.A.**

| Sl. No. | Financial Year | Amount available for set-off from preceding financial years (in Rs) | Amount required to be set- off for the financial year, if any (in Rs) |
|---|---|---|---|
| 1 | 2019-20 | N.A. | |
| 2 | 2018-19 | | |
| 3 | 2017-18 | | |
| | TOTAL | | |

**6.** Average net profit of the company as per section 135(5): **Rs. 2888.16 lakhs**

**7.** (a) Two percent of average net profit of the company as per section 135(5): **Rs. 57.76 Lakhs**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **N.A.**

(c) Amount required to be set off for the financial year, if any: **N.A.**

(d) Amount unspent for the previous financial year, if any: **10 lakhs**

(d) Total CSR obligation for the financial year (7a+7b-7c): **Rs. 67.76 Lakhs**

**8.** CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year. | Amount Unspent | | | | |
|---|---|---|---|---|---|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| **Rs. 67.76 Lakhs** | NIL | | NIL | | |

(b) Details of CSR amount spent against ongoing projects for the financial year:

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | (9) | (10) | (11) | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Sl. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/ No) | Location of the project | | Project duration | Amount allocated for the project (in Rs.) | Amount spent in the current financial Year (in Rs.) | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.) | Mode of Implementation- Direct (Yes/No) | Mode of Implementation – Through Implementing Agency | |
| | | | | State | District | | | | | | Name | CSR Registration num |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | ber |
| NIL | | | | | | | | | | | | |

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

**(Rs. In lakhs)**

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | |
|---|---|---|---|---|---|---|---|---|---|
| **Sl. No.** | **Name ofthe Project** | **Item from the list of activities in schedule VII to the Act** | **Local area (Yes/ No)** | **Location of the project.** | | **Amount spent forthe project** | **Mode of implementation- Direct (Yes/No)** | **Mode of implementation – Through implementingagency** | |
| | | | | **State** | **District** | | | **Name** | **CSR registration number** |
| 1. | Donation to Indian Music Experience Trust | To promote & preserve art & culture or objects of historical importance | Yes | Karnataka | Bangalore | 38.00 | Yes | Indian Music Experience Trust | CSR00006705 |
| *2. | Rotary Club | Promoting education, environment and health care | Yes | Karnataka | Bangalore | 5.00 | Yes | Rotary Club | - |
| 3. | The Association of people with disability | Serves children's and Adult's having a disability and Rehabilitation | Yes | Karnataka | Bangalore | 24.76 | Yes | The Association of people with disability | - |
| | Total | | | | | **67.76** | | | |

(d) Amount spent in Administrative Overheads: -

(e) Amount spent on Impact Assessment, if applicable: -

(f) Total amount spent for the Financial Year(8b+8c+8d+8e): Rs. 67.76 lakhs

(g) Excess amount for set off, if any:

| Sl. No. | Particulars | Amount (in Rs.lakhs) |
|---|---|---|
| (i) | Two percent of average net profit of the company as per section 135(5) | Rs. 57.76 Lakhs |
| (ii) | Total amount spent for the Financial Year | Rs. 67.76 Lakhs |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | - |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | - |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | - |

**9.** (a) Details of Unspent CSR amount for the preceding three financial years:

| Sl. No. | Preceding Financial Year. | Amount transferred toUnspent CSRAccount under section 135 (6)(in Rs.) | Amount spentin the reporting Financial Year(in Rs.) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. | | | Amount remaining tobe spent in succeeding financial years. (in Rs.) |
|---|---|---|---|---|---|---|---|
| | | | | Name of theFund | Amount (in Rs) | Date of transfer | |
| NIL | | | | | | | |

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---|---|---|---|---|---|---|---|---|
| Sl. No | Projec tID | Name of the Project | Financial Year in which the project was commence d | Project duration | Total amount allocated for the project (in Rs.) | Amount spent on theproject inthe reporting Financial Year (in Rs) | Cumulative amount spentat the end of reporting Financial Year. (in Rs.) | Status of theproject- Completed /Ongoing. |
| NIL | | | | | | | | |

**10.** In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(asset-wise details): N.A.**

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capitalasset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

**11.** Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **N.A.**

For Brigade Properties Private Limited

Director and Chairman of CSR Committee

Place: Bangalore
Date: May 4, 2021

**Form No. MR-3**
***Secretarial Audit Report***
**(For the financial Year ended 31-03-2021)**
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
**Brigade Properties Private Limited**
29th Floor, World Trade Centre, Brigade Gateway Campus,
26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar,
Bangalore – 560055

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Brigade Properties Private Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31-03-2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Brigade Properties Private Limited** (**"The Company"**) for the financial year ended on 31-03-2021 according to the provisions of:

I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment & Downstream Regulations;

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

a) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015; and

b) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;

VI. During the period the Company has complied with the following Acts & regulations: -

1. Karnataka Shops and Commercial Establishment Act
2. Karnataka Tax on Profession, Trade, and Callings Act,

The provisions relating to Provident Funds and Miscellaneous Provisions Act, Gratuity Act, Employees State Insurance Act are not applicable to the Company.

We have placed my reliance on the Statutory Audit Report and the Internal Audit report for the compliances of the following: -

1. Income Tax Act,
2. Goods and Service Tax Act,
3. Customs Act and other allied Taxation Laws.

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

i) Secretarial Standards issued by The Institute of Company Secretaries of India. (SS1 & 2)

ii) The Debt Listing Agreement entered into by the Company with BSE Limited & Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc., mentioned above.

**We further report that**:
The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that:**

There are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that:**
During the period under review following changes took place:

i. Appointment of Mr. Arindam Mukherjee as the Manager of the company for a period of 5 years with effect from 05-08-2020.
ii. Appointment of Mr. Amit Mathur as Additional Director of the Company with effect from 30-03-2021.
iii. Resignation of Mr. Kishore Gotety as Director of the Company with effect from 30-03-2021.

ASR & Co.

Partners:
Ravishankar S.
Sarvotham P.

We verify/certify that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/MCA or any such statutory authority.

**Place: Bangalore**
**Date: 04-05-2021**

**For ASR & Co,**
**Company Secretaries**

**S. Ravishankar**
**FCS: 6888**
**CP No: 6584**
**UDIN: F006888C000234687**

302, 2nd Floor, Rams Infantry Manor, No. 70 Infantry Road, Bangalore 560001
www.asrandco.com I E-Mail: ravishankar@asrandco.com I sarvotham@asrandco.com

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th Floor
"UB City" Canberra Block
No. 24, Vittal Mallya Road
Bengaluru - 560 001, India
Tel : +91 80 6648 9000

# INDEPENDENT AUDITOR'S REPORT

To the Members of Brigade Properties Private Limited

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of Brigade Properties Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the accompanying financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Emphasis of Matter

We draw attention to Note 2.4 to the financial Statements for the year ended March 31, 2021, which describes the management's evaluation of Covid-19 impact on the future business operations and future cash flows of the Company. In view of the uncertain economic conditions, the management's evaluation of the impact on the subsequent periods is highly dependent upon conditions as they evolve.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

S.R. Batliboi & Associates LLP Bengaluru

| Key audit matters | How our audit addressed the key audit matter |
|---|---|
| **Assessing the recoverability of carrying value of Investment property** *(as described in note 3.2 of the financial statements)* | |
| As at March 31, 2021, the carrying value of the Investment property is Rs. 131,751 lakhs. The carrying value of the investment property is calculated using land costs, construction costs, interest costs and other related costs. Management reviews on a periodical basis whether there are any indicators of impairment of such investment properties.<br><br>For investment property where impairment indicators exist, management estimated the recoverable amounts of the investments, being higher of fair value less costs of disposal and value in use. Significant judgements are required to determine the key assumptions used in determination of fair value / value in use.<br><br>In view of the COVID -19 pandemic, the management has reassessed its future business plans and key assumptions as at March 31, 2021 while assessing the adequacy of carrying value of the investment property.<br><br>We identified the assessment of the carrying value of investment property and impairment, if any as a key audit matter due to the significance of the balance to the financial statements as a whole and the involvement of estimations in the assessment. | Our procedures in assessing the carrying value (including impairment assessment) of the investment properties included the following:<br><br>- We read and evaluated the accounting policies with respect to investment properties.<br>- We assessed the Company's methodology applied in assessing the carrying value under the relevant accounting standards.<br>- We examined the management assessment in determining whether any impairment indicators exist.<br>- We assessed the Company's valuation methodology and assumptions based on current economic and market conditions including effects of COVID-19 pandemic, applied in determining the recoverable amount, including valuation report used by the Company's management for determining the fair value ('recoverable amount') of the investment property on test check basis.<br>- We considered the independence, competence and objectivity of the external specialist involved by the management, if any, in determination of valuation.<br>- We compared the recoverable amount of the investment property to the carrying value in books.<br>- We assessed the Company's valuation methodology applied and compared key property related data used as input with historical actual data.<br>- We assessed the disclosures made in the financial statements regarding such investment property. |
| **Assessing the recoverability of carrying value of Inventory** *(as described in note 7 of the financial statements)* | |
| As at March 31, 2021, the carrying value of the inventory of real estate projects is Rs. 15,892 lakhs.<br><br>The inventories are carried at the lower of the cost and net realisable value ('NRV'). The determination of the NRV involves estimates based on prevailing market conditions and taking into account the estimated future selling price, cost to complete projects and selling costs.<br><br>We identified the assessment of the carrying value of inventory as a key audit matter due to the significance of the balance to the financial statements as a whole and the involvement of estimates and judgement in the assessment. | Our procedures in assessing the carrying value of the inventories/ included the following:<br><br>- We read and evaluated the accounting policies with respect to inventories.<br>- We assessed the Company's methodology applied in assessing the carrying value under the relevant accounting standards including current market conditions and effects of COVID 19 pandemic, applied in assessing the net realisable value, launch of the project, development plan and future sales.<br>- We obtained and tested the computation involved in assessment of carrying value and the net realisable value/ net recoverable value on test check basis.<br>- We compared the realisable amount of the asset to the carrying value in books on test check basis.<br>- We made inquiries with management with respect to inventory property on test check basis to understand key assumptions used in determination of the net realisable value/ net recoverable value. |

S.R. Batliboi & Associates LLP Bengaluru

| Key audit matters | How our audit addressed the key audit matter |
|---|---|
| **Compliance with repayment terms of borrowings** *(as described in note 12 and 13 of the financial statements)* | |
| As at March 31, 2021, the outstanding amount of borrowings is Rs. 126,932 lakhs. These borrowings are the key source of funds taken to finance its various real estate development projects as well as for general corporate purpose.<br><br>We consider compliance with repayment terms of borrowings as a key audit matter as this is a key consideration for appropriate classification of loan balances and relevant disclosures thereon in the financial statements. Further, compliance with repayment terms is part of management's assessment of evaluating its gearing and liquidity profile. | Our procedures in relation to compliance with repayment terms of borrowings include the following:<br>- Obtained an understanding of the process and testing the internal controls over timely repayment of borrowings.<br>- We tested the repayments of borrowings for a sample of transactions by reading the underlying contracts for repayments schedules, comparing the actual cash flows with the repayment schedules and tracing the amounts paid as per books of account to the bank statements of the Company.<br>- We assessed the maturity profile of the borrowings to evaluate the classification and disclosure of borrowings on test check basis.<br>- We obtained direct confirmation from lenders and compared the balances confirmed by them with the balances as per the books of accounts, on test check basis. |
| **Recording and disclosure of related party transactions** *(as described in note 26 of the financial statements)* | |
| The Company has undertaken transactions with its related parties in the ordinary course of business at arm's length. These include borrowing and other transactions with the related parties.<br><br>We identified the accuracy and completeness of the said related party transactions and its disclosure as set out in respective notes to the financial statements as a key audit matter due to the significance of transactions with related parties and regulatory compliance thereon. | As part of our audit procedures, our procedures included the following:<br>- Obtained and read the Company's policies, processes and procedures in respect of identifying related parties, obtaining approval, recording and disclosure of related party transactions.<br>- Read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with Company's assessment of related party transactions being in the ordinary course of business at arm's length.<br>- Tested, on a sample basis, related party transactions with the underlying contracts, confirmation letters and other supporting documents.<br>- Agreed the related party information disclosed in the financial statements with the underlying supporting documents, on a sample basis. |

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

S.R. Batliboi & Associates LLP
Bengaluru

**Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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Bengaluru

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the accompanying financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) The matter described in Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

   (f) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

   (g) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) The Company has not paid any managerial remuneration during the year and hence provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2021; and

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Bengaluru

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any provision for material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

per Sandeep Karnani
Partner
Membership Number: 061207

S.R. Batliboi & Associates LLP Bengaluru

UDIN: 21061207AAAABZ5515

Place: Bengaluru
Date: May 04, 2021

**ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF BRIGADE PROPERTIES PRIVATE LIMITED**

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

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and investment property.

(b) All property, plant and equipment and investment property have not been physically verified by the management during the year, but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment and capital work-in-progress, are held in the name of the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"). Accordingly, the provisions of clause 3(iii)(a), (b) and (c) 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 no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

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

(vii) (a) Undisputed statutory dues including income-tax, duty of customs, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. The provisions relating to provident fund and employees' state insurance are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, duty of customs, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to provident fund and employees' state insurance are not applicable to the Company.

(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax and goods and services tax which have not been deposited on account of any dispute.

(viii) In our opinion and according to information and explanations given by the management, the Company has not defaulted in repayment of dues to banks or debenture holders. The Company did not have any loans or borrowings from financial institutions or government.

S.R. Batliboi & Associates LLP
Bengaluru

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans (representing loans with a repayment period beyond 36 months) for the purpose for which the loan was obtained. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no material fraud by the Company or on the Company by its officers and employees has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the Company has not paid any managerial remuneration during the year and hence reporting under clause 3(xi) of the Order are not applicable.

(xii) In our opinion, the Company is not a nidhi company. Accordingly, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully/partly convertible debentures during the year. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act.

(xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

**per Sandeep Karnani**
Partner
Membership Number: 061207
UDIN: 21061207AAAABZ5515

S.R. Batliboi & Associates LLP Bengaluru

Place: Bengaluru
Date: May 04, 2021

**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF BRIGADE PROPERTIES PRIVATE LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to the financial statements of Brigade Properties Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls With Reference to Financial Statements**

A company's internal financial control with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

S.R. Batliboi & Associates LLP
Bengaluru

**Inherent Limitations of Internal Financial Controls With Reference to Financial Statements**

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

**Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India .

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

S.R. Batliboi & Associates LLP Bengaluru

**per Sandeep Karnani**
Partner
Membership Number: 061207
UDIN: 21061207AAAABZ5515

Place: Bengaluru
Date: May 04, 2021

**Brigade Properties Private Limited**
**Balance sheet as at March 31, 2021**
**(All amounts in Indian Rupees Lakhs, except as otherwise stated)**

| | Notes | March 31,2021 | March 31, 2020 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 3.1 | 2 | 3 |
| Investment property | 3.2 | 131,751 | 51,455 |
| Capital work in progress | 3.3 | - | 57,980 |
| Intangible assets | 3.4 | - | - |
| Other non-current financial assets | 5 | 1,770 | 575 |
| Deferred tax assets (net) | 4 | 4,682 | 2,839 |
| Assets for current tax (net) | | 1,491 | 1,886 |
| Other non-current assets | 6 | 2,242 | 3,568 |
| **Sub total** | | **141,938** | **118,306** |
| **Current assets** | | | |
| Inventories | 7 | 15,892 | 13,852 |
| Financial assets | | | |
| Trade receivables | 8 | 84 | 460 |
| Cash and cash equivalents | 9.1 | 3,060 | 805 |
| Bank balances other than cash and cash equivalents | 9.2 | 496 | 1,147 |
| Other current financial assets | 4 | 471 | 361 |
| Other current assets | 6 | 810 | 2,766 |
| **Sub total** | | **20,813** | **19,391** |
| **Total assets** | | **162,751** | **137,697** |
| EQUITY AND LIABILITIES | | | |
| **EQUITY** | | | |
| Equity share capital | 10 | 3,827 | 3,827 |
| Other equity | 11 | 3,986 | 8,474 |
| **Total equity** | | **7,813** | **12,301** |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 12 | 100,914 | 92,609 |
| Other non-current financial liabilities | 13 | 4,425 | 2,965 |
| Other non-current liabilities | 15 | 1,387 | 1,542 |
| **Sub total** | | **106,726** | **97,116** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Trade payables | 14 | | |
| - Total outstanding dues of micro enterprises and small enterprises | | - | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | | 592 | 2,451 |
| Other current financial liabilities | 13 | 43,897 | 22,668 |
| Other current liabilities | 15 | 3,723 | 3,161 |
| **Sub total** | | **48,212** | **28,280** |
| **Total equity and liabilities** | | **162,751** | **137,697** |
| Summary of significant accounting policies | 2.1 | | |

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

S.R. Batliboi & Associates LLP Bengaluru

**per Sandeep Karnani**
Partner
Membership no.: 061207

Place: Bengaluru
Date: May 04, 2021

For and on behalf of the board of directors of
**Brigade Properties Private Limited**

**Meera Krishna Kumar**
Director
DIN: 02179294

**Roshin Mathew**
Director
DIN: 00673926

**Akanksha Bijawat**
Company Secretary
Membership no.: 24610

**Akhil Motamarry**
Chief Financial Officer

**Arindam Mukherjee**
Manager

Place: Bengaluru
Date: May 04, 2021

BRIGADE PROPERTIES PVT. LTD.

**Brigade Properties Private Limited**
**Statement of profit and loss for the year ended March 31, 2021**
**(All amounts in Indian Rupees Lakhs, except as otherwise stated)**

| | Notes | March 31,2021 | March 31, 2020 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 16 | 9,959 | 8,958 |
| Other income | 17 | 236 | 163 |
| **Total Income (i)** | | **10,195** | **9,121** |
| **Expenses** | | | |
| Sub-contractor cost | | 1,770 | 2,237 |
| Cost of project materials consumed | 18 | 474 | 57 |
| (Increase)/ decrease in inventories of work-in-progress and stock of flats | 19 | (2,010) | 1,494 |
| Employee benefits expense | 20 | 60 | 59 |
| Depreciation and amortization expense | 21 | 6,348 | 3,261 |
| Finance costs | 22 | 5,793 | 4,673 |
| Other expenses | 23 | 2,313 | 1,240 |
| **Total expenses (ii)** | | **14,748** | **13,021** |
| **Profit/(Loss) before tax and exceptional item (iii) = (i) - (ii)** | | **(4,553)** | **(3,900)** |
| Exceptional item (iv) | 15 | 1,778 | - |
| **Profit/(Loss) before tax (v) = (iii) - (iv)** | | **(6,331)** | **(3,900)** |
| **Tax expense** | 5 | | |
| Current tax | | - | - |
| Deferred tax (credit) | | (1,843) | (1,177) |
| **Total tax expense (vi)** | | **(1,843)** | **(1,177)** |
| **Profit/(Loss) for the year (vii) = (v) - (vi)** | | **(4,488)** | **(2,723)** |
| **Other comprehensive income ('OCI') [net of tax expense] (viii)** | | - | - |
| **Total comprehensive income/(loss) for the year (ix) = (vii) + (viii) [comprising Profit/(Loss) and OCI for the year]** | | (4,488) | (2,723) |
| **Esrnings/(Loss) per share** [nominal value of equity share Rs.10 (March 31, 2020: Rs.10)] | 24 | | |
| Basic (Rs) | | | |
| Class A equity shares | | - | - |
| Class B equity shares | | (11.64) | (5.72) |
| Class C equity shares | | (11.87) | (8.55) |
| Diluted (Rs) | | | |
| Class A equity shares | | - | - |
| Class B equity shares | | (11.64) | (5.72) |
| Class C equity shares | | (11.87) | (8.55) |
| Summary of significant accounting policies | 2.1 | | |

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

**per Sandeep Karnani**
Partner
Membership no.: 061207

S.R. Batliboi & Associates LLP Bengaluru

Place: Bengaluru
Date: May 04, 2021

For and on behalf of the board of directors of
**Brigade Properties Private Limited**

**Meera Krishna Kumar**
Director
DIN: 02179294

**Roshin Mathew**
Director
DIN: 00673926

**Akanksha Bijawat**
Company Secretary
Membership no.: 24610

**Akhil Motamarry**
Chief Financial Officer

**Arindam Mukherjee**
Manager

Place: Bengaluru
Date: May 04, 2021

BRIGADE PROPERTIES PVT. LTD.

**Brigade Properties Private Limited**
**Statement of changes in equity for the year ended March 31, 2021**
**(All amounts in Indian Rupees Lakhs, except as otherwise stated)**

**A. Equity share capital (refer note 10)**

| Issued, subscribed and fully paid-up share capital | Class A Equity shares | | Class B Equity shares | | Class C Equity shares | | Total | |
|---|---|---|---|---|---|---|---|---|
| | No. of shares (in lakhs) | Rs. in lakhs | No. of shares (in lakhs) | Rs. in lakhs | No. of shares (in lakhs) | Rs. in lakhs | No. of shares (in lakhs) | Rs. in lakhs |
| **Equity shares of Rs.10 each:** | | | | | | | | |
| **As at April 01, 2019** | 1 | 10 | 191 | 1,909 | 191 | 1,908 | 383 | 3,827 |
| Changes during the year | - | - | - | - | - | - | - | - |
| **As at March 31, 2020** | 1 | 10 | 191 | 1,909 | 191 | 1,908 | 383 | 3,827 |
| Changes during the year | - | - | - | - | - | - | - | - |
| **As at March 31, 2021** | 1 | 10 | 191 | 1,909 | 191 | 1,908 | 383 | 3,827 |

**B. Other equity (refer note 11)**

Rs. in lakhs

| | Other contributions by owners | Equity component of compound financial instruments | Reserves and surplus | | | Total |
|---|---|---|---|---|---|---|
| | | Redeemable preference shares ('RPS') | Debenture Redemption Reserve | General Reserve | Retained earnings | |
| **As at April 01, 2019** | 3,861 | 1,596 | 1,016 | 217 | 3,871 | 10,561 |
| Profit/(Loss) for the year | - | - | - | - | (2,723) | (2,723) |
| Other comprehensive income | - | - | - | - | - | - |
| Non-cash adjustments upon extension of terms of RPS | - | 636 | - | - | - | 636 |
| Transfer to debenture redemption reserve | - | - | 303 | - | (303) | - |
| **As at March 31, 2020** | 3,861 | 2,232 | 1,319 | 217 | 845 | 8,474 |
| Profit/(Loss) for the year | - | - | - | - | (4,488) | (4,488) |
| Other comprehensive income | - | - | - | - | - | - |
| **As at March 31, 2021** | 3,861 | 2,232 | 1,319 | 217 | (3,643) | 3,986 |

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

**per Sandeep Karnani**
Partner
Membership no.: 061207

S.R. Batliboi & Associates LLP Bengaluru

Place: Bengaluru
Date: May 04, 2021

For and on behalf of the board of directors of
**Brigade Properties Private Limited**

**Meera Krishna Kumar**
Director
DIN: 02179294

**Roshin Mathew**
Director
DIN: 00673926

**Akanksha Bijawat**
Company Secretary
Membership no.: 24610

**Akhil Motamarry**
Chief Financial Officer

**Arindam Mukherjee**
Manager

Place: Bengaluru
Date: May 04, 2021

BRIGADE PROPERTIES PVT. LTD.

**Brigade Properties Private Limited**
**Statement of Cash Flows for the year ended March 31, 2021**
**(All amounts in Indian Rupees Lakhs, except as otherwise stated)**

| | Notes | March 31, 2021 | March 31, 2020 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Profit/(Loss) before tax | | (6,331) | (3,900) |
| Adjustments to reconcile profit/(loss) before tax to net cash flows: | | | |
| Depreciation and amortization expense | | 6,348 | 3,261 |
| Interest expense | | 5,793 | 4,673 |
| Interest income | | (234) | (96) |
| Provision for doubtful debts | | - | 1 |
| Dividend income | | - | (8) |
| **Operating profit before working capital changes** | | **5,576** | **3,931** |
| **Working capital adjustments:** | | | |
| Decrease in trade payables | | (1,859) | (6,016) |
| Increase / (Decrease) in other liabilities | | 407 | (5,383) |
| Increase in other financial liabilities | | 941 | 5,113 |
| Decrease in inventories | | (2,040) | 1,516 |
| Decrease in trade receivables | | 376 | 928 |
| Increase in other financial assets | | (395) | (361) |
| Decrease/(Increase) in other assets | | 1,413 | (349) |
| **Cash generated from / (used in) operations** | | **4,419** | **(621)** |
| Direct taxes (paid)/ refund received | | 395 | (263) |
| **Net cash flows from/(used in) operating activities (A)** | | **4,814** | **(884)** |
| | | | |
| **Cash flows from investing activities** | | | |
| Purchase of investment property (including capital work in progress and capital advances) | | (19,133) | (28,114) |
| Redemption of current investments | | - | 2,113 |
| Investment in bank deposits | | (230) | (926) |
| Interest received | | 204 | 68 |
| Dividend received | | - | 8 |
| **Net cash flows used in investing activities (B)** | | **(19,159)** | **(26,851)** |
| | | | |
| **Cash flows from financing activities** | | | |
| Proceeds from term loan from banks | | 55,705 | 21,800 |
| Repayment of term loan from banks | | (21,382) | - |
| Proceeds from issue of debentures | | - | 12,000 |
| Interest paid | | (17,723) | (6,494) |
| **Net cash flows from financing activities (C)** | | **16,600** | **27,306** |
| | | | |
| Net increase/(decrease) in cash and cash equivalents (A + B + C) | | 2,255 | (429) |
| Cash and cash equivalents at the beginning of the year | | 805 | 1,234 |
| **Cash and cash equivalents at the end of the year** | | **3,060** | **805** |
| | | | |
| **Components of cash and cash equivalents** | | | |
| Balance with banks | | | |
| - on current accounts | | 625 | 805 |
| - in deposit accounts with original maturity of less than 3 months | | 2,435 | - |
| **Total cash and cash equivalents as reported in Balance Sheet** | 9.1 | **3,060** | **805** |
| | | | |
| Summary of significant accounting policies | 2.1 | | |
| | | | |
| Changes in liabilities arising from financing activities | 9.1 | | |

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

**per Sandeep Karnani**
Partner
Membership no.: 061207

S.R. Batliboi & Associates LLP Bengaluru

Place: Bengaluru
Date: May 04, 2021

For and on behalf of the board of directors of
**Brigade Properties Private Limited**

**Meera Krishna Kumar**
Director
DIN: 02179294

**Roshin Mathew**
Director
DIN: 00673926

**Akanksha Bijawat**
Company Secretary
Membership no.: 24610

**Akhil Motamarry**
Chief Financial
Officer

**Arindam Mukherjee**
Manager

Place: Bengaluru
Date: May 04, 2021

BRIGADE PROPERTIES PVT. LTD.

1. Corporate information

Brigade Properties Private Limited ('the Company' or 'BPPL') (bearing CIN number U70200KA2007PTC042824) was incorporated on May 16, 2007. The Company is engaged in the business of real estate development and leasing.

On June 25, 2012, BPPL, Brigade Enterprises Limited ("BEL") and Reco Begonia Pte Limited ('RBPL") had executed Share Subscription Agreement ("SSA") and Shareholders Agreement ("SHA") (BEL and RBPL collectively referred to as "Investors") pursuant to which the Investors have invested in the Company for execution of real estate project. On March 16, 2015, the Company and the Investors have executed a Restated Shareholders Agreement ("RSHA"), which is in supersession of the SHA to pursue new projects which reflects the revised understanding between the Investors and the Company. Hereinafter, SSA and RSHA are collectively referred to as the "Investment Agreements".

BPPL had issued 490 A Series Non-Convertible Debentures ('NCD') of Rs.1,000,000 each on March 20, 2015, which were listed on BSE Limited ('BSE') on March 30, 2015.

The financial statements were authorized for issue in accordance with a resolution of the Board of directors of the Company on May 04, 2021.

2. Basis of preparation

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.1 Summary of significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities. The effect of change in an accounting estimate is recognized prospectively.

(b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has evaluated and considered its operating cycle as below and accordingly has reclassified its assets and liabilities into current and non-current:
-Residential projects for real estate development -3-5 years
-Leasing business -1 year

Assets and liabilities, other than those discussed above, are classified as current to the extent they are expected to be realized/ are contractually repayable within 12 months from the Balance sheet date and as non-current, in other cases.

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

(c) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the

S.R. Batliboi & Associates LLP Bengaluru

BRIGADE PROPERTIES PVT. LTD.

Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

(d) Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are de-recognized when the entity transfers control of the same to the buyer. Further the entity also derecognises investment properties when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

Transfers are made to (or from) investment properties only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

(e) Depreciation

Depreciation is calculated on written down value basis using the following useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013:

| Category of Asset | Useful lives (in years) |
|---|---|
| Buildings | 60 |
| Plant and machinery | 15 |
| Electrical Installation and equipment | 10 |
| Furniture, fixtures and fit outs | 10 |
| Computer hardware | |
| - Computer equipment | 3 |
| - Servers and network equipment | 6 |
| Office equipment | 5 |

The residual values, useful lives and methods of depreciation of property, plant and equipment and investment property are reviewed at each financial year end and adjusted prospectively, if appropriate.

(f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

S.R. Batliboi & Associates LLP Bengaluru

BRIGADE PROPERTIES PVT. LTD.

Intangible assets, comprising of software are amortized on a straight-line basis over a period of 3 years, which is estimated by the management to be the useful life of the asset.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when asset is derecognized.

(g) Impairment

A. Financial assets
The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired and measures the required expected credit losses through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

B. Non-financial assets
The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.
In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(h) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized/inventorised as part of the cost of the respective asset. All other borrowing costs are charged to statement of profit and loss.

(i) Inventories

Direct expenditure relating to real estate activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the real estate activity.

Work-in-progress represents cost incurred in respect of unsold area (including land) of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized.

Raw materials- Project materials are valued at lower of cost and net realizable value.

Cost is determined based on FIFO Basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(j) Land

Advances paid by the Company to the seller/ intermediary toward outright purchase of land is recognized as land advance under loans and advances during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Company, whereupon it is transferred to land stock under inventories/capital work in progress.

(k) Revenue recognition

*Revenue from contracts with customers*

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other credits, if any, as specified in the contract with the customer. The Company presents revenue from contracts with customers net of indirect taxes in its statement of profit and loss.

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The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer, if any.

Revenue from real estate development of residential or commercial unit is recognised at the point in time, when the control of the asset is transferred to the customer.

Revenue consists of sale of undivided share of land and constructed area to the customer, which have been identified by the Company as a single performance obligation, as they are highly interrelated/ interdependent.

The performance obligation in relation to real estate development is satisfied upon completion of project work and transfer of control of the asset to the customer.

For contracts involving sale of real estate unit, the Company receives the consideration in accordance with the terms of the contract in proportion of the percentage of completion of such real estate project and represents payments made by customers to secure performance obligation of the Company under the contract enforceable by customers. Such consideration is received and utilised for specific real estate projects in accordance with the requirements of the Real Estate (Regulation and Development) Act, 2016. Consequently, the Company has concluded that such contracts with customers do not involve any financing element since the same arises for reasons explained above, which is other than for provision of finance to/from the customer.

*Contract balances*

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

*Cost to obtain a contract*

The Company recognises as an asset the incremental costs of obtaining a contract with a customer if the Company expects to recover those costs. The Company incurs costs such as sales commission when it enters into a new contract, which are directly related to winning the contract. The asset recognised is amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

*Income from leasing*
Rental income receivable under operating leases (excluding variable rental income) is recognized in the income statement on a straight-line basis over the term of the lease including lease income on fair value of refundable security deposits. Rental income under operating leases having variable rental income is recognized as per the terms of the contract.

*Interest income*
Interest income, including income arising from other financial instruments, is recognised using the effective interest rate method. Interest on delayed payment by customers are accounted when reasonable certainty of collection is established.

*Dividend income*
Revenue is recognised when the shareholders' or unit holders' right to receive payment is established, which is generally when shareholders approve the dividend.

(l) Foreign currency translation

*Functional and presentation currency*

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

*Foreign currency transactions and balances*

i) Initial recognition - Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
ii) Conversion - Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.
iii) Exchange differences - The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expense in the period in which they arise.

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(m) Retirement and other employee benefits

The provisions of the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948, Payment of Gratuity Act, 1972 etc. are not applicable to the Company as the number of employees are less than the minimum required employees under the said acts.

(n) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

i. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

ii. Deferred income tax

Deferred income tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

(o) Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

(p) Cash dividend to equity holders of the Company

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(q) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents in the balance sheet comprise cash on hand and bank balances which are unrestricted for withdrawal and usage.

(r) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

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(s) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Where the Company is lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(t) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i.Initial recognition and measurement of financial assets and liabilities
Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

ii.Financial assets at amortized cost
Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii.Financial assets at fair value through other comprehensive income
Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iv.Financial assets at fair value through profit or loss
Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

v.Debt instruments at amortized cost
A 'debt instrument' is measured at the amortized cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

vi.Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments. Gains or losses on liabilities held for trading are recognized in the profit or loss.

vii.Financial liabilities at amortized cost
Financial liabilities are subsequently carried at amortized cost using the effective interest ('EIR') method.

Interest-bearing loans and borrowings are subsequently measured at amortized cost using EIR method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

viii.De-recognition of financial instruments
The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.
A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

ix.Reclassification of financial assets

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The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial instruments.

x.Fair value of financial instruments
In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.
Fair value hierarchy:
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(u) Segment reporting

i. Identification of segments - The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

ii. Inter-segment transfers - The Company generally accounts for intersegment sales and transfers at appropriate margins.

iii. Unallocated items - Unallocated items include general corporate asset, liability, income and expense items which are not allocated to any business segment.

iv. Segment accounting policies - The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

2.2 Changes in accounting policies and disclosures

*Amendments to Ind AS 1 and Ind AS 8: Definition of Material*
The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Company.

These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments to the definition of material are not expected to have a significant impact on the financial statements.

2.3 Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, management makes judgment, estimates and assumptions which have the most significant effect on the amounts recognized in the financial statements. The key judgment, estimates and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its judgments and assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. Also refer note 2.4 below.

Significant accounting judgements, estimates and assumptions used by management are as below:

*Revenue from contracts with customers*
The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

*Identification of performance obligation*
Revenue consists of sale of undivided share of land and constructed area to the customer, which have been identified by the Company as a single performance obligation, as they are highly interrelated/ interdependent. In assessing whether performance obligations relating to sale of undivided share of land and constructed area are highly interrelated/ interdependent, the Company considers factors such as:
- whether the customer could benefit from the undivided share of land or the constructed area on its own or together with other resources readily available to the customer.

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- whether the entity will be able to fulfil its promise under the contract to transfer the undivided share of land without transfer of constructed area or transfer the constructed area without transfer of undivided share of land.

*Timing of satisfaction of performance obligation*
Revenue from sale of real estate units is recognised when (or as) control of such units is transferred to the customer. The entity assesses timing of transfer of control of such units to the customers as transferred over time if one of the following criteria are met:

- The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.
- The entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If control is not transferred over time as above, the entity considers the same as transferred at a point in time.

For contracts where control is transferred at a point in time, the Company considers the following indicators of the transfer of control of the asset to the customer:

- When the entity obtains a present right to payment for the asset.
- When the entity transfers legal title of the asset to the customer.
- When the entity transfers physical possession of the asset to the customer.
- When the entity transfers significant risks and rewards of ownership of the asset to the customer.
- When the customer has accepted the asset.

*Estimation of net realizable value for inventory*

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

*Measurement of financial instruments at amortized cost*

Financial instruments are subsequently measured at amortized cost using the effective interest ('EIR') method. The computation of amortized cost is sensitive to the inputs to EIR including effective rate of interest, contractual cash flows and the expected life of the financial instrument. Changes in assumptions about these inputs could affect the reported value of financial instruments.

*Classification of property as investment property or inventory*

Investment property comprises land and buildings, principally commercial properties, that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

Inventory comprises property that is held for sale in the ordinary course of business. Principally, this is residential and commercial property that the Company develops and intends to sell before or during the course of construction or upon completion of construction.

2.4 Covid-19 pandemic

The outbreak of Covid-19 pandemic globally and in India has caused significant disturbance and slowdown of economic activities. Due to Covid-19 pandemic, the Company's operations were slowed down/suspended during the current year and accordingly the financial statements for the year ended March 31, 2021 are adversely impacted and not fully comparable with those of the earlier year.

The Company's management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of assets including investment property, capital work in progress, inventories including transferable development rights ('TDR') and receivables. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of the approval of these Ind AS financial statements has used internal and external sources of information to assess the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on the current estimates, the Company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2021 are fully recoverable.

Due to the prevailing circumstances and having regard to the Company's ongoing discussions with its lessees for modification of existing lease contracts, the Company has recognised lease income on best estimate basis in accordance with Ind AS 116.

Further, the Company's management has also made assessment of the progress of construction work on its ongoing projects during the period of lockdown and has concluded that the same was only a temporary slowdown in activities and has accordingly capitalised/inventorised the borrowing costs incurred in accordance with Ind AS 23.

The Company's management has also estimated the future cash flows for the Company with the possible effects that may result from the Covid-19 pandemic and does not foresee any adverse impact in realising its assets and in meeting its liabilities as and when they fall due. The actual impact of the Covid-19 pandemic may be different from that estimated as at the date of approval of these Ind AS financial statements.

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

## 3.1 Property, plant and equipment

| | Furniture* | Computer Hardware | Office Equip-ment* | Total |
|---|---|---|---|---|
| **Cost** | | | | |
| **At April 1, 2019** | 4 | 9 | 10 | 23 |
| Additions | - | - | - | - |
| **At March 31, 2020** | 4 | 9 | 10 | 23 |
| Additions | - | - | - | - |
| **At March 31, 2021** | 4 | 9 | 10 | 23 |
| **Depreciation** | | | | |
| **At April 1, 2019** | 2 | 6 | 8 | 16 |
| Charge for the year | 1 | 2 | 1 | 4 |
| **At March 31, 2020** | 3 | 8 | 9 | 20 |
| Charge for the year | - | 1 | - | 1 |
| **At March 31, 2021** | 3 | 9 | 9 | 21 |
| **Net book value** | | | | |
| **At March 31, 2020** | 1 | 1 | 1 | 3 |
| **At March 31, 2021** | 1 | - | 1 | 2 |

* Depreciation charge on Furniture and Office Equipment for the year ended March 31, 2021 is Rs. 25,890 and Rs. 45,070 respectively.

## 3.2 Investment Property

| | Land | Building | Other assets forming part of building | | | | | | Total |
|---|---|---|---|---|---|---|---|---|---|
| | | | Electrical installation &equipment | Furniture & Fixtures | Fitouts | Plant & Machinery | Computer hardware | Office equipment | |
| **Cost** | | | | | | | | | |
| **At April 1, 2019** | - | - | - | - | - | - | - | - | - |
| Additions | 7,667 | 31,281 | 3,285 | 589 | 6,352 | 4,298 | 36 | 843 | 54,351 |
| **At March 31, 2020** | 7,667 | 31,281 | 3,285 | 589 | 6,352 | 4,298 | 36 | 843 | 54,351 |
| Additions | 10,887 | 58,930 | 8,115 | 1,380 | - | 5,644 | 2 | 1,029 | 85,987 |
| **At March 31, 2021** | 18,554 | 90,211 | 11,400 | 1,969 | 6,352 | 9,942 | 38 | 1,872 | 140,338 |
| **Depreciation** | | | | | | | | | |
| **At April 1, 2019** | - | - | - | - | - | - | - | - | - |
| Charge for the year | - | 1,155 | 639 | 114 | 461 | 585 | 16 | 286 | 3,256 |
| **At March 31, 2020** | - | 1,155 | 639 | 114 | 461 | 585 | 16 | 286 | 3,256 |
| Charge for the year | - | 1,814 | 935 | 166 | 2,316 | 794 | 13 | 309 | 6,347 |
| **At March 31, 2021** | - | 2,969 | 1,574 | 280 | 2,777 | 1,379 | 29 | 595 | 9,603 |
| **Net book value (A)** | | | | | | | | | |
| **At March 31, 2020** | 7,667 | 30,126 | 2,646 | 475 | 5,891 | 3,713 | 20 | 557 | 51,095 |
| **At March 31, 2021** | 18,554 | 87,242 | 9,826 | 1,689 | 3,575 | 8,563 | 9 | 1,277 | 130,735 |

| | |
|---|---|
| **Initial direct costs incurred in negotiating and arranging an operating lease (B)*** | |
| **At March 31, 2020** | 360 |
| **At March 31, 2021** | 1,016 |
| **Investment property value (A+B)** | |
| **At March 31, 2020** | 51,455 |
| **At March 31, 2021** | 131,751 |

* Amortisation of initial direct costs over the lease term is inlcuded under Brokerage and commission expenses in Note 23 - Other Expenses.

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

**3.2 Investment Property (continued)**

| **Information regarding income and expenditure of investment property** | **March 31,2021** | **March 31, 2020** |
|---|---|---|
| Rental income derived from investment properties (including other operating income) | 8,289 | 2,549 |
| Direct operating expenses (including repairs and maintenance) generating rental income | (1,880) | (354) |
| Direct operating expenses (including repairs and maintenance) that did not generate rental income | - | (83) |
| **Profit arising from investment properties before depreciation and indirect expenses** | **6,409** | **2,112** |
| Less:- Depreciation & amortisation expense | (6,347) | (3,256) |
| **(Loss)/Profit arising from investment properties before indirect expenses** | **62** | **(1,144)** |

The Company's investment property consist of one commercial property in Bengaluru, India. The management has determined that the investment property consist of office property based on the nature, characteristics and risks of the property. The valuations are based on valuations performed by an independent external valuer, who specialise in valuing these types of investment properties.

Refer note 12 for details of Investment property pledged as security for borrowings.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements, except as disclosed in note 12 and 25(b).

| **Fair value of investment property:** | **March 31,2021** | **March 31, 2020** |
|---|---|---|
| Office property | 218,388 | 104,900 |

The fair value of investment properties is primarily based on discounted cashflow method ('DCM') and classified as level 3 fair value in the fair value hierarchy due to the use of unobservable inputs. There has been no change in valuation techniques used since prior year.

**Description of valuation techniques used and key inputs to valuation on investment properties:**

| Investment property | Valuation technique | Significant observable inputs | Range (weighted average) |
|---|---|---|---|
| Office property | DCF method | -Estimated rental value per sq.ft.per month | Rs. 60 - Rs. 62 |
| | | -Rent growth p.a. | 5% |
| | | -Discount rate | 9% |
| | | -Vacany rate | 5% |

Under the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real estate property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream associated with the asset.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real estate property. Periodic cash flow is typically estimated as gross income, non-recoverable expenses, collection losses, lease incentives, maintenance cost and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

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Notes to Financial Statements for the year ended March 31, 2021
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

## 3.3 Capital work-in-progress ('CWIP')

| | Investment property under construction | Total |
|---|---|---|
| **At April 01, 2019** | **71,101** | **71,101** |
| - Additions (subsequent expenditure) during the year | 41,230 | 41,230 |
| - Capitalised during the year | (54,351) | (54,351) |
| **At March 31, 2020** | **57,980** | **57,980** |
| - Additions (subsequent expenditure) during the year | 28,007 | 28,007 |
| - Capitalised during the year | (85,987) | (85,987) |
| **At March 31, 2021** | - | - |

Refer note 12 for details of Investment property under construction pledged as security for borrowings.

**Fair value disclosure**
The Company has determined that the fair value of the investment property under construction is not reliably measurable and expects the fair value of the property to be reliably measurable when construction is complete. Accordingly, the Company will measure and disclose the fair value of the investment property when the construction is complete and its fair value becomes reliably measurable.

**Capitalised borrowing costs**
The amount of borrowing costs capitalised during the year is Rs. 6,102 lakhs (March 31, 2020 - Rs. 4,037 lakhs). The rate used to determine the amount of borrowing costs eligible for capitalisation was 7-16%, which is the effective interest rate of the underlying borrowing.

## 3.4 Intangible Assets

| | Computer | Total |
|---|---|---|
| **Cost** | | |
| **At April 1, 2019** | **51** | **51** |
| Additions | - | - |
| At March 31, 2020 | 51 | 51 |
| Additions | - | - |
| At March 31, 2021 | 51 | 51 |
| Amorization | | |
| At April 1, 2019 | 50 | 50 |
| Charge for the year | 1 | 1 |
| **At March 31, 2020** | **51** | **51** |
| Charge for the year | - | - |
| **At March 31, 2021** | **51** | **51** |
| **Net book value** | | |
| **At March 31, 2020** | - | - |
| **At March 31, 2021** | - | - |

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

## 4 Income tax

**a) Deferred Tax**

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| *Deferred tax liabilities* | | |
| Fixed assets - Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting | 1,127 | 443 |
| Others | 457 | 153 |
| **Gross deferred tax liabilities** | 1,584 | 596 |
| *Deferred tax assets* | | |
| Deferred tax on components of compound financial instruments | 1,207 | 1,119 |
| Deferred tax on unabsorbed business losses and depreciation | 4,645 | 2,248 |
| Deferred tax on reversal of profits on account of transition to Ind AS 115 | - | 68 |
| Impact of expenditure charged to statement of profit or loss in a year but allowed for tax purposes in subsequent years | 414 | - |
| **Gross deferred tax assets** | 6,266 | 3,435 |
| **Net deferred tax assets/(liabilities)** | 4,682 | 2,839 |

**b) Tax expense**

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| **Current tax** | | |
| Current income tax charge | - | - |
| **Deferred tax charge/(credit)** | | |
| Relating to origination and reversal of temporary differences | (1,843) | (1,177) |
| **Income tax expense reported in the Statement of profit or loss** | (1,843) | (1,177) |

**Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:**

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| **Accounting profit/(loss) before income tax** | (6,331) | (3,900) |
| Tax on accounting profit at statutory income tax rate of 29.12% (March 31, 2020: 29.12%) | (1,844) | (1,136) |
| Tax effect of other items, net | 1 | (41) |
| **Tax expense reported in the Statement of profit or loss** | (1,843) | (1,177) |

**Reconciliation of deferred tax assets (net):**

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| **Opening balance** | 2,839 | 1,934 |
| Deferred tax credit / (charge) during the year recognised in profit or loss | 1,843 | 1,177 |
| Deferred tax on compound financial instruments recognised through Other Equity | - | (272) |
| **Closing balance of deferred tax assets** | 4,682 | 2,839 |

Note: The Taxation Laws (Amendment) Ordinance, 2019 ('the Ordinance') provides an option to domestic companies to pay income-tax at a lower rate of 25.17% instead of the normal rate of 29.12% (as applicable to the Company), if it opts for not availing of certain specified exemptions or incentives. The Company has made an assessment of the impact of the Ordinance and has decided to not opt for the lower tax rate of 25.17%. Consequently, the Company has continued to measure the current and deferred taxes at the normal rate of 29.12%.

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

## 5 Other financial assets
**(unsecured, considered good)**

| | Non-Current | | Current | |
|---|---|---|---|---|
| | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| Interest accrued and not due on deposits | 89 | 65 | 5 | - |
| Unbilled revenue | - | - | - | 361 |
| Margin money deposit with banks* | 1,391 | 510 | - | - |
| Rent equalisation reserve | 290 | - | 466 | - |
| | 1,770 | 575 | 471 | 361 |

*Margin money deposits have been made towards term loan and bank guarantee facilities availed by the Company from banks. Refer note 12 for details of deposits pledged as security for borrowings.

## 6 Other assets
**(unsecured, considered good)**

| | Non - Current | | Current | |
|---|---|---|---|---|
| | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| Supplier advances | - | - | 778 | 2,490 |
| Capital advances | - | 1,870 | - | - |
| Prepaid expenses | - | - | 32 | 23 |
| Balances with statutory / government authorities | 2,242 | 1,413 | - | - |
| Others | - | 285 | - | 253 |
| | 2,242 | 3,568 | 810 | 2,766 |

## 7 Inventories (valued at lower of cost and net realisable value)

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Project materials (refer note 18) | 39 | 9 |
| Work-in-progress (refer note 16 and 19) | 15,430 | 12,285 |
| Stock of flats (refer note 16 and 19) | 423 | 1,558 |
| | 15,892 | 13,852 |

Note: Refer note 12 for details of inventories pledged as security for borrowings.

## 8 Trade receivables (unsecured)

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Trade receivables - considered good | | |
| - Receivable from related parties (note 26) | - | 6 |
| - Receivable from other parties | 84 | 454 |
| Trade receivables - credit impaired | 7 | 7 |
| | 91 | 467 |
| Impairment Allowance (allowance for bad and doubtful debts) | | |
| Trade receivables - credit impaired | (7) | (7) |
| | 84 | 460 |

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

**9.1 Cash and cash equivalents**

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Balances with banks: | | |
| – On current accounts | 625 | 805 |
| - in deposit accounts with original maturity of less than 3 months | 2,435 | - |
| | 3,060 | 805 |

**Changes in liabilities arising from financing activities:**

| Particulars | Non-current portion of borrowings | Current maturities of non-current borrowings | Interest accrued and not due on borrowings | Total |
|---|---|---|---|---|
| **Balance as at April 1, 2019** | **51,600** | **7,189** | **7,096** | **65,885** |
| Cash inflows | 33,800 | - | - | 33,800 |
| Cash outflows | - | - | (6,494) | (6,494) |
| Finance costs charged off | - | - | 4,673 | 4,673 |
| Finance costs capitalised | - | - | 4,037 | 4,037 |
| Effect of change in debt portion of RPS | 20 | - | - | 20 |
| Others* | 7,189 | (7,189) | - | - |
| **Net debt as at March 31, 2020** | **92,609** | - | **9,312** | **101,921** |
| Cash inflows | 55,705 | - | - | 55,705 |
| Cash outflows | (21,382) | - | (17,723) | (39,105) |
| Finance costs charged off | - | - | 5,793 | 5,793 |
| Finance costs capitalised | - | - | 6,102 | 6,102 |
| Others* | (26,018) | 26,018 | - | - |
| **Net debt as at March 31, 2020** | **100,914** | **26,018** | **3,484** | **130,416** |

* Others indicates the effect of movement in reclassification between current and non-current portion of non-current borrowings basis the balance repayment period.

**9.2 Bank Balances other than Cash and cash equivalents**

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Balances with banks: | | |
| – Deposits with maturity of more than 3 months but not more than 12 months | 496 | 1,147 |
| – Margin money deposits | 1,391 | 510 |
| | 1,887 | 1,657 |
| Less: Margin money deposits with banks with banks disclosed under non-current financial assets (refer note 5) | (1,391) | (510) |
| | 496 | 1,147 |

| **Break up of financial assets carried at amortised cost** | **March 31, 2021** | **March 31, 2020** |
|---|---|---|
| Trade receivables (note 8) | 84 | 460 |
| Cash and cash equivalents (note 9.1) | 3,060 | 805 |
| Balances at bank other than Cash and cash equivalents (note 9.2) | 496 | 1,147 |
| Other financial assets (note 5) | 2,241 | 936 |
| **Total financial assets carried at amortised cost** | **5,881** | **3,348** |

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## 10 Share capital

| Authorised share capital | March 31, 2021 | | March 31, 2020 | |
|---|---|---|---|---|
| | Nos. in lakhs | Rs. in lakhs | Nos. in lakhs | Rs. in lakhs |
| **Class A Equity shares of Rs.10 each:** | | | | |
| Balance at the beginning of the year | 1 | 10 | 1 | 10 |
| Changes during the year | - | - | - | - |
| **Balance at the end of the year** | **1** | **10** | **1** | **10** |
| **Class B Equity shares of Rs.10 each:** | | | | |
| Balance at the beginning of the year | 191 | 1,909 | 191 | 1,909 |
| Changes during the year | - | - | - | - |
| **Balance at the end of the year** | **191** | **1,909** | **191** | **1,909** |
| **Class C Equity shares of Rs.10 each:** | | | | |
| Balance at the beginning of the year | 191 | 1,908 | 191 | 1,908 |
| Changes during the year | - | - | - | - |
| **Balance at the end of the year** | **191** | **1,908** | **191** | **1,908** |
| **RPS of Rs. 10 each** | | | | |
| Balance at the beginning of the year | 307 | 3,068 | 307 | 3,068 |
| Changes during the year | - | - | - | - |
| **Balance at the end of the year** | **307** | **3,068** | **307** | **3,068** |

| Issued, subscribed and fully paid-up share capital | March 31, 2021 | | March 31, 2020 | |
|---|---|---|---|---|
| | Nos. in lakhs | Rs. in lakhs | Nos. in lakhs | Rs. in lakhs |
| **Class A Equity Shares of Rs. 10 each** | | | | |
| Balance at the beginning of the year | 1 | 10 | 1 | 10 |
| Changes during the year | - | - | - | - |
| **Balance at the end of the year** | **1** | **10** | **1** | **10** |
| **Class B Equity Shares of Rs. 10 each** | | | | |
| Balance at the beginning of the year | 191 | 1,909 | 191 | 1,909 |
| Changes during the year | - | - | - | - |
| **Balance at the end of the year** | **191** | **1,909** | **191** | **1,909** |
| **Class C Equity Shares of Rs. 10 each** | | | | |
| Balance at the beginning of the year | 191 | 1,908 | 191 | 1,908 |
| Changes during the year | - | - | - | - |
| **Balance at the end of the year** | **191** | **1,908** | **191** | **1,908** |
| **Total share capital** | | | | |
| Balance at the beginning of the year | 383 | 3,827 | 383 | 3,827 |
| Changes during the year | - | - | - | - |
| **Balance at the end of the year** | **383** | **3,827** | **383** | **3,827** |

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**10 Share capital (continued)**

**Terms/ rights attached to equity shares**

The Company has 3 classes of equity shares having a par value of Rs.10 each per share. All rights, privileges and conditions are in accordance with the Investment Agreements.

**Class A equity shares**

Each holder of equity shares is entitled to one vote per share. No dividends and other distribution would be made to the share holders, except in case of liquidation of the Company. In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Class B equity shares**

The holder of equity shares do not have any voting rights. The Company declares and pays dividend in Indian rupees in accordance with the Investment Agreements. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares would be entitled to receive distributions as prescribed under the Investment Agreements. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Class C equity shares**

The holder of equity shares do not have any voting rights. The Company declares and pays dividend in Indian rupees in accordance with the Investment Agreements. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares would be entitled to receive distributions as prescribed under the Investment Agreements. The distribution will be in proportion to the number of equity shares held by the shareholders.

**RPS**

RPS have been issued at par carrying a coupon rate of 0.01% per annum. The holder of RPS may at any time prior to the expiry of 20 years exercise the option to redeem the RPS in accordance with the Investment Agreements and the Articles. The Company has offered to redeem the instrument on March 31, 2019, which has been subsequently extended for a further period of three years upto March 31, 2022. The presentation of liability and equity portions of these shares is explained in the summary of significant accounting policy.

**(a) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates**

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Brigade Enterprises Limited, the holding company | | |
| 51,000 (March 31, 2020 - 51,000) Class A equity shares of Rs.10 each | 5 | 5 |
| 19,086,118 (March 31, 2020 - 19,086,118) Class C equity shares of Rs.10 each | 1,909 | 1,909 |

**(b) Details of shareholders holding more than 5% shares in the company:**

| | March 31, 2021 | | March 31, 2020 | |
|---|---|---|---|---|
| | Nos. in lakhs | % holding | Nos. in lakhs | % holding |
| **Class A Equity shares of Rs.10 each fully paid** | | | | |
| Reco Begonia Pte Ltd | 0.49 | 49% | 0.49 | 49% |
| Brigade Enterprises Limited | 0.51 | 51% | 0.51 | 51% |
| **Class B equity shares of Rs. 10 each fully paid** | | | | |
| Reco Begonia Pte Ltd | 191 | 100% | 191 | 100% |
| **Class C equity shares of Rs. 10 each fully paid** | | | | |
| Brigade Enterprises Limited | 191 | 100% | 191 | 100% |

**(c) Shares reserved for issue under options**

For details of shares reserved for issue on conversion of fully convertible debentures and optionally convertible debentures, refer note 12.

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

## 11 Other equity

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| **Equity component of compound financial instruments** | | |
| Balance at the beginning of the year | 2,232 | 1,596 |
| Changes during the year | - | 636 |
| **Balance at the end of the year (A)** | **2,232** | **2,232** |

Note: Equity component of compound financial instruments (i.e., RPS) represents the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component and tax effect thereon.

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| **Debenture Redemption Reserve** | | |
| Balance at the beginning of the year | 1,319 | 1,016 |
| Add: amount transferred from surplus balance in the statement of profit and loss | - | 303 |
| **Balance at the end of the year (B)** | **1,319** | **1,319** |

Note: Debenture redemption reserve created out of free reserves with respect to redeemable debentures.

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| **General Reserve (C)** | 217 | 217 |

Note: General reserve represents amounts transferred from debenture redemption reserve on redemption of debentures.

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| **Other contributions by owners (D)** | 3,861 | 3,861 |

Note: Other contributions by owners represents amount recorded as contributions by owners upon conversion of compound financial instruments.

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| **Surplus in the statement of profit and loss** | | |
| Balance at the beginning of the year | 845 | 3,871 |
| Total comprehensive income for the year | (4,488) | (2,723) |
| Transfer to Debenture redemption reserve | - | (303) |
| **Balance at the end of the year (E)** | (3,643) | 845 |
| **Total other equity (A+B+C+D+E)** | **3,986** | **8,474** |

## 12 Borrowings

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| **Non-current Borrowings** | | |
| Debentures | | |
| 5,100,000 (March 31, 2020 - 5,100,000) Unlisted 16% C series Fully Convertible Debentures ('FCD') of Rs.100 each | 5,100 | 5,100 |
| 490 (March 31, 2020 - 490) Listed 16% A series Non Convertible Debentures ('NCD') of Rs.10,00,000 each | 4,900 | 4,900 |
| 500 (March 31, 2020 - 500) Unlisted 14.10% B series NCD of Rs. 10,00,000 each | 5,000 | 5,000 |
| 60,00,000 (March 31, 2020 - 60,00,000) Unlisted 12% A series NCD of Rs. 100 each | 6,000 | 6,000 |
| 30,00,000 (March 31, 2020 - 30,00,000) Unlisted 12% B series NCD of Rs. 100 each | 3,000 | 3,000 |
| 30,00,000 (March 31, 2020 - 30,00,000) Unlisted 12% B series (II) NCD of Rs. 100 each | 3,000 | 3,000 |
| **Liability component of compound financial instruments** | | |
| RPS (refer note 10) | 2,109 | 2,109 |
| **Term loan** | | |
| Term loan from banks (secured) | 97,823 | 63,500 |
| | **126,932** | **92,609** |
| Less: Current maturities of non-current borrowings - disclosed under the head "Other current financial liabilities" | | |
| C Series FCD | (5,100) | - |
| A series NCD | (4,900) | - |
| RPS | (2,109) | - |
| Term loan from banks | (13,909) | - |
| **Total non-current borrowings** | **100,914** | **92,609** |

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**12 Borrowings (continued)**

i) C series FCD have been issued at par carrying an interest rate of 16% per annum. These are mandatorily convertible to into RPS at the expiry of 20 years from the date of its issue i.e., 20 March 2015, however the Company may at any time prior to the expiry of 20 years convert the C series FCD into OCPS. Each C Series FCD would be converted into such number of OCPS as may be mutually agreed between Investor and Brigade Enterprises Limited. The conversion of the C series FCD shall be solely in accordance with the provisions of the Investment Agreements and the Articles. The Company has offered to redeem the instrument on March 31, 2019, which has been subsequently further extended by a period of three years upto March 31, 2022.

ii) A series NCD have been issued at par carrying an interest rate of 16% per annum. These are mandatorily redeemable at the expiry of 7 years from the date of its issue i.e., March 20, 2015. The Company has offered to redeem the instrument on March 31, 2022. The redemption of the A series NCD shall be solely in accordance with the provisions of the Investment Agreements and the NCD Agreement.

iii) B Series NCD have been issued at par carrying interest rate of 14.10% per annum. These are mandatorily redeemable within a period of 7 years from the date of issue i.e., July 05, 2017. The redemption of the B series NCD shall be solely in accordance with the provisions of the Investment Agreements and the Articles.

iv) A Series NCD have been issued at par carrying interest rate of 12% per annum. These are mandatorily redeemable within a period of 5 years from the date of issue i.e., May 03, 2019. The redemption of the B series NCD shall be solely in accordance with the provisions of the Investment Agreements and the Articles.

v) B Series NCD have been issued at par carrying interest rate of 12% per annum. These are mandatorily redeemable within a period of 5 years from the date of issue ie., September 27, 2019. The redemption of the B series NCD shall be solely in accordance with the provisions of the Investment Agreements and the Articles.

vi) B Series (II) NCD have been issued at par carrying interest rate of 12% per annum. These are mandatorily redeemable within a period of 5 years from the date of issue ie., December 26, 2019. The redemption of the B series NCD shall be solely in accordance with the provisions of the Investment Agreements and the Articles.

vii) Term loan from banks
- Term loan of Rs. 61,460 lakhs (March 31, 2020 - Rs. 63,500 lakhs) carries interest at base rate of lender plus spread payable montly (8-10%). The loan is to be repaid within 108 monthly instalments commecing from November 15, 2021. The loan is secured by way of hypothecation of project receivables, deposits and equitable mortgage of land measuring 26 acres situated at Sy. No. 103,104,105,108/1,108/2,109 (P), 112,113/1B, Kundanahali village, K.R.Puram Hobli, Mahadevapura, Bangalore.
- Term loan of Rs.36,363 lakhs (March 31, 2020 - Nil) carries interest rate in the range of 7-9% and is repayable in 180 equal monthly instalments commencing from Jun'20. The loan is primarily secured by way of hypothecation of lease rent receivables, deposits and equitable mortgage of leasable area of 6.92 lakhs square feet alongwith proportionate undivided share of project land situated at Sy. No. 103,104,105,108/1,108/2,109 (P), 112,113/1B, Kundanahali village, K.R.Puram Hobli, Mahadevapura, Bangalore.

**13 Other financial liabilities**

| | Non-current | | Current | |
|---|---|---|---|---|
| | **March 31, 2021** | **March 31, 2020** | **March 31, 2021** | **March 31, 2020** |
| Current maturities of non-current borrowings (refer note 12) | - | - | 26,018 | - |
| Lease deposits | 4,425 | 2,965 | 238 | 766 |
| Capital creditors | | | | |
| - Payable to related parties (note 26) | - | - | 922 | 430 |
| - Payable to other parties | - | - | 11,945 | 10,879 |
| Interest accrued and not due | | | | |
| - Payable to related parties (note 26) | - | - | 3,119 | 9,104 |
| - Payable to other parties | - | - | 365 | 208 |
| Interest free deposits from customers | - | - | 1,290 | 1,281 |
| **Total other financial liabilities** | 4,425 | 2,965 | 43,897 | 22,668 |

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## 14 Trade payables - Current

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Trade payables | | |
| - Total outstanding dues of micro enterprises and small enterprises (refer note below) | - | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | | |
| - Payable to related parties (note 26) | 336 | 243 |
| - Payable to other parties | 256 | 2,208 |
| | 592 | 2,451 |

Note: Based on the information available with the company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" during the year ended March 31, 2021 and March 31, 2020.

| **Break up of financial liabilities carried at amortised cost** | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Borrowings (non-current) (note 12) | 100,914 | 92,609 |
| Trade payables (current) (note 14) | 592 | 2,451 |
| Other non-current financial liabilities (note 13) | 4,425 | 2,965 |
| Other current financial liabilities (note 13) | 43,897 | 22,668 |
| **Total financial liabilities carried at amortised cost** | 149,828 | 120,693 |

## 15 Other liabilities

| | Non-current | | Current | |
|---|---|---|---|---|
| | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| Advance from customers | - | - | 973 | 1,052 |
| Deferred revenue (refer note 16) | - | - | 232 | 1,403 |
| Lease income received in advance | 1,387 | 1,542 | 556 | 428 |
| Stamp duty payable* | - | - | 1,778 | - |
| Statutory dues payable | - | - | 184 | 278 |
| | 1,387 | 1,542 | 3,723 | 3,161 |

* The Scheme of Amalgamation between Brigade Properties Private Limited ('BPPL') and its wholly-owned subsidiary Brookefields Real Estates and Projects Private Limited ('BREPPL'), and their respective shareholders and creditors (hereinafter referred to as "the Scheme") in terms of the provisions of Sections 230 to 233 of the Companies Act, 2013 for amalgamation of BREPPL with BPPL has been approved by the Regional Director, Ministry of Corporate Affairs and Ministry of Commerce and Industry authorities. Pursuant to the Scheme, BPPL had accounted for the merger, being a business combination involving entities under common control, using the pooling of interests method as prescribed in Ind AS 103 - Business Combinations ('Ind AS103').

Based on the ongoing proceedings with the relevant regulatory authorities and management's assesment thereon, the Company has ascertained Rs 1,778 lakhs as the amount of stamp duty payable pursuant to the aforesaid merger and the same has been provided for and disclosed as an exceptional item.

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

## 16 Revenue from operations

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Revenue from contracts with customers | | |
| -Revenue from real estate development | 1,670 | 6,409 |
| -Revenue from maintenance services | 377 | 236 |
| | 2,047 | 6,645 |
| Income from leasing | 7,912 | 2,313 |
| | 9,959 | 8,958 |

## 16.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers by timing of transfer of goods or services:

**Revenue from contracts with customers**

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Revenue from real estate development - Recognised at a point in time | 1,670 | 6,409 |
| Revenue from maintenance services - Recognised over time | 377 | 236 |
| | 2,047 | 6,645 |

## 16.2 Contract balances

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Trade receivables from contracts under Ind AS 115 | 76 | 151 |
| Contract liabilities | | |
| - Deferred Revenue | 232 | 1,403 |
| - Advance from customers | 973 | 1,052 |
| | 1,281 | 2,606 |

Trade receivables are generally on credit terms based on schedule of upto 30 days. The decrease in trade receivables is primarily on account of improvement in collection period.

Contract liabilities include advances received from customers as well as deferred revenue representing transaction price allocated to unsatisfied performance obligations. The outstanding balances of these accounts has been decreased primarily on account of recognition of revenue in the current year.

| | | |
|---|---|---|
| Revenue recognised in the reporting period that was included in the deferred revenue balance at the beginning of the period: | 1,250 | 7,473 |

## 16.3 Performance obligations

| | | |
|---|---|---|
| Aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the current year * | | |
| Revenue to be recognised at a point in time | 232 | 1,403 |

* The entity expects to satisfy the performance obligations when (or as) the control of the underlying real estate units would be transferred to the customers in the ensuing year.

## 16.4 Assets recognised from the costs to obtain or fulfil a contract with a customer

| | | |
|---|---|---|
| Inventories | | |
| - Work-in-progress | 15,430 | 12,285 |
| - Stock of flats | 423 | 1,558 |

## 17 Other income

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Interest income on: | | |
| Bank deposits | 125 | 91 |
| Income tax refunds | 109 | - |
| Others | - | 5 |
| Dividend income on current investments | - | 8 |
| Miscellaneous income | 2 | 59 |
| | 236 | 163 |

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## 18 Cost of project materials consumed

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Inventories at the beginning of the year | 9 | 31 |
| Add: Purchases during the year | 504 | 35 |
| | **513** | **66** |
| Less: Inventories at the end of the year | (39) | (9) |
| **Cost of project materials consumed** | 474 | 57 |

## 19 (Increase)/ decrease in inventories of stock of flats and work-in-progress

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Inventories at the beginning of the year | | |
| Work-in-progress | 12,285 | 9,579 |
| Stock of flats | 1,558 | 5,758 |
| (A) | 13,843 | 15,337 |
| Inventories at the end of the year (B) | | |
| Work-in-progress | 15,430 | 12,285 |
| Stock of flats | 423 | 1,558 |
| (B) | 15,853 | 13,843 |
| **Total (A-B)** | (2,010) | 1,494 |

## 20 Employee benefits expense

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Salaries, wages and bonus | 60 | 59 |
| | 60 | 59 |

## 21 Depreciation and amortization expense

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Depreciation of property, plant and equipment (refer note 3.1) | 1 | 4 |
| Depreciation of investment property (refer note 3.2) | 6,347 | 3,256 |
| Amortization of intangible assets (refer note 3.4) | - | 1 |
| | 6,348 | 3,261 |

## 22 Finance costs*

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Interest charges | | |
| On bank borrowings | 7,319 | 4,943 |
| On debentures | 3,745 | 3,242 |
| On RPS | 301 | 267 |
| On other financial instruments | 421 | 171 |
| Other borrowing costs | 109 | 87 |
| | **11,895** | **8,710** |
| Less : Interest capitalised | (6,102) | (4,037) |
| | 5,793 | 4,673 |

* Gross of interest of Rs.751 lakhs (March 31, 2020: Rs.217 lakhs) inventorised to qualifying work in progress.

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**Brigade Properties Private Limited**
**Notes to Financial Statements for the year ended March 31, 2021**
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**23 Other expenses**

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Legal and professional fees | 108 | 54 |
| Payments to auditors (refer note (i) below) | 43 | 46 |
| Architect & consultancy fees | 52 | 169 |
| Lease oversight fees | 206 | 44 |
| Management fees | 87 | 43 |
| Development co-ordination Fee | 110 | 79 |
| Power and fuel | 1 | 6 |
| Repairs and maintenance: | | |
| Building | 287 | 127 |
| Plant & Machinery | 23 | - |
| Others | - | 6 |
| Insurance | 7 | 29 |
| Rates and taxes | 789 | 55 |
| Advertisement and sales promotion | 22 | 57 |
| Travelling and conveyance | 10 | 10 |
| Communication costs | 3 | 3 |
| Sales Commision | 3 | 17 |
| Brokerage and commission | 395 | 136 |
| Printing and stationery | 3 | 2 |
| Exchange difference (net) | | - |
| Directors' sitting fees | 3 | 6 |
| Security Charges | 70 | 52 |
| CSR Expenditure (refer note (ii) below) | 68 | 283 |
| Provision for bad and doubtful debts | - | 1 |
| Miscellaneous expenses | 23 | 15 |
| | **2,313** | **1,240** |

| **(i) Payment to auditors (excluding Goods and Service tax):** | March 31, 2021 | March 31, 2020 |
|---|---|---|
| As auditor: | | |
| Audit fee | 26 | 26 |
| Limited review | 13 | 13 |
| Other services | 3 | 6 |
| Reimbursement of expenses | 1 | 1 |
| | 43 | 46 |

| **(ii) Details of CSR expenditure:** | March 31, 2021 | March 31, 2020 |
|---|---|---|
| (a) Gross amount required to be spent during the year | 58 | 111 |
| (b) Amount approved by Board to be spent during the year | 68 | 283 |
| (c) Amount spent during the year | | |
| Construction/acquisition of any asset | - | - |
| On purposes other than above - Contribution to Charitable Trust* | 68 | 283 |
| | **68** | **283** |
| (d) Balance amount unspent | - | - |
| * Includes related party transactions | 38 | 273 |

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## 24 Earnings/(Loss) per share ('EPS')

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.
Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.
The following reflects the income and share data used in the basic and diluted EPS computations:

| | March 31, 2021 | | | March 31, 2020 | | |
|---|---|---|---|---|---|---|
| | Class A Equity shares | Class B Equity shares | Class C Equity shares | Class A Equity shares | Class B Equity shares | Class C Equity shares |
| (i) Nominal value of equity share (in Rs.) | 10 | 10 | 10 | 10 | 10 | 10 |
| (ii) Weighted average number of equity shares outstanding (No. in lakhs): | | | | | | |
| Basic (A) | - | 191 | 191 | - | 191 | 191 |
| Diluted (B) | - | 191 | 191 | - | 191 | 191 |
| (iii) (Loss) considered for the calculation of earnings per share | | | | | | |
| (Loss) for Basic EPS (C) | - | (2,222) | (2,266) | - | (1,092) | (1,631) |
| (Loss) for Diluted EPS (D) | - | (2,222) | (2,266) | - | (1,092) | (1,631) |
| (iv) (Loss) Per Share | | | | | | |
| Basic (C/A) | - | (11.64) | (11.87) | - | (5.72) | (8.55) |
| Diluted (D/B) | - | (11.64) | (11.87) | - | (5.72) | (8.55) |

Note: In accordance with the Indian Accounting Standard (Ind AS) - 33 Earnings Per Share, specified under Section 133 of the Companies Act 2013, read with relevant rules issued thereunder, there are certain class of securities which are anti dilutive and hence the impact of those securities has been ignored in the computation of diluted EPS.

## 25 Commitments and contingencies

a. Leases

**Operating lease commitments -**
The Company has entered into operating leases (cancellable and non-cancellable) on its investment property portfolio consisting of certain office buildings with varying lease terms of upto fifteen years and with escalation and renewal clauses. All leases include a clause to enable upward revision of the lease rental on periodical basis. The Company is also required to maintain the property over the lease term.

**Lease rentals recognised as an income in the statement of profit and loss:**

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Income from leasing | 7,912 | 2,313 |

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

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Within one year | 7,603 | 6,511 |
| After one year but not more than five years | 17,333 | 18,413 |
| More than 5 years | - | - |
| | 24,936 | 24,924 |

**b. Other commitments**

(i) The estimated amount of contracts (net of capital advance) remaining to be executed on capital account not provided for is Rs. 1,250 lakhs (March 31, 2020: Rs. 21,791 lakhs).
(ii) For Commitments under Investors Agreements to equity, preference and debenture holders, refer notes 10 and 12.

**c. Contingent liabilities**

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| a) Letters of credit and bank guarantees outstanding | 95 | 8,000 |

b) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

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## 26 Related party disclosures

**I. List of related parties and related party relationship with whom transactions have been entered into:**

| | |
|---|---|
| Holding Company | Brigade Enterprises Limited ['BEL'] |
| Enterprise having significant influence over the Company | Reco Begonia Pte Ltd<br>Reco Iris Pte Ltd |
| Fellow Subsidiary | Brigade Hospitality Services Limited ['BHSL']<br>Perungudi Real Estates Private Limited ['PREPL']<br>Orion Property Management Services Ltd. ['OPMSL']<br>Celebrations LLP ['CCLP']<br>Mysore Projects Private Limited ['MPPL']<br>Brigade Flexible Office Spaces LLP ['BFOS']<br>Brigade Hotel Ventures Limited ['BHVL']<br>Brigade Tetrarch Private Limited ['BTPL'] |
| Associate of Holding Company | Tandem Allied Services Private Limited ['TASPL'] |
| Enterprises significantly influenced by Key management personnel ('KMP') | Indian Music Trust Experience ['IMET']<br>Brigade Foundation Trust ['BFT'] |
| Directors | Pradeep Kumar Panja<br>Meera Krishnakumar<br>Dinesh Meel (resigned w.e.f. July 26, 2019)<br>Kishore Gotety<br>Roshin Mathew |
| Additional related parties as per Companies Act, 2013 - KMP | Akanksha Bijawat - Company Secretary<br>Ankit Garg - Chief Financial Officer (Resigned w.e.f. November 18, 2019)<br>Akhil Motamarry - Chief Financial Officer (appointed on January 30, 2020)<br>Arindam Mukherjee - Manager (appointed on August 05, 2020)<br>Pradyumna Krishna Kumar - Manager (resigned w.e.f. January 19, 2020) |

**II. Transactions with related parties**

| Description of the nature of transaction | Name of related party | Description of the relationship | March 31, 2021 | March 31, 2020 |
|---|---|---|---|---|
| Interest on long-term borrowings | BEL | Holding Company | 2,190 | 1,904 |
| | Reco Iris Pte Ltd | Enterprise having significant influence | 1,857 | 1,605 |
| Other income | PREPL | Fellow subsidiary | - | 4 |
| Sales commission expenses | BEL | Holding Company | 6 | 6 |
| Development coordination fee | BEL | Holding Company | 966 | 1,057 |
| Agency commission | BEL | Holding Company | 176 | 56 |
| Management fees | BFOS LLP | Fellow subsidiary | 87 | 43 |
| Lease oversight fees | BEL | Holding Company | 206 | 44 |
| Sub-contractor cost | BEL | Holding Company | - | 5 |
| Salaries and allowances | Ankit Garg | Key managerial personnel | - | 13 |
| | Akanksha Bijawat | Key managerial personnel | 11 | 12 |
| | Akhil Motamarry | Key managerial personnel | 12 | 3 |
| Other Expenses cross charged to the Company | BEL | Holding Company | 183 | 124 |
| | BHVL | Fellow subsidiary | 6 | 15 |
| | OPMSL | Fellow subsidiary | 226 | 44 |
| CSR expenditure - Donations | IMET | Enterprise significantly influenced by KMP | 38 | 100 |
| | BFT | Enterprise significantly influenced by KMP | - | 173 |
| Purchase of Materials/ Services | BEL | Holding Company | 2 | 1 |
| | TASPL | Associate of holding company | - | 17 |
| | CLLP | Fellow subsidiary | - | 2 |
| | BHVL | Fellow subsidiary | 41 | 10 |
| | BHSL | Fellow subsidiary | - | 2 |
| Sale of Materials | BEL | Holding Company | 1 | 2 |
| | MPPL | Fellow subsidiary | 1 | 2 |
| | BTPL | Fellow subsidiary | 1 | 3 |
| Reimbursement of income recd. | OPMSL | Fellow subsidiary | 2 | - |
| Directors' sitting fees | Pradeep Kumar Panja | Director | 2 | 3 |
| Directors' sitting fees | Meera Krishnakumar | Director | 2 | 2 |
| ICD given | PREPL | Fellow subsidiary | - | 700 |
| ICD repayment received | PREPL | Fellow subsidiary | - | 700 |
| Issue of NCD | Reco Iris Pte Ltd | Enterprise having significant influence | - | 6,000 |
| | BEL | Holding Company | - | 6,000 |

Notes:

1. The expenses reimbursed by the Company are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivable or payable.
2. In respect of the transactions with the related parties, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013 where applicable, and the details have been disclosed above, as required by the applicable accounting standards.

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

## 26 Related party disclosures (continued)

### III. Balances with related parties

| Description of the nature of balance | Name of related party | Description of the relationship | March 31, 2021 | March 31, 2020 |
|---|---|---|---|---|
| Debentures outstanding | BEL | Holding Company | 13,600 | 13,600 |
| | Reco Iris Pte Ltd | Enterprise having significant influence | 13,400 | 13,400 |
| Interest accrued but not due | Reco Iris Pte Ltd | Enterprise having significant influence | 1,239 | 4,049 |
| | BEL | Holding Company | 1,880 | 4,677 |
| | Reco Begonia Pte Ltd | Enterprise having significant influence | - | 377 |
| Equity component of compound financial instruments outstanding | BEL | Holding Company | 2,232 | 2,232 |
| Debt component of compound financial instruments outstanding | BEL | Holding Company | 2,109 | 2,109 |
| Trade payable | BEL | Holding Company | 137 | 131 |
| | BFOS | Fellow Subsidiary | - | 43 |
| | BHVL | Fellow Subsidiary | - | 27 |
| | BHSL | Fellow Subsidiary | - | 2 |
| | OPMSL | Fellow Subsidiary | 199 | 40 |
| Capital creditors | BEL | Holding Company | 922 | 430 |
| Trade Receivable | MPPL | Fellow Subsidiary | - | 2 |
| | BTPL | Fellow Subsidiary | - | 4 |

Note: Outstanding balances at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided for any related party payables.

## 27 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade, other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks and ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

### i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real-estate risk.

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company is affected by the price volatility of certain commodities/ real esate. Its operating activities require the ongoing development of real estate. The Company's management has developed and enacted a risk management strategy regarding commodity/ real estate price risk and its mitigation. The Company is subject to the price risk variables, which are expected to vary in line with the prevailing market conditions.

**Interest rate sensitivity**
The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant. The impact on the entity's profit before tax is due to changes in the fair value of financial assets and liabilities.

| Particulars | Change in interest rate | Effect on profit/ loss before tax |
|---|---|---|
| March 31, 2021 | +1% | 492 |
| | -1% | (492) |
| March 31, 2020 | +1% | 736 |
| | -1% | (736) |

The Company invests surplus funds in short term fixed deposits which carry a fixed rate of interest. Therefore the said assets are not subject to interest rate risk.

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Bengaluru

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

**ii. Credit risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty defaults on its obligations. The Company's exposure to credit risk arises majorly from trade receivables and other financial assets.

Other financial assets like margin money deposits are with banks and the Company does not expect any credit risk with respect to these financial assets.

With respect to trade receivables/ unbilled revenue, the Company has constituted teams to review trade receivables on periodic basis and to take necessary mitigations, wherever required. The Company creates allowance for all unsecured trade receivables based on lifetime expected credit loss. At the balance sheet date, there was no significant concentration of credit risk and exposure thereon.

**iii. Liquidity Risk**

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of borrowings and lease contracts. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

| | Maturity period | March 31, 2021 | March 31, 2020 |
|---|---|---|---|
| **Financial liabilities - Current** | | | |
| Trade payables | Within 1 year | 592 | 2,451 |
| Other financial liabilities | Within 1 year | 43,897 | 22,668 |
| **Financial liabilities - Non current** | | | |
| Borrowings - bank borrowings | Between 1-15 years | 83,914 | 63,500 |
| Borrowings - other borrowings | Between 1-5 years | 17,000 | 29,109 |
| Other financial liabilities | Between 1-5 years | 4,425 | 2,965 |

28 **Fair values**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

> Refer note 3.3 with respect to investment properties under construction.
> Refer note 3.2 with respect to investment properties.
> The management assessed that the carrying values of cash and bank balances, trade receivables, trade payables, and other current financial assets and liabilities approximate their fair values largely due to their short-term maturities.
> The management assessed that the carrying values of deposits, borrowings and other financial assets and liabilities approximate their fair values based on cash flow discounting using parameters such as interest rates, tenure of instrument, creditworthiness of the customer and the risk characteristics of the financed project, as applicable.

These financial assets and financial labilities are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs as explained above. There have been no transfers between levels during the year.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

| Particulars | March 31, 2021 | | March 31, 2020 | |
|---|---|---|---|---|
| | Carrying Value | Fair Value (Level 3) | Carrying Value | Fair Value (Level 3) |
| **Financial Assets** | | | | |
| *Measured at amortised cost* | | | | |
| Trade receivables | 84 | 84 | 460 | 460 |
| Cash and cash equivalents | 3,060 | 3,060 | 805 | 805 |
| Bank balances other than cash and cash equivalents | 496 | 496 | 1,147 | 1,147 |
| Other financial assets | 2,241 | 2,241 | 936 | 936 |
| **Assets for which fair value disclosed** | | | | |
| *Measured at cost* | | | | |
| Investment property | 131,751 | 218,388 | 51,455 | 104,900 |
| **Financial Liabilities** | | | | |
| *Measured at amortised cost* | | | | |
| Borrowings | 100,914 | 100,914 | 92,609 | 92,609 |
| Trade payables | 592 | 592 | 2,451 | 2,451 |
| Other financial liabilities | 48,322 | 48,322 | 25,633 | 25,633 |

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## 29 Capital management

The Company's objectives of capital management is to maximize the shareholder value. In order to maintain or adjust the capital structure, the Company may adjust the return to shareholders, issue/ buyback shares or sell assets to reduce debt. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt as below.
- Equity includes Equity share capital and all Other Equity components attributable to the Equity holders
- Net Debt includes borrowings (non-current and current), trade payables and other financial liabilities, less cash and cash equivalents including balances at bank other than cash and cash equivalents and margin money deposits with banks

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Borrowings | 100,914 | 92,609 |
| Trade payables | 592 | 2,451 |
| Other financial liabilities | 48,322 | 25,633 |
| Less: Cash and cash equivalents & bank balances other than cash and cash equivalents | (3,556) | (1,952) |
| **Net Debt (A)** | **146,272** | **118,741** |
| Equity share capital | 3,827 | 3,827 |
| Other equity | 3,986 | 8,474 |
| **Equity (B)** | **7,813** | **12,301** |
| **Equity plus net debt ( C = A + B )** | **154,085** | **131,042** |
| **Gearing ratio ( D = A / C )** | **95%** | **91%** |

In order to achieve the objective to maximize shareholder value, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. Any significant breach in meeting the financial covenants would allow the bank to call borrowings. There have been no breaches in the financial covenants of above-mentioned interest-bearing borrowing.

No changes were made in the objectives, policies or processes for managing capital during the current and previous years.

## 30 Unhedged foreign currency exposure

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Trade payables | 30 | 44 |
| Capital creditors | 3 | 69 |
| **Total** | **33** | **113** |

Note: The Company is carrying liabilities towards borrowings of Rs.13,400 lakhs (March 31, 2020: Rs.13,400 lakhs) and interest on borrowings of Rs.1,239 lakhs (March 31, 2020: Rs.4,426 lakhs), which are payable to foreign parties. As per the contractual terms, the said liabilities are denominated in Indian Rupees and will be settled in equivalent Foreign Currency. Hence, such liabilities on the balance sheet will have no impact on profit and loss account of the Company due to movement in foreign exchange rates and accordingly, these are not disclosed above by the Company as foreign currency exposure.

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Bengaluru

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

## 31 Segment Reporting

For management purposes, the Company is organised into 2 Strategic Business Units (SBUs) based on risks and rates of return of the products and services offered by those SBUs as per Ind AS 108 as follows:

- Real Estate: development and sale of real estate property

- Leasing: development and leasing of commercial property

The management reviews operating results of SBUs separately for the purpose of making decisions about resource allocation and performance assessment. Also, the Company's financing activities (including finance costs and finance income) and income taxes are managed at corporate level and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

| Particulars | March 31, 2021 | | | March 31, 2020 | | |
|---|---|---|---|---|---|---|
| | Real Estate | Leasing | Total | Real Estate | Leasing | Total |
| **Revenue from operations** | 1,670 | 8,289 | 9,959 | 6,409 | 2,549 | 8,958 |
| Add: Other income - unallocable | | | 236 | | | 163 |
| **Total income** | | | **10,195** | | | **9,121** |
| **Segment Profit** | 1,237 | 62 | 1,299 | 2,288 | (1,144) | 1,144 |
| Less: Finance costs | | | (5,793) | | | (4,673) |
| Less: Other unallocable expenditure | | | (295) | | | (534) |
| Less: Exceptional item | | | (1,778) | | | - |
| Add: Other income (including interest income) | | | 236 | | | 163 |
| **(Loss)/Profit before tax** | | | **(6,331)** | | | **(3,900)** |
| **Segment assets** | 16,746 | 132,541 | 149,287 | 16,486 | 112,537 | 129,023 |
| Add: Cash and bank balances | | | 4,947 | | | 2,462 |
| Add: Deferred tax assets (net) | | | 4,682 | | | 2,839 |
| Add: Assets for current tax (net) | | | 1,491 | | | 1,886 |
| Add: Balances with statutory/government authorities | | | 2,242 | | | 1,413 |
| Add: Other unallocable assets | | | 102 | | | 74 |
| | | | 162,751 | | | 137,697 |
| **Segment liabilities** | 3,087 | 19,473 | 22,560 | 6,187 | 17,010 | 23,197 |
| Add: Borrowings (including interest accrued and current maturities of non-current borrowings) | | | 130,416 | | | 101,921 |
| Add: Stamp duty payable | | | 1,778 | | | - |
| Add: Other unallocable liabilities | | | 184 | | | 278 |
| | | | **154,938** | | | **125,396** |
| **Other information - Capital expenditure** | | | | | | |
| Capital expenditure | - | 28,007 | **28,007** | - | 41,230 | **41,230** |

Capital expenditure consists of additions to property, plant and equipment and investment property/investment property under construction.

Current/Deferred taxes, borrowings and certain financial and non-financial assets and liabilities are considered as unallocated as they are also managed on a Company basis.

The Company is domiciled in India and all the non-current assets of the Company are located in India.

S.R. Batliboi & Associates LLP
Bengaluru

## 32 Standards issued but not yet effective

As at March 31, 2021, there are no standards that have been issued but are not yet effective, which will impact the Company's financial statements.

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

S.R. Batliboi & Associates LLP
Bengaluru

per **Sandeep Karnani**
Partner
Membership no.: 061207

Place: Bengaluru
Date: May 04, 2021

For and on behalf of the board of directors of
**Brigade Properties Private Limited**

**Meera Krishna Kumar**
Director
DIN: 02179294

**Roshin Mathew**
Director
DIN: 00673926

**Akanksha Bijawat**
Company Secretary
Membership no.: 24610

**Akhil Motamarry**
Chief Financial Officer

**Arindam Mukherjee**
Manager

Place: Bengaluru
Date: May 04, 2021

BRIGADE PROPERTIES PVT. LTD.