TRENT
LIMITED
A TATA ENTERPRISE

1st August 2017

| | |
|---|---|
| TO<br>Listing Department<br>National Stock Exchange of India Limited<br>"Exchange Plaza"<br>Bandra – Kurla Complex, Bandra (East)<br>Mumbai – 400 051<br>Scrip Code : TRENT | TO<br>Listing Department<br>BSE Limited<br>Phiroze Jeejeebhoy Towers<br>Dalal Street,<br>Mumbai 400 001<br>Scrip Code : 500251 |

Dear Sir / Madam,

**Sub: Annual Report for the Financial Year 2016-17**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the financial year 2016-17 as approved and adopted by the Members as per the provisions of the Companies Act, 2013 at the 65th Annual General Meeting of the Company held on Tuesday, 1st August 2017 at 10.45 a.m. at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber (IMC), IMC Building, IMC Marg, Churchgate, Mumbai – 400 020.

Thanking you,

For TRENT LIMITED

M. M. Surti
Company Secretary

Encl: As above



# TRENT LIMITED

A TATA ENTERPRISE

65th ANNUAL REPORT

2016 - 17

FASHION THEATRE




WESTSIDE





NUON

## Restless By Design

Nuon's edgy range of street wear and statement club wear is conceptualized by a dedicated design team supported by design consultants from Paris and London






NUON

# Street Slang

Global fashion and lifestyle
trends researched to develop
on trend street wear








SASSY SODA

## Curvelution

Fun and preppy streetwear in
flattering fits, for the curvy fashionista



BOMBAY PAISLEY

# Urban Gypsy

A contemporary fusion of
Indian-inspired, bohemian prints and
global silhouettes




wardrobe

## Power Play

9 to 9 fashion for
today's power woman who
goes from work to play effortlessly.









# wardrobe



L.O.V.

## Soulful

Harmony of flowy fabrics,
pretty prints in contemporary
silhouettes to stay gorgeous everyday



STUDIOWEST

## Beauty Liberated

Beauty products and services, specially curated for the contemporary Indian woman, that give her the liberty to explore, experiment and create.





















ulsa

Strong.Stylish.Spirited

Contemporary Indian kurtas,
tops, palazzos and more in a vibrant
palette of colours and silhouettes

Zuba

# Rooted in Tradition

Hand woven fabrics, adorned
with Indian ethnic embroidery
and motifs for sophisticated ensembles

Zuba







Varh

# Mystical

A celebration of everything feminine and magical in your life. Wear elegance with a range of salwar kameez dupatta sets, ethnic gowns and kurtas - redefined classics for the modern woman.




# E.T.A

## Escape The Everyday

Styled for ease, ETA has handcrafted, nature inspired fabrics to create a modern fusion look



E.T.A





# West Street

## The Tycoon

Contemporary and confident corporate wardrobe
solutions for men of ambition



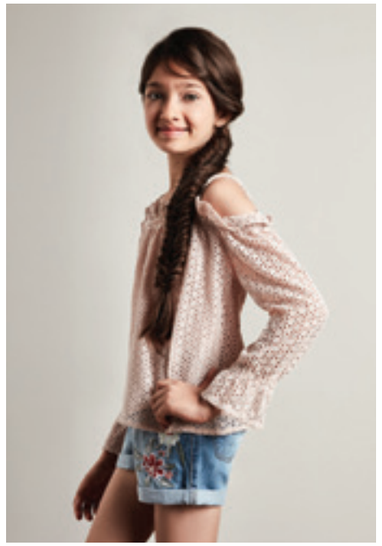

# ASCOT

## Mark of Distinction

Deconstructed tailored smart casualwear in premium fabrics for urban staples that are updated with seasonal trends.



ASCOT









## Today's Microfashion

Our favourite trends, now available in miniatures



HOME

## House Proud

Our range of furniture and home décor is sourced in India, and designed to suit urban Indian homes

zudio







zudio

Young Fashion, Irresistible Price.

## Style For Less

An exciting collection of exclusively designed
apparel, footwear and home products at great prices.

**landmark**
FOR THE CHILD IN ALL OF US

Landmark caters to the child in all of us. Our curated range of products and unique in-store experiences are all about showcasing the fun side of life.



A TATA and TESCO Enterprise

star

EXTRA | HYPER | MARKET | DAILY

At Star, we believe in bringing our customers fresh and high quality furits, vegetables, meat and fish everyday, 70% of which is sourced directly from farmers.



# FINANCIAL HIGHLIGHTS

**106.87** INR Cr.
Profit After Taxes

**686.63** INR Cr.
Gross Fixed Assets

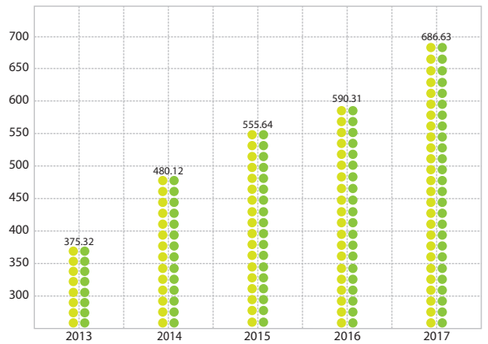
**1798.24** INR Cr.
Turnover ( Sales )

**3.22**
EPS - Basic ( ₹ Per Share)

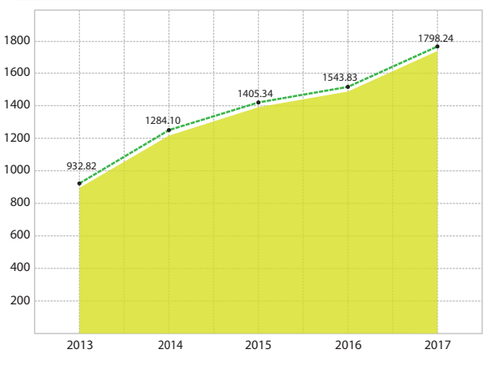
Note:

1. Detail for year 2016 and 2017 is as per Ind AS where as detail for remianing years is as per previous GAAP (IGAAP)
2. During the year the Company has split its equity shares having face value of ₹ 10 each into equity shares having face value of ₹ 1 per share

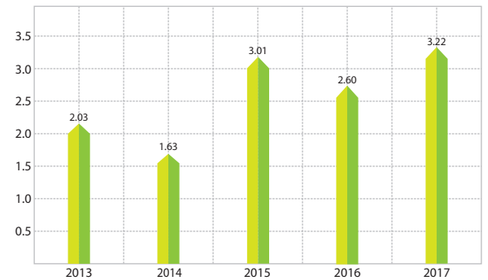
Gross Fixed Assets ( in INR cr. )



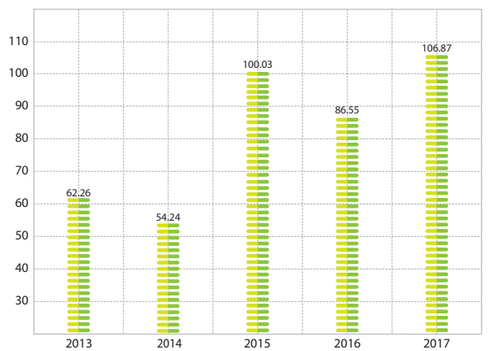

Turnover ( Sales ) ( in INR cr. )




EPS - Basic ( Rupee / Share )




Profit After Taxes ( in INR cr. )






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| | | |
|---|---|---|
| **Annual General Meeting** | : | 1st August 2017 |
| **Time** | : | 10.45 a.m. |
| **Venue** | : | Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber (IMC), IMC Building, IMC Marg, Churchgate, Mumbai - 400 020 |

**BOOK CLOSURE DATES**

**21ST JULY 2017 TO 25TH JULY 2017 (BOTH DAYS INCLUSIVE)**

## Chairman Emeritus

S. N. Tata

## Board of Directors

N. N. Tata (Chairman)
Z. S. Dubash
B. Bhat
S. Susman
B. N. Vakil
H. Bhat
S. Singh (re-appointed w.e.f. 3rd March2017)
A. Sen (re-appointed w.e.f. 27th May 2017)
P. Auld (re-appointed as Managing Director w.e.f. 1st May 2017)
P. Venkatesalu (Executive Director (Finance) and CFO)

### Company Secretary

M. M. Surti

### Registered Office

Bombay House,
24, Homi Mody Street,
Mumbai - 400 001
CIN : L24240MH1952PLC008951
Tel:022-6665 8282
Fax:022-2204 2081
E-mail: investor.relations@trent-tata.com
Visit us: www.mywestside.com

### Registrar and Transfer Agents

TSR Darashaw Limited
6-10, Haji Moosa Patrawala Industrial Estate,
20, Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011
Tel: 022-6656 8484
Fax: 022-6656 8494
E-mail: csg-unit@tsrdarashaw.com

### Solicitors

AZB and Partners

### Auditors

M/s. N. M. Raiji & Co.,
Chartered Accountants

### Bankers

Citibank N.A.
ICICI Bank Limited
HDFC Bank Limited

# TRENT LIMITED

## Financial Statistics

(₹ in Crores)

| Year | CAPITAL ACCOUNTS | | | | | REVENUE ACCOUNTS | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Capital | Reserves and Surplus | Borrow-ings | Net Block | Invest-ments | Net Revenue | Net Expendi-ture | Depre-ciation | Profit Before Taxes | Profit After Taxes | Divdend includ-ing Div. Tax | Divdend Per Equity Share % | Earings Per Share Basic-₹ |
| 2007-08 | 19.53 | 586.30 | 65.61 | 125.29 | 469.34 | 52.129 | 474.84 | 8.86 | 37.32 | 32.86 | 15.25 | 70 | 1.79 |
| 2008-09 | 19.53 | 587.23 | 165.55 | 108.69 | 395.85 | 521.02 | 483.51 | 9.23 | 28.28 | 26.76 | 12.57 | 55 | 1.37 |
| 2009-10 | 27.04 | 613.47 | 250.52 | 223.45 | 395.18 | 581.58 | 531.25 | 11.85 | 49.85 | 40.22 | 15.19 | 65 | 2.05 |
| 2010-11 | 35.96 | 1,046.00 | 275.00 | 291.76 | 424.97 | 729.32 | 652.51 | 13.63 | 60.32 | 43.04 | 17.53 | 75 | 2.15 |
| 2011-12 | 38.70 | 1,315.48 | 240.00 | 304.71 | 705.15 | 912.04 | 842.36 | 15.95 | 44.58 | 47.27 | 19.95 | 65 | 2.08 |
| 2012-13 | 40.23 | 1,498.80 | 225.00 | 308.73 | 1,040.44 | 996.19 | 896.52 | 16.62 | 80.77 | 62.26 | 27.22 | 70 | 2.03 |
| 2013-14 | 33.23 | 1,283.19 | 225.00 | 379.30 | 862.40 | 1,306.36 | 1,221.84 | 25.60 | 68.25 | 54.24 | 27.21 | 70 | 1.63 |
| 2014-15 | 33.23 | 1,338.69 | 225.00 | 433.95 | 1,037.45 | 1,432.47 | 1,310.14 | 39.84 | 138.89 | 100.03 | 40.00 | 100 | 3.01 |
| 2015-16 | 33.23 | 1,400.00 | 395.82 | 469.64 | 1,085.72 | 1,580.66 | 1,436.75 | 34.54 | 109.26 | 86.55 | 36.00 | 90 | 2.60 |
| 2016-17 | 33.23 | 1,507.60 | 391.74 | 495.41 | 1,112.67 | 1,797.05 | 1,649.10 | 37.61 | 135.04 | 106.87 | 40.00 | 100 | 3.22 |

Notes :

1) Figures are regrouped wherever neccesary

2) Detail for year 2015-16 and 2016-17 is as per Ind AS where as detail for remianing years is as per previous GAAP (IGAAP)

3) During the year 2016-17, the Company has split its equity shares having face value of ₹10 each into equity shares having face value of ₹1 per share.



A TATA Enterprise

## BOARD'S REPORT

**TO THE MEMBERS OF**

**TRENT LIMITED**

The Directors present their Sixty Fifth Annual Report together with the Audited Financial Statements for the year ended 31st March 2017.

### 1. Financial Results

| | Standalone | | Consolidated | |
|---|---|---|---|---|
| | **2016-17** | 2015-16 | **2016-17** | 2015-16 |
| | **₹ Crores** | ₹ Crores | **₹ Crores** | ₹ Crores |
| Revenue from operations | **1738.06** | 1491.91 | **1833.92** | 1589.33 |
| Other Income | **58.99** | 88.75 | **60.52** | 57.30 |
| Total Revenue | **1797.05** | 1580.66 | **1894.44** | 1646.63 |
| Total Expenses | **1686.71** | 1471.29 | **1783.29** | 1572.69 |
| Profit /(Loss) before exceptional items and tax | **110.34** | 109.37 | **111.15** | 73.94 |
| Exceptional Items | **24.70** | (0.11) | **(0.47)** | 11.30 |
| Share in profit and loss of Associates / Joint venture as per Equity method | **-** | - | **(8.97)** | 8.08 |
| Profit/ (Loss) before tax | **135.04** | 109.26 | **101.71** | 93.32 |
| Total Tax expenses | **28.17** | 22.71 | **43.05** | 34.71 |
| Pre-acquisition Profit/ (Loss) | **-** | - | **-** | 0.15 |
| Profit/ (Loss) for the period from continuing operations | **106.87** | 86.55 | **58.66** | 58.46 |
| Profit/ (Loss) from discontinued operations (after tax) | **-** | - | **26.29** | (3.44) |
| Profit/ (Loss) for the period | **106.87** | 86.55 | **84.95** | 55.02 |
| Other Comprehensive Income | | | | |
| Items that will not be reclassified to profit and loss | **0.68** | (0.56) | **(2.77)** | (1.14) |
| Income tax relating to items that will not be reclassified to profit or loss | **0.05** | 0.06 | **0.26** | 0.16 |
| Items that will be reclassified to profit and loss | **-** | - | **(0.02)** | (0.00)* |
| Income tax relating to items that will be reclassified to profit or loss | **-** | - | **-** | - |
| Other Comprehensive Income for the period, net of tax | **0.73** | (0.50) | **(2.53)** | (0.98) |
| Total Comprehensive Income for the period | **107.60** | 86.05 | **82.42** | 54.04 |
| Profit/ (loss) attributable to Equity holder of Company | **-** | - | **84.86** | 54.95 |
| Profit/ (loss) attributable to Non-Controlling interest | **-** | - | **0.09** | 0.07 |

| | Standalone | | | Consolidated | |
|---|---|---|---|---|---|
| | **2016-17** | 2015-16 | | **2016-17** | 2015-16 |
| | **₹ Crores** | ₹ Crores | | **₹ Crores** | ₹ Crores |
| Total Comprehensive Income attributable to Equity holder of Company | **-** | - | | **82.44** | 53.97 |
| Total Comprehensive Income attributable to Non-Controlling interest | **-** | - | | **(0.02)** | 0.07 |
| Retained earnings - Opening Balance | **192.07** | 182.26 | | **(18.21)** | 3.58 |
| **Appropriations** | | | | | |
| Transfer to Debenture Redemption Reserve | **-** | 0.75 | | **-** | 0.75 |
| Dividend on equity shares (excluding tax) | **-** | 63.14 | | **-** | 63.14 |
| Tax on dividends | **-** | 12.85 | | **-** | 12.85 |
| Closing balance of retained earnings | **298.94** | 192.07 | | **66.65** | (18.21) |

*Full Figure - ₹ 16,096

Pursuant to the notification dated 16th February 2015 issued by the Ministry of Corporate Affairs, the Company has adopted the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1st April 2016. Financial statements for the year ended and as at 31st March 2016 have been restated to conform to Ind AS.

**2. Dividend**

Considering the Company's financial performance, the Board of Directors recommend a dividend @ 100% i.e. ₹ 1 per Equity Share of ₹ 1/- each (previous year interim dividend @ 90% i.e ₹ 9 per share of ₹ 10/- each) on 33,23,16,730 Equity Shares for the Financial Year ended 31st March 2017. The said dividend, if approved by the Members, alongwith dividend distribution tax represents a payout ratio of around 37% of the profit after tax.

**3. Dividend Distribution Policy**

Securities and Exchange Board of India, by its notification dated 8th July, 2016, has amended the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), introducing new Regulation 43A mandating the top 500 listed entities, based on market capitalization calculated as on 31st March of every financial year, to formulate a Dividend Distribution Policy and disclose the same in their Annual Reports and on their websites. Accordingly, the Board of the Company has adopted a Dividend Distribution Policy, which is annexed as **Annexure A**. The Policy is uploaded on the website of the Company and the link for the same is http://www.mywestside.com/WebPages/InnerPages/Policies-information.aspx.

**4. Share Capital**

The paid up Equity Share Capital as on 31st March 2017 is ₹ 33,23,16,730 comprising of 33,23,16,730 Equity Shares of ₹ 1 each . The Members at the 64th Annual General Meeting of the Company held on 12th August 2016 approved the sub-division of Equity Shares of the Company having face value of ₹ 10/- each to ₹ 1/- each and consequential alteration to the Capital Clause of the Memorandum of Association of the Company. Pursuant to the said approval, the Equity Shares of the Company having face value of ₹ 10/- each were sub-divided into Equity Shares having face value of ₹ 1/- each with effect from the record date i.e. 14th September 2016.

During the year under review, the Company has not issued shares with differential voting rights. The Company has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

**5. Management Discussion and Analysis Report**

A separate section on Management Discussion and Analysis Report (MD&A) is included in the Annual Report as required under Regulation 34(2)(e) of the Listing Regulations. The MD&A includes discussion on the following matters within the limits set by the Company's competitive position: industry prospects & developments, opportunities & risks, the performance of key retail formats & the outlook for the business, risks & concerns, internal control systems & their adequacy and discussion on financial performance.

**6. Business Excellence Initiative**

The Company participates in the Tata Business Excellence Model ("TBEM") business maturity review and evaluation mechanism. TBEM emphasizes quality, leadership, strategic planning, customer orientation & services, process orientation, human relations, shareholder value and commitment to community development.

**7. Board and Committee Meetings**

During the year, Eight Board Meetings and Six Audit Committee Meetings were held.

The Audit Committee consists of Mr. A. Sen as the Chairman and Mr. N.N. Tata, Mr. Z.S. Dubash and Mr. B.N. Vakil as Members. There have not been any instances during the year when recommendations of the Audit Committee were not accepted by the Board.

Details of the composition of the Board and its Committees and of the Meetings held and attendance of the Directors at such Meetings, are provided in the Corporate Governance Report.

**8. Directors**

The Members at the 63rd Annual General Meeting (AGM) of the Company held on 7th August 2015 had approved the appointment of Ms. Sonia Singh and Mr. Abhijit Sen as Independent Directors of the Company for a period of 2 years with effect from 3rd March 2015 and 27th May 2015 respectively. Accordingly, they held the office for a period of two years from their respective dates of appointment. Upon the conclusion of their first term as an Independent Director and on the basis of the recommendation of the Nomination and Remuneration Committee, Ms. Sonia Singh and Mr. Abhijit Sen have been appointed by the Board as Additional Directors of the Company with effect from 3rd March 2017 and 27th May 2017 respectively. Ms. Sonia Singh and Mr. Abhijit Sen have also been re-appointed as Independent Directors of the Company for a second term with effect from 3rd March 2017 to 2nd March 2022 and 27th May 2017 to 17th November 2020 respectively, subject to the Members' approval at the ensuing AGM. They are not liable to retire by rotation. As Additional Directors, they hold office as Directors upto the date of the ensuing AGM and are eligible to be appointed as Directors. Notices have been received from a Member pursuant to Section 160 of the Companies Act, 2013 ("Act") signifying the intention to propose Ms. Sonia Singh and Mr. Abhijit Sen for appointment as Directors of the Company.

The Members vide Postal Ballot Notice dated 19th November 2014 had approved the appointment of Mr. Philip Auld as the Managing Director of the Company for a period of three years w.e.f. 4th November 2014. On the recommendation of the Nomination and Remuneration Committee, the Board has approved the re-appointment of Mr. Philip Auld as Managing Director of the Company on fresh terms and conditions of appointment and remuneration with effect from 1st May 2017 to 30th April 2020, subject to the approval of the Members and such other approvals, if any. In view of the

aforesaid, the earlier agreement between the Company and Mr. Philip Auld stands mutually terminated w.e.f. 1st May 2017.

All the Independent Directors have submitted declarations that each of them meets the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and there has been no change in the circumstances which may affect their status as an independent director during the year.

In accordance with the provisions of the Act and in terms of the Articles of Association of the Company, Mr. P. Auld is liable to retire by rotation at the ensuing AGM and is eligible for re-appointment.

**9. Key Managerial Personnel**

Mr. P. Auld - Managing Director, Mr. P. Venkatesalu – Executive Director (Finance) and Chief Financial Officer and Mr. M. M. Surti - Company Secretary are the Key Managerial Personnel as per the provisions of the Act.

**10. Particulars of loans, guarantees or investments**

Particulars of loans given, investments made, guarantees given and securities provided are disclosed in the standalone financial statements.

**11. Related Party Transactions**

All related party transactions that were entered into during the financial year were in the ordinary course of the business and on an arm's length basis. The Company has not entered into material contracts or arrangements or transactions with related parties in accordance with Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014. There were no materially significant Related Party Transactions made by the Company during the year that would have required Shareholder's approval under the Listing Regulations. The Company has nothing to report in Form AOC-2, hence, the same is not annexed.

All Related Party Transactions are placed before the Audit Committee for prior approval. Prior omnibus approval of the Audit Committee is also obtained for the transactions which are repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature and value of the transactions.

The Company has adopted a policy on Related Party Transactions. The policy as approved by the Audit Committee and the Board of Directors is uploaded on the website of the Company and the link for the same is http://www.mywestside.com/WebPages/InnerPages/Policies-information.aspx.

**12. Business Responsibility Report**

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the initiatives taken by the Company from an environmental, social and governance perspective, are provided in the Business Responsibility Report (BRR) which is included as a separate section in the Annual Report.

**13. Risk Management Policy**

The Company has a Risk Management Policy consistent with the provisions of the Act and the Listing Regulations.

The Internal Audit Department facilitates the execution of Risk Management Practices in the Company, in the areas of risk identification, assessment, monitoring, mitigation and reporting. The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and related procedures & status.

The major risks forming part of the Enterprise Risk Management process are also aligned with the audit universe, to the extent seen appropriate/relevant.

**14. Subsidiaries, associates and joint venture companies**

**Key subsidiaries / joint ventures of the Company:**

a) **Fiora Hypermarket Limited** ("FHL"), a subsidiary of the Company, is engaged in the retailing business. FHL operates hypermarket stores in the name of Star Bazaar. FHL reported a total revenue of ₹ 95.73 crores (₹ 93.70 crores in FY 2015-16) for the period under review and total comprehensive loss of ₹ 5.24 crores (₹ 7.44 crores in FY 2015-16).

b) **Fiora Services Limited** ("FSL"), a subsidiary of the Company, continues to render various services in terms of sourcing activities, warehousing, distribution, clearing and forwarding. FSL reported a total revenue of ₹ 45.22 crores (₹ 48.20 crores in FY 2015-16) for the period under review and total comprehensive loss of ₹ 0.56 crores (total comprehensive income ₹ 2.28 crores in FY 2015-16).

c) **Fiora Business Support Services Limited ("**FBSSL")[formerly known as "Westland Limited (Westland)"], a subsidiary of the Company reported a total revenue of ₹ 0.85 crores from continuing operations (₹ 0.08 crores in FY 2015-16) for the period under review and total comprehensive income of ₹ 25.15 crores (total comprehensive loss of ₹ 6.33 crores in FY 2015-16). During the period under review, 100% of the share capital held by Westland, in its subsidiary, Westland Publications Limited (WPL) was transferred to Amazon. WPL thus ceased to be a subsidiary of Westland w.e.f. 23rd November 2016. Thereafter, Westland concluded a slump sale of the publishing business of Westland into WPL (An Amazon entity), vide a Business Transfer Agreement, for a consideration of ₹ 39.80 Crores.

   Separately, the Company purchased 26.03% of the share capital of Westland from Amazon, on a fully diluted basis, thus making Westland a wholly owned subsidiary of the Company. FBSSL is now engaged in the business of providing Business Support and Consultancy Services relating to accounting, merchandising, human resources, payroll etc.

d) **Trent Hypermarket Private Limited** ("THPL"), a joint venture of the Company, operates the Star (including under the banners Star Bazaar, Star Market & Star Daily) retail business. THPL reported a total revenue of ₹ 892.57 crores (₹ 840.30 crores in FY 2015-16) for the period under review and total comprehensive loss of ₹ 52.39 crores (₹ 54.76 crores in FY 2015-16).

e) **Inditex Trent Retail India Private Limited** ("Inditex"), a joint venture of the Company, is engaged in the retailing business. Inditex operates stores in the name of 'Zara'. Inditex reported a total revenue of ₹ 1023.10 crores (₹ 842.57 crores in FY 2015-16) for the period under review.

The Company has 6 subsidiaries and 3 joint ventures as on 31st March 2017. Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries and joint ventures in Form AOC-1 is attached to the financial statements of the Company.

Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company. Any Member, who is interested in obtaining a copy of the audited accounts in respect of subsidiaries, may write to the Company Secretary.

**15. Deposits**

During the year under review, the Company has not accepted any deposits from the public. As on 31st March 2017, there were no deposits which were unclaimed and due for repayment.

**16. Significant and material orders passed by regulators or courts**

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

**17. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.**

Except as disclosed elsewhere in the Report, no material changes and commitments which could affect the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

**18. Internal Financial Controls**

Your Company has laid down standards and processes which enable internal financial control across the Company and ensure that the same are adequate and are operating effectively.

Details of the internal controls system are given in the Management Discussion and Analysis Report, which forms part of this report.

**19. Particulars of Employees**

The information required under Section 197(12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure B**.

The information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including amendment thereto, is provided in the Annexure forming part of the Report. In terms of the first proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Shareholders excluding the aforesaid Annexure. The said Annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining the same may write to the Company Secretary.

**20. Annual evaluation made by the Board of its own performance and that of its committees and individual directors**

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Act, the corporate governance requirements as prescribed by the Listing Regulations and the Guidance Note on Board evaluation issued by Securities and Exchange Board of India dated 5th January 2017.

The Nomination and Remuneration Committee has defined the evaluation criteria for the performance evaluation of Individual Directors and the Board / Committees.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as structure of the Board, meetings and functions of the Board, degree of fulfillment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information and functioning and quality of relationship between the Board and the Management etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as mandate and composition, effectiveness of the Committee, structure of the Committee and meetings, Independence of the Committee from the Board, contribution to decisions of the Board, effectiveness of the meetings and quality of relationship of the Committee with the Board and the management etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as knowledge and competency, fulfillment of functions, ability to function as a team, initiatives taken, availability and attendance at the meeting, integrity, independence, contribution at Board / Committee Meetings and guidance / support to the management outside Board / Committee Meetings etc. In addition, the Chairman is also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer the meetings,

impartiality, ability to keep shareholders' interests in mind and motivating and providing guidance to the Executive Directors etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and Individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

**21. Company's Policy on Directors' appointment and remuneration, etc.**

**Procedure for Nomination and Appointment of Directors**

The Nomination and Remuneration Committee is responsible for developing competency requirements for the Board, based on the industry and strategy of the Company. Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The Nomination and Remuneration Committee conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The Committee is also responsible for reviewing and vetting the CVs of potential candidates' vis-à-vis the required competencies and meeting potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee.

**Criteria for determining Qualifications, Positive Attributes and Independence of a Director**

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and the Listing Regulations.

**Independence:** In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/ she meets the criteria for 'Independent Director' as laid down in the Act and Regulation 16(1)(b) of the Listing Regulations.

**Qualifications:** A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

**Positive Attributes:** In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communication skills and soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

**Remuneration Policy**

The Company has adopted a Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and the Listing Regulations.

The philosophy for remuneration of Directors, Key Managerial Personnel and all other employees of the Company is based on the commitment of fostering a culture of leadership with trust. The

Remuneration Policy of the Company is aligned to this philosophy.

The Nomination and Remuneration Committee has considered the following factors while formulating the Policy:

i. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

iii. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is as per the Remuneration Policy of the Company. Details of the Remuneration Policy are given in the Corporate Governance Report.

**22. Details of establishment of Vigil Mechanism / Whistle Blower Policy**

The Board of Directors on the recommendations of the Audit Committee has approved and adopted a Whistle Blower Policy that provides a formal mechanism to the Directors and all employees of the Company to approach the Chairman of the Audit Committee/ Chief Ethics Counselor of the Company and make protective disclosure about the unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The details of the Whistle Blower Policy is available on the website of the Company www.mywestside.com.

**23. Corporate Social Responsibility**

The Company is guided by the Tata group philosophy of improving the quality of lives of the communities we serve through value creation. Our practice of returning to society what we earn evokes trust among consumers, employees, shareholders and the community at large. The Company's continuing commitment to societal responsibility and support is linked and integrated with its business strategy, core competence, values and need of the communities.

The organization approaches all such initiatives with intent to contribute to sustainable economic development and beneficial actions that are environmentally sustainable and socially responsible for the communities. The Company contributes to society through financial means, time of its colleagues, partnering with core skills of its workforce at transaction and emotive levels.

The Board has constituted the Corporate Social Responsibility ("CSR") Committee headed by Mr. A. Sen as Chairman and Mr. N.N. Tata, Mr. B. Bhat & Ms. S. Singh as its members. The Company, in line with CSR policy has launched an initiative called "SAKSHAM". Saksham means capable. The Company strives hard to make targeted underprivileged youth especially from Affirmative Action community (SC/ST) capable of employment (employability) by investing in education, vocational training in retail, creating self-help groups and enhancing opportunities to earn and creating infrastructure for education and skill development. Early this year, the Company's CSR team organized presentations on initiatives and impact from the selected NGO's namely Room to Read (RTR) and Bhansali Trust to the CSR Committee of the Board along with the CSR strategy.

Some of the initiatives in the direction are scholarship programme with NIFT

1. The Company mentors 6 meritorious and deserving students from economically disadvantaged society at National Institute of Fashion Technology - Mumbai thus providing equal learning opportunities for their growth and success and building confidence to unleash their fullest

potential. The Company provides full financial support to the beneficiaries for the entire academic year.

2. The Company believes in building skills for young talent from BPL communities in municipal schools early in the journey so that they can face the challenges of real world courageously. The Company has partnered with Salaam Bombay Foundation and other NGO's to enhance English fluency skills by reaching out to 166 beneficiaries from the age of 13 years onwards. Grasping communication skills early in the journey will provide better skill building options & employment opportunities to the beneficiaries.
3. In order to support NGO projects in areas of 'Child Education & Nutrition' across Westside and Landmark stores, "Star & Diya" initiative is carried out during Christmas & Diwali festival promotions in various cities. The revenue generated, supports children hailing from disadvantaged communities by providing educational scholarships, midday meals, infrastructure development. For the FY 2016-17, the stores collectively raised an amount of ₹ 96.06 lacs that benefited nearly 5000 children across locations. The Company aims to contribute at least one project in each city of its operation in the period of 3 years.
4. The Company won an award for the highest number of participation rate in the medium size company category in Tata Engage Group Volunteering Program initiated by the Tata Group in TVW 6 by contributing 18983.75 man hours to society and facilitating the need of social issues. This year 4000 Company Volunteers across locations, conducted sessions on 'Home safety and Road Safety' & promoted retail as a carrier of choice at various government/municipal schools and other training institute run by local NGO's for youth, adults, motor riders and even targeted women in the communities and cities.
5. The Company operates in the area of retail predominantly as an apparel retailer. Core skill of garment manufacturing and fashion product development is another area. The Company contributes to the community. The Company has partnered with Bhansali Trust and created a centre in the village of Radhanpur to upscale the skills of local women in garment manufacturing and create a self-help group to provide sustainable earning. The Company has targeted 240 beneficiaries with 300 hours each per batch.

An Annual report on the CSR Activities forms part of this report as **Annexure C**.

**24. Secretarial Auditor's Report**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Parikh & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the year ended 31st March 2017. The Secretarial Audit Report is given as **Annexure D**. The Secretarial Auditor's Report does not contain any qualification, reservations or adverse remarks.

**25. Extract of Annual Return**

Pursuant to Section 134(3)(a) and Section 92(3) of the Act, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extracts of the Annual Return in form MGT-9 as at 31st March 2017 forms part of this report as **Annexure E**.

**26. Corporate Governance**

A separate section on Corporate Governance is included in the Annual Report along with the certificate from the Company's Auditors confirming compliance with conditions on Corporate Governance as stipulated in the Listing Regulations.

**27. Directors' Responsibility Statement**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, and secretarial auditors including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2016-17.

Accordingly, pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed and that there were no material departures;

b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the Directors had prepared the annual accounts on a going concern basis;

e. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**28. Auditors**

The Shareholders of the Company at the Sixty Second AGM held on 14th August 2014 had approved the re-appointment of M/s. N. M. Raiji & Co., Chartered Accountants as the Statutory Auditors of the Company, to hold office till the conclusion of Sixty Fifth AGM of the Company to be held in the year 2017. In terms of the provisions of Section 139(2) of the Act, M/s. N.M. Raiji & Co. are not eligible to be re-appointed as statutory auditors of the Company, consequent to completion of their term. Accordingly, it is proposed to appoint Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W / W-100018), as the Statutory Auditors of the Company to hold the office from the conclusion of the ensuing AGM of the Company till the conclusion of Seventieth AGM to be held in the year 2022, subject to ratification of their appointment at every AGM, if applicable.

**29. Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace**

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, to provide protection to employees at the workplace and for prevention and redressal of complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee to consider and to redress complaints of sexual harassment. During FY 2016-17, the Committee has received 8 complaints, all of which were resolved with appropriate action taken. Out of the total complaints received, 7 complaints were pertaining to sexual harassment.

**30. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

A. Conservation of Energy: The Company consciously makes all efforts to conserve energy across all its operations.

B. Technology Absorption : Nil

C. Foreign Exchange Earnings and Outgo: The Company incurred ₹ 126.79 crores in foreign currency for purchase of goods, receipt of services and reimbursement of expenses. The Company earned ₹ 25.83 crores in foreign currency from retail sales through International credit cards.

**31. Acknowledgements**

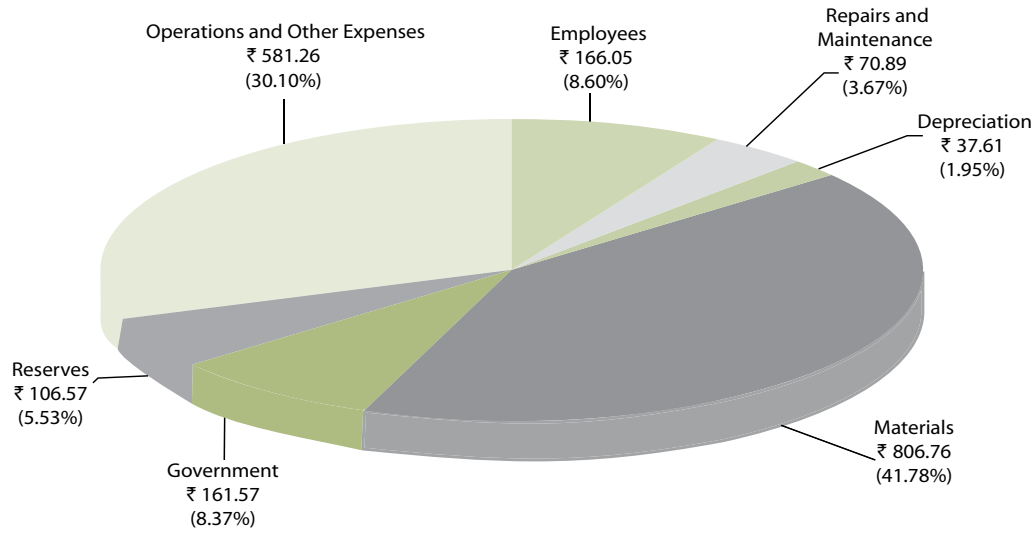
The Board wishes to place on record their sincere appreciation for the continued support which the Company has received from its customers, suppliers, debenture holders, shareholders, promoters, bankers, group companies and above all, its employees.

On behalf of the Board of Directors

**Noel N. Tata**
**Chairman**

Mumbai, 26th May 2017

**Distribution of Revenue 2016-2017 (₹ in crores)**



## ANNEXURE A TO THE BOARD'S REPORT

# DIVIDEND DISTRIBUTION POLICY

### SCOPE AND PURPOSE

As per Regulation 43A of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, top 500 listed entities (based on market capitalization as calculated as on 31st March of every financial year) are required to frame dividend distribution policy and disclose the same in their annual report and on their websites. Since the Company falls within the aforesaid class, it is required to formulate and disclose its Dividend Distribution Policy in its Annual Report and on its website. Accordingly, this Dividend Distribution Policy has been adopted by the Board of Directors of the Company on 16th March 2017.

### OBJECTIVE

The objective of this Policy is rewarding shareholders and retaining capital for growth. Ensuring fairness, sustainability and consistency in distributing profits to shareholders.

### KEY PARAMETERS TO BE CONSIDERED WHILE DECLARING THE DIVIDEND

In line with the objective stated above, the Board of Directors of the Company shall consider the following parameters before declaration or recommendation of Dividend to shareholders:

- **Financial Parameters / Internal Factors:**
  - Profit after taxes earned during the year;
  - Profit available for distribution;
  - Operating Cash flow requirements of the Company;
  - Earnings per Share;
  - Liquidity position of the Company;
  - Past Dividend Payout Ratio/trends;
  - Outlook for the Company;
  - Level of Debt;
  - Alternate usage of cash;
  - Future financial requirements including towards capex and provision for contingencies;
  - Industry Risk;
  - Expansion Plans.

- **External Factors:**
  - General Economic environment and Market conditions;
  - Prevailing legal requirements, regulatory conditions or restrictions laid down under the applicable laws including tax laws.

### CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

As the Company runs several retail formats, the profits of the Company may vary from year to year depending on the market conditions due to which dividend can also vary from year to year. However,

subject to profits & other financial parameters, as per applicable legal provisions, the Board shall endeavour to maintain a reasonable dividend payout to the extent possible. Certain circumstances that may require revisit of the dividend payout would include;

- Significant expansion project(s) requiring higher allocation of capital;
- Significantly higher working capital requirements impacting free cash flow;
- Any acquisitions or joint ventures requiring significant allocation of capital;
- Buy-back of securities; or
- Inadequacy of profits or whenever the Company has incurred losses.

**UTILIZATION OF RETAINED EARNINGS**

The Board may retain its earnings in order to make better use of the funds available and increase the value of the stakeholders in the long run after having due regard to the parameters laid down in this Policy and in exceptional circumstances, including but not limited to Loss after Tax in any particular financial year, the retained earnings may be utilized in accordance with the provisions of the Companies (Declaration and Payment of Dividend) Rules, 2014, as amended from time to time.

**PARAMETERS ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES**

Presently, the Authorised Share Capital of the Company is divided into Equity Shares, Preference Shares and Unclassified Shares. At present, the issued and paid-up share capital of the Company comprises only of equity shares.

The Company shall first declare dividend on outstanding preference shares, if any, at the rate of dividend fixed at the time of issue of preference shares and thereafter, the dividend would be declared on equity shares.

As and when the Company issues other kind of shares, the Board of Directors may suitably amend this Policy.

**PROCEDURE**

The Board meeting where the dividend declaration or recommendation is proposed will be intimated to the Stock Exchange(s) as per SEBI Listing Regulations. The discussion of the Board of Directors on the subject shall cover the rationale of the proposal and related considerations.

Pursuant to the provisions of applicable laws and this Policy, Interim Dividend approved by the Board of Directors will be confirmed by the shareholders and final Dividend, if any, recommended by the Board of Directors, will be subject to shareholders' approval, at the ensuing Annual General Meeting of the Company.

The Company shall ensure compliance of provisions of Applicable Laws and this Policy, in relation to Dividend declared by the Company.

**DISCLOSURE**

The Company shall make appropriate disclosures as required under the SEBI Listing Regulations.

**GENERAL**

This Policy has been adopted by the Board of Directors of the Company. Going forward, the Board would review and may amend the Policy, as and when required. The Company in such a case shall disclose the changes along with the rationale for the same in its Annual Report and on its website.

## ANNEXURE B TO THE BOARD'S REPORT

**[Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

   The ratio of remuneration of each Director to the Median Remuneration of employees who were on the payroll of the Company and the percentage change in remuneration of the Directors during the financial year 2016-17 are given below:

| Non- Executive Director | Ratio to Median* | Percentage increase/ (decrease) in remuneration* |
|---|---|---|
| Mr. N. N. Tata | 15.00 | 260.23 |
| Mr. Z. S. Dubash | 14.13 | 144.67 |
| Mr. B. Bhat | 7.62 | 257.78 |
| Mr. S. Susman | 4.64 | 196.97 |
| Mr. B. N. Vakil | 10.65 | 284.62 |
| Mr. H. Bhat | 2.22 | 62.07 |
| Ms. S. Singh | 6.32 | 206.90 |
| Mr. A. Sen | 13.06 | 187.50 |

   * Remuneration for FY 2016-17 includes sitting fees and commission for FY 2015-16 paid in FY 2016-17 whereas the remuneration for FY 2015-16 includes only sitting fees as no commission was paid for FY 2014-15 in FY 2015-16. Thus, the figures may not be comparable with the previous year.

     The percentage increase in remuneration of the Managing Director was 2% (ratio to median was 287.73), Executive Director (Finance) and Chief Financial Officer was 14% (ratio to median was 94.74) and of the Company Secretary was 12%.

2. The percentage increase in the median remuneration of employees in the financial year was 21.33%. For the said calculation, employees who have worked for part of the year were not considered, to ensure comparability.

3. The number of permanent employees on the rolls of Company as on 31st March 2017 was 4,567.

4. The average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year was 19.25%. Percentage increase in the managerial remuneration was 4.53%. On the recommendation of Board, the Company has been consciously investing in the development of capabilities especially in the area of product design and operations management.

5. Affirmation that the remuneration is as per the remuneration policy of the Company: The remuneration is as per the remuneration policy of the Company.

## ANNEXURE C TO THE BOARD'S REPORT

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES**

1. **A brief outline of the 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 CSR Policy of Trent Ltd., sets out the Company's commitment and approach towards Corporate Social Responsibility of improving the quality of life of the communities it serves. Our philosophy is interwoven in all the three thrust areas, i.e. Education, Employability and Entrepreneurship - the Company endeavors to enhance employability of youth and women, work on the priority development concerns of the community and address issues of Affirmative Action.

   The initial CSR focus at Trent is driven by two broad themes, i.e. Educational initiatives for underprivileged, Employability / skill development (for underprivileged youth), for economic progress and social commitment. Besides this, as per Trent's CSR Policy would seek to address specific local needs and support various causes from time to time that are expected of a Responsible Corporate Citizen.

   Trent's CSR policy can be accessed on our website

   http://www.mywestside.com/WebPages/InnerPages/Policies-information.aspx

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

   The CSR committee of the Board of Directors of the Company consists of 4 members, viz.

   1. Chairperson: Mr. A Sen – Independent Director
   2. Member: Mr. N. N. Tata – Non Independent; Non-Executive Director
   3. Member: Mr. B. Bhat – Non Independent; Non-Executive Director
   4. Member: Ms. S. Singh – Independent; Non-Executive Director

   The CSR Committee of the Board met twice in the year and deliberately guides the Company's approach towards CSR initiatives. The Company has also set up Affirmative Action committee (12 internal members) at strategic level as well as at operational level for the regular review and execution of AA initiatives. Early this year, Trent CSR team organized presentations on initiatives and impact from the selected NGO's namely Room to Read (RTR) and Bhansali Trust to the CSR Committee of the Board.

3. **Financial Details of CSR spent during the year:**

| **Particulars** | **(₹ in Lakhs)** |
|---|---|
| **Average Net Profit of the company for last 3 financial years** | 3954.01 |
| **Prescribed CSR Expenditure (2 % of the average net profit )** | 79.08 |
| **Details of CSR Expenditure during the financial year:** | |
| Total amount to be spent for the financial year | 79.08 |
| Amount spent | 80.80 |
| Amount unspent | NIL |

a) Manner in which the amount spent during the financial year is detailed below:

| Sr. No | CSR project or activity identified | Sector in which the Project is covered | Projects or Programmes 1. Local area or others; 2. Specify the state and district where projects or programmes was undertaken | Amount outlay (budget) project or program wise) (₹ in lakhs) | Amount spent on the project or programmes Sub-heads: 1) Direct expenditure on projects or programmes (2) Overheads (₹ in lakhs) | Cumulative spend upto the reporting period (₹ in lakhs) | Amount spent: Direct / through implementing agency* |
|---|---|---|---|---|---|---|---|
| 1. | **Education** | Scholarships | Mumbai, Maharashtra | 9.05 | 9.05 | 16.59 | Through National Institute of Fashion Technology, Idea Foundation |
| 2. | | Special Coaching | Mumbai, Maharashtra | 16.70 | 12.05 | 12.05 | Through Step Up Charitable Foundation; Salaam Bombay Foundation |
| 3. | | Infrastructure | Pune, Maharashtra | 13.44 | 13.44 | 52.55 | Through Room to Read India |
| 4. | **Employability** | Women Skills Training | Radhanpur, Gujarat | 15.00 | 15.00 | 15.00 | Through Bhansali Trust |
| 5. | | Vocational skills in youth | Mumbai - Maharashtra | 28.75 | 28.75 | 28.75 | Through Tata Community Initiatives Trust |
| 6. | **Curative Healthcare** | Support for cancer children | Mumbai - Maharashtra | 2.5 | 2.5 | 8.0 | Through St. Jude Childcare Centre |
| | **Total CSR Spends in FY 2016-17** | | | | **80.80** | **132.95** | |

The CSR activities, as per the Companies Act, 2013, may be undertaken by the Company through a registered trust or a registered society. The Company undertakes the activities either directly or in collaboration with the following delivery arms:

The Company has charted out its programs and projects that are both short and long term in nature. As part of the programs, the Company will continue to invest in programs that have been in place this far while realigning and sharpening focus towards the chosen areas aligned with the CSR policy. The Company, in line with CSR policy has launched an initiative called "SAKSHAM". Saksham means capable. Trent strives hard to make targeted underprivileged youth especially from Affirmative Action community (SC/ST) capable of employment (employability) by investing in education, vocational training in retail, creating self-help groups and enhancing opportunities to earn and creating infrastructure for education and skill development.

**The focus areas for CSR activities are:**

**Vocational Skill Development Programs:**

The economic competitiveness of a country depends on the skills of its work force. The skills and competencies of the work force, in turn, are dependent upon the quality of the country's education and training systems. Vocational education is perceived as one of the crucial elements in enhancing economic productivity. Therefore the Company is committed to treating employability and sustainable livelihood as a priority.

**Vocational Skills for Youth:** Vocational training program has been a key thrust area under CSR for Trent and hence there is a greater emphasis on effective skilling programs. The flagship program is already on the ground in partnership with Tata Strive through the support to 4 Retail Lab centers for the Retail training to ensure quality training and employability enhancement for the youth in Mumbai, Pune, Mohali and Hyderabad.

Tata Community Initiatives Trust, one of CSR Programs is Skills Development which is named as **"Tata STRIVE"**, TRENT has supported Tata STRIVE in providing hostel facilities for the trainees enrolled from distant locations to pursue the vocational retail trainings for youth which focus to facilitate wider outreach of the training programme . The purpose is to mobilize youth from distant locations for the retail courses of Tata STRIVE centre cities and provide them hostel facilities. Around 300 beneficiaries are impacted through hostel accommodation support of Trent.

**Vocational Skills for Women:** In order to focus on the employability and entrepreneurship skills upgradation, Trent has taken up an initiative to upskill the women in Radhanpur area, near Mehsana Gujarat, who are already been engaged by Bhansali Trust, NGO for apparel manufacturing, for providing them livelihood and to also skill a new set of women to build the scale of skilled women force in apparel manufacturing in the area for them to earn sustainable livelihood. The technical qualities to be upskilled and skilled are apparel designing, cutting, sewing, finishing, quality control etc. to ensure that the product becomes saleable in local communities. Therefore Bhansali Trust has created Self Help Group of women from community to learn a skill and earn sustainable livelihood to support their families in their own capacity.

**Education:**

**Infrastructural Support:** As part of Trent's education initiative which works with different segment of students. Trent now supports total 17 libraries in municipal schools in Mumbai, Delhi and Pune .This initiative is implemented in partnership with Room to Read India Trust, a public charitable trust that works in collaboration with communities and local governments across Asia and Africa to develop literacy skills and a habit of reading among primary school children. The total number of beneficiaries reached through our library support is 903.

**English Communication Skills:** Trent has undertaken initiatives for imparting English Communication skills to students with aim to develop language skills to enhance individual employability of youth in marginalized and deprived sections of Society. This Program also incorporates awareness and advocacy modules on values and ethics, intended to benefit the community at large, by preparing young people to be better corporate citizens. As per standards in the industry, Trent understands the prominence of communication skills; therefore this initiative aims at improving English Communication skills of students belonging to municipal schools between the age group of 13-16 years. The project aims to make a difference in the lives of the students' vis-à-vis fluency in their ability to communicate in English so that they are enabled before entering the employment age. This program runs along in partnership with Salaam Bombay Foundation and Step Up Charitable foundation, in 3 BMC Schools reaching out to 166 beneficiaries, for the next academic year to more 6 schools, which will reach approximately 300 beneficiaries.

**Scholarships:** Trent aims at assisting students at National Institute of Fashion Technology (NIFT) - Mumbai by providing educational sponsorship, thus providing financial assistance to meritorious and deserving students belonging to the economically weaker sections, specific to Affirmative Action communities. This academic year 2016-17, Trent sponsored 6 eligible students and 2 girls from Idea Foundation.

**Community Development:** As a part of our Star & Diya initiative which is our community development initiative, the Company has tried to chalk out a sustainable path in line with the needs of the community. With the aim to reach out to the local community, Trent supports NGO projects in areas of Child Education & Nutrition across store locations in various cities. This initiative has been carried out during Diwali and Christmas festival promotions initiatives at Westside and Landmark stores. This

programme enables the customers to participate in 'giving' by lighting a Diya during Diwali, or putting up a Star on the Christmas tree during the Christmas season; revenue proceeds of which are routed to selected NGOs who are engaged in community work. Through this annual initiative, Trent supports children hailing from disadvantaged communities by providing financial assistance in various forms like educational scholarships, midday meals, infrastructure development. Hence, need identification and assessment were a pre-cursor to analyzing the interventions. In 2016-17, a due diligence agency called IDOBRO was taken on board, to conduct needs assessment and situation analysis, following which, the Company developed a framework to prioritize key community development needs. To implement the community development projects, a rigorous due diligence process was carried out to identify and review capabilities of partner organizations, select the partner organizations, and develop project objectives, approaches and strategies, to ensure timeliness/effectiveness. Currently, 18 projects addressing crucial issues like health, education and malnutrition and vocational education are going on in Nagpur, Noida, Kolkata, Lucknow and other town cities respectively that benefitted nearly 4000 children across locations.

**Affirmative Action:** The Company is committed to work on the sub-theme under the broader umbrella of National Importance, i.e Affirmative Action. As part of our Tata Affirmative Action programme, the Company has emphasized that each of its social intervention activities ensures inclusion and reaching out to people from SC and ST communities. Partner organizations have been communicated and suitably sensitized. Under Skill training programme, out of the total youth trained till date, over 20 % trainees are from the SC/ST section. The Company also participated in the Tata Affirmative Action Assessment this year, which aimed at showcasing the efforts to reach out to the marginalized sections and also to help them explore entrepreneurship opportunities within the Company's supply chain.

**Volunteering:** This year, Trent employees actively participated in the Tata Engage Group volunteering program initiated by the Tata group. Around a total of 4000 volunteers across locations participated in this program, thereby contributing their time and skills. At the Tata Sustainability Group, Trent won for the highest number of volunteering hours award, i.e **18,983.75 man hours by our employee volunteers**, in Tata Volunteering Week 6 (5th Sept - 6th October, 2016)in the medium size company category. Volunteers conducted sessions on personality development, career building and safety awareness with the youth falling within the age group of 14-16 years at various government/municipal schools and training institutes run by local NGO's. During the year 2016-17, with the total count of TVW 6 & 7, Trent employee volunteers have put forward **42,443.25 volunteering man hours**. The Company's volunteering program has been successfully operating in our locations during this course of year in either CSR projects or local causes.

4. **In case the company has failed to spend the 2% of the Average Net Profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's report.**

   As on 31st March 2017, the Company has spent the total sum of INR. 80.80 (in lakhs) and no balance amount is unspent in the respective financial year.

5. **A responsibility statement, of the CSR Committee, that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and Policy of the Company.**

   This is to confirm that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

| | |
|---|---|
| P. Auld | A. Sen |
| (Managing Director) | (Chairman CSR Committee) |

## ANNEXURE D TO THE BOARDS' REPORT

**FORM No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017**

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,

The Members,

**TRENT LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Trent 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 our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017, generally 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 made available to us and maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contract (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, Overseas Direct Investment and External Commercial Borrowings;

(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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and EmployeeStock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India ( Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)

(vi) Other laws specifically applicable to the Company namely

1. Shops and Establishment Act
2. Legal Metrology Act 2009
3. Drugs and Cosmetics Act 1940
4. Food Safety and Standards Act, 2006
5. Prevention of Food and Adulteration Act,1954
6. Standards of Weights and Measures Act, 1985
7. Local/Municipality 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 with respect to board and general meetings.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (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 was 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.

Decisions at the Board Meetings were taken unanimously.

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 audit period following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

- **Subdivision of Equity Shares**

  The Shareholders of the Company at the Annual General Meeting held on 12th August, 2016 approved sub-division of Equity Shares of the Company from the face value of ₹10 Each to face value of ₹1 each.

- **Issue of Non-Convertible Debentures (NCDs)**
  The Shareholders of the Company at the Annual General Meeting held on 12th August, 2016 approved the issue of NCDs upto an amount not exceeding ₹ 300 crores. Accordingly, the Company has alloted 1,000 Rated Listed Unsecured Redeemable Non-Convertible Debentures (NCDs) of ₹10 Lakhs at par aggregating to ₹100 crores on a private placement basis on 15th September, 2016, the proceeds of which were primarily used towards refinance of existing debt.
- **Redemption of NCDs**
  3,000 Rated Listed Unsecured Redeemable NCDs amounting to ₹300 Crores allotted on 6th April, 2015 were redeemed at par on due date i.e. 20th September,2016.

For **Parikh & Associates**
Company Secretaries

Place: Mumbai
Date: 26.05.2017

Mitesh Dhabliwala
Partner
FCS No: 8331 CP No: 9511

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

**'Annexure A'**

To,
The Members
Trent Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Parikh & Associates**
Company Secretaries

Place: Mumbai
Date: 26.05.2017

Mitesh Dhabliwala
Partner
FCS No: 8331 CP No: 9511

## ANNEXURE E TO THE BOARD'S REPORT

**FORM NO. MGT – 9**

**EXTRACT OF ANNUAL RETURN**

**as on financial year ended on 31st March 2017**

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS:

| | | |
|---|---|---|
| CIN | : | L24240MH1952PLC008951 |
| Registration Date | : | 5th December 1952 |
| Name of the Company | : | Trent Limited |
| Category / Sub-Category of the Company | : | Company Limited by Shares/ Non Government Company |
| Address of the Registered office | : | Bombay House, 24, Homi Mody Street, Fort, Mumbai 400001, Maharashtra |
| Contact Details | : | 022-67009000 |
| Whether listed company | : | Yes |
| Name, Address and Contact details of Registrar and Transfer Agent, if any | : | TSR Darashaw Limited,<br>6-10, Haji Moosa Patrawala Industrial Estate,<br>20, Dr. E. Moses Road, Near Famous Studio,<br>Mahalaxmi, Mumbai - 400011<br>Tel: 022-6656 8484<br>Fax: 022-6656 8494<br>Email Id: csg-unit@tsrdarashaw.com<br>Website: www.tsrdarashaw.com |

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the Company are:-

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the Company |
|---|---|---|---|
| 1 | Retail Sale of Readymade Garments etc. | 47711 | 79.49 |

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

| Sr. No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held (including pref.shares) | Applicable Section |
|---|---|---|---|---|---|
| 1 | Fiora Business Support Services Limited (formerly Westland Limited)<br>No. 61, Silver Line Building, Alapakkam Main Road, Maduravoyal, Chennai, Tamil Nadu - 600095 | U74110TN2007PLC064265 | Subsidiary | 100% | 2(87)(ii) |
| 2 | Trent Brands Limited<br>Flat No. 403, 4th Floor, Ansal Bhawan, 16, K.G. Marg, New Delhi - 110001 | U74899DL1995PLC073520 | Subsidiary | 100% (47.99% of the above held by Fiora Business Support Services Limited) | 2(87)(ii) |
| 3 | Fiora Services Limited<br>GAT No. 810/811 at Village Wagholi, taluka Haweli, Pune Nagar Road, Pune – 412207, Maharashtra | U74990PN1989PLC020632 | Subsidiary | 96.79% (89.88% of the above held by Trent Brands Limited) | 2(87)(ii) |
| 4 | Nahar Retail Trading Services Limited<br>Flat No. 403, 4th Floor, Ansal Bhawan, 16, K.G. Marg, New Delhi - 110001 | U74899DL1971PLC005728 | Subsidiary | 100% | 2(87)(ii) |
| 5 | Trent Global Holdings Limited<br>DTOS Ltd, 10th Floor, Raffles Tower, 19 Cybercity Ebene, Republic of Mauritius | NA | Subsidiary | 100% | 2(87)(ii) |

| Sr. No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held (including pref.shares) | Applicable Section |
|---|---|---|---|---|---|
| 6 | Fiora Hypermarket Limited<br>C-60/G Block, Trent House, Bandra Kurla Complex, Near City Bank, Bandra East, Mumbai – 400051, Maharashtra | U74120MH2014PLC254507 | Subsidiary | 100% | 2(87)(ii) |
| 7 | Trent Hypermarket Private Limited<br>2nd Floor, Taj Building, 210- Dr. D.N. Road, Fort, Mumbai – 400001, Maharashtra | U51900MH2008PTC184184 | Joint Venture | 50% | 2(6) |
| 8 | Inditex Trent Retail India Private Limited<br>8th Floor, Ambience Corporate Tower II, Plot No. 3 Unit No. 1 (Office 1), Ambience Island, NH - 8 Gurgaon, Gurgaon HR -122002 | U74900HR2009FTC043768 | Joint Venture | 49% | 2(6) |
| 9 | Massimo Dutti India Private Limited<br>8th Floor, Ambience Corporate Tower II, Plot No. 3 Unit 1 (Office 1), Ambience Island, NH-8 Gurgaon, Gurgaon HR 122002 | U52100HR2013FTC051280 | Joint Venture | 49% | 2(6) |

## IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

### i. Category – wise shareholding

Note: The shareholders of the Company, at the 64th Annual General Meeting held on 12th August 2016, approved the sub-division of equity shares of the Company from the face value of ₹ 10/- each to ₹ 1/- each which was effective from the record date i.e. 14th September 2016.

| Sr. No. | Category of Shareholder | Number of shares of ₹ 10/- each held at the beginning of the year 1st April 2016 | | | | Number of shares of ₹ 1/- each held at the end of the year 31st March 2017 | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Demat | Physical | Total | % of Total Share | Demat | Physical | Total | % of Total Share | |
| **(A)** | **Promoters** | | | | | | | | | |
| **(1)** | **Indian** | | | | | | | | | |
| (a) | Individuals / Hindu Undivided Family | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (b) | Central Government | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (c) | State Governments(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (d) | Bodies Corporate | 10,838,015 | 0 | 10,838,015 | 32.61 | 108,380,150 | 0 | 108,380,150 | 32.61 | 0.00 |
| (e) | Banks / Financial Institutions | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (f) | Any Other (specify) | | | | | | | | | |
| | - Trust | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| **Sub-Total (A) (1)** | | **10,838,015** | **0** | **10,838,015** | **32.61** | **108,380,150** | **0** | **108,380,150** | **32.61** | **0.00** |
| **(2)** | **Foreign** | | | | | | | | | 0.00 |
| (a) | NRIs - Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (b) | Other Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (c) | Bodies Corporate | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (d) | Banks / Financial Institutions | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (e) | Qualified Foreign Investor | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (f) | Any Other (specify) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| **Sub-Total (A) (2)** | | **0** | **0** | **0** | **0.00** | **0** | **0** | **0** | **0.00** | **0.00** |
| **Total Shareholding of Promoter (A) = (A)(1)+(A)(2)** | | **10,838,015** | **0** | **10,838,015** | **32.61** | **108,380,150** | **0** | **108,380,150** | **32.61** | **0.00** |
| **(B)** | **Public Shareholding** | | | | | | | | | |
| **(1)** | **Institutions** | | | | | | | | | |
| (a) | Mutual Funds | 4,050,726 | 1,360 | 4,052,086 | 12.19 | 29,752,746 | 12,100 | 29,764,846 | 8.96 | (3.24) |
| (b) | Banks/ Financial Institutions | 8,184 | 4,450 | 12,634 | 0.04 | 117,121 | 40,820 | 157,941 | 0.05 | 0.01 |
| (c) | Central Government | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |

| Sr. No. | Category of Shareholder | Number of shares of ₹ 10/- each held at the beginning of the year 1st April 2016 | | | | Number of shares of ₹ 1/- each held at the end of the year 31st March 2017 | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Demat | Physical | Total | % of Total Share | Demat | Physical | Total | % of Total Share | |
| (d) | State Governments (s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (e) | Venture Capital Funds | 1,250,223 | 0 | 1,250,223 | 3.76 | 3,290,000 | 0 | 3,290,000 | 0.99 | (2.77) |
| (f) | Insurance Companies | 1,024,262 | 100 | 1,024,362 | 3.08 | 6,510,693 | 0 | 6,510,693 | 1.96 | (1.12) |
| (g) | Foreign Institutional Investors / Foreign Portfolio Investors | 7,874,678 | 2,300 | 7,876,978 | 23.70 | 88,844,936 | 23,000 | 88,867,936 | 26.74 | 3.04 |
| (h) | Foreign Venture Capital Investors | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (i) | Any Other (specify) | | | | | | | | | |
| | - Alternative Investment Fund | 21,595 | 0 | 21,595 | 0.06 | 215,950 | 0 | 215,950 | 0.06 | 0.00 |
| **Sub-Total (B) (1)** | | **14,229,668** | **8,210** | **14,237,878** | **42.83** | **128,731,446** | **75,920** | **128,807,366** | **38.76** | **(4.08)** |
| **(2)** | **Non-Institutions** | | | | | | | | | |
| (a) | Bodies Corporate | | | | | | | | | |
| i | Indian | 2,628,743 | 7,311 | 2,636,054 | 7.94 | 35,566,208 | 52,910 | 35,619,118 | 10.72 | 2.78 |
| ii | Overseas | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| (b) | Individuals - | | | | | | | | | |
| i | Individual shareholders holding nominal share capital upto ₹ 1 lakh | 4,437,197 | 758,838 | 5,196,035 | 15.64 | 45,593,471 | 6,829,970 | 52,423,441 | 15.78 | 0.14 |
| ii | Individual shareholders holding nominal share capital in excess of ₹ 1 lakh | 228,724 | 0 | 228,724 | 0.69 | 6,009,425 | 0 | 6,009,425 | 1.81 | 1.12 |
| (c) | Any Other (Specify) | | | | | | | | | |
| | -Directors & their Relatives | 91,872 | 122 | 91,994 | 0.28 | 918,720 | 1,220 | 919,940 | 0.28 | 0.00 |
| | - Trust | 2,937 | 36 | 2,973 | 0.01 | 80,990 | 360 | 81,350 | 0.02 | 0.02 |
| | -NBFCs registered with RBI | 0 | 0 | 0 | 0.00 | 75,940 | 0 | 75,940 | 0.02 | 0.02 |
| **Sub-total (B) (2)** | | **7,389,473** | **766,307** | **8,155,780** | **24.56** | **88,244,754** | **6,884,460** | **95,129,214** | **28.63** | **4.08** |
| **Total Public Shareholding (B) = (B)(1)+(B)(2)** | | **21,619,141** | **774,517** | **22,393,658** | **67.39** | **216,976,200** | **6,960,380** | **223,936,580** | **67.39** | **0.00** |
| **TOTAL (A)+(B)** | | **32,457,156** | **774,517** | **33,231,673** | **100.00** | **325,356,350** | **6,960,380** | **332,316,730** | **100.00** | **0.00** |

| Sr. No. | Category of Shareholder | Number of shares of ₹ 10/- each held at the beginning of the year 1st April 2016 | | | | Number of shares of ₹ 1/- each held at the end of the year 31st March 2017 | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Demat | Physical | Total | % of Total Share | Demat | Physical | Total | % of Total Share | |
| (C) | Shares held by Custodians for GDRs & ADRs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| 1 | Promoter and Promoter Group | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| 2 | Public | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| **GRAND TOTAL (A)+(B)+(C)** | | **32,457,156** | **774,517** | **33,231,673** | **100.00** | **325,356,350** | **6,960,380** | **332,316,730** | **100.00** | **0.00** |

## ii. Shareholding of Promoters (including Promoters Group)

Note: The shareholders of the Company, at the 64th Annual General Meeting held on 12th August 2016, approved the sub-division of equity shares of the Company from the face value of ₹ 10/- each to ₹ 1/- each which was effective from the record date i.e. 14th September 2016.

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year 1st April 2016 | | | Shareholding at the end of the year 31st March 2017 | | | % Change in shareholding during the year |
|---|---|---|---|---|---|---|---|---|
| | | No. of Shares of ₹ 10/- each | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares of ₹ 1/- each | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | |
| 1 | Tata Sons Ltd* (Promoter) | 8,829,247 | 26.57 | 0.00 | 92,169,610 | 27.74 | 0.00 | 1.17 |
| 2 | Tata Investment Corporation Limited# | 1,520,754 | 4.58 | 0.00 | 15,207,540 | 4.58 | 0.00 | 0.00 |
| 3 | Af-Taab Investment Company Limited#* | 387,714 | 1.17 | 0.00 | 0 | 0.00 | 0.00 | (1.17) |
| 4 | Ewart Investments Limited# | 100,000 | 0.30 | 0.00 | 1,000,000 | 0.30 | 0.00 | 0.00 |
| 5 | Titan Company Limited# | 300 | 0.00 | 0.00 | 3,000 | 0.00 | 0.00 | 0.00 |
| | **TOTAL** | **10,838,015** | **32.61** | **0.00** | **108,380,150** | **32.61** | **0.00** | **0.00** |

* Tata Sons Limited vide their letter dated 22nd September 2016 had informed the Company and the Stock Exchanges that they have purchased 3,877,140 equity shares of ₹ 1/- each (1.17%) of the Company from Af-Taab Investment Company Limited through off market-inter se transfer on 22nd September 2016. The shareholding of the Promoter and Promoter Group post the inter se transfer of shares as aforesaid remains unchanged at 108,380,150 equity shares (32.61%).

\# Promoter Group

### iii. Change in Promoters' Shareholding (including Promoters Group)

Note: The shareholders of the Company, at the 64th Annual General Meeting held on 12th August 2016, approved the sub-division of equity shares of the Company from the face value of ₹ 10/- each to ₹ 1/- each which was effective from the record date i.e. 14th September 2016.

| Sr. No. | Name | Shareholding at the beginning of the year 1st April 2016 | | Date | Reason | Increase / Decrease in Shareholding | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|---|---|---|---|
| | | No. of shares | % of total shares | | | No. of shares | % of total shares | No. of shares | % of total shares |
| 1 | Tata Sons Limited* | 8,829,247 | 26.57 | - | - | - | - | 8,829,247 | 26.57 |
| | | | | 14th Sep 2016 | Record date for Stock Split | - | - | 8,829,247 | 26.57 |
| | | | | 15th Sep 2016 | Stock Split (Allotment) | - | - | 88,292,470 | 26.57 |
| | | | | 22nd Sep 2016 | Purchase of shares | 3,877,140 | 1.17 | 92,169,610 | 27.74 |
| | | | | 31st Mar 2017 | At the end of the year | - | - | 92,169,610 | 27.74 |
| 2 | Tata Investment Corporation Limited | 1,520,754 | 4.58 | - | - | - | - | 1,520,754 | 4.58 |
| | | | | 14th Sep 2016 | Record date for Stock Split | - | - | 1,520,754 | 4.58 |
| | | | | 15th Sep 2016 | Stock Split (Allotment) | - | - | 15,207,540 | 4.58 |
| | | | | 31st Mar 2017 | At the end of the year | - | - | 15,207,540 | 4.58 |
| 3 | Af - Taab Investment Company Limited* | 387,714 | 1.17 | - | - | - | - | 387,714 | 1.17 |
| | | | | 14th Sep 2016 | Record date for Stock Split | - | - | 387,714 | 1.17 |
| | | | | 15th Sep 2016 | Stock Split (Allotment) | - | - | 3,877,140 | 1.17 |
| | | | | 22nd Sep 2016 | Sale of shares | 3,877,140 | 1.17 | - | - |
| | | | | 31st Mar 2017 | At the end of the year | - | - | - | - |
| 4 | Ewart Investments Limited | 100,000 | 0.30 | - | - | - | - | 100,000 | 0.30 |
| | | | | 14th Sep 2016 | Record date for Stock Split | - | - | 100,000 | 0.30 |
| | | | | 15th Sep 2016 | Stock Split (Allotment) | - | - | 1,000,000 | 0.30 |
| | | | | 31st Mar 2017 | At the end of the year | - | - | 1,000,000 | 0.30 |

| Sr. No. | Name | Shareholding at the beginning of the year 1st April 2016 | | Date | Reason | Increase / Decrease in Shareholding | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|---|---|---|---|
| | | No. of shares | % of total shares | | | No. of shares | % of total shares | No. of shares | % of total shares |
| 5 | Titan Company Limited | 300 | 0.00 | - | - | - | - | 300 | 0.00 |
| | | | | 14th Sep 2016 | Record date for Stock Split | - | - | 300 | 0.00 |
| | | | | 15th Sep 2016 | Stock Split (Allotment) | - | - | 3,000 | 0.00 |
| | | | | 31st Mar 2017 | At the end of the year | - | - | 3,000 | 0.00 |
| | | **10,838,015** | **32.61** | | | | | **108,380,150** | **32.61** |

* Tata Sons Limited vide their letter dated 22nd September 2016 had informed the Company and the Stock Exchanges that they have purchased 3,877,140 equity shares of ₹ 1/- each (1.17%) of the Company from Af-Taab Investment Company Limited, a member of the Promoter Group, through off market-inter se transfer on 22nd September 2016. The shareholding of the Promoter and Promoter Group post the inter se transfer of shares as aforesaid remains unchanged at 108,380,150 equity shares (32.61%).

### iv. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs

Note: The shareholders of the Company, at the 64th Annual General Meeting held on 12th August 2016, approved the sub-division of equity shares of the Company from the face value of ₹ 10/- each to ₹ 1/- each which was effective from the record date i.e. 14th September 2016.

| Sr. No. | Name* | Shareholding at the beginning of the year 1st April 2016 | | Date | Reason | Increase / Decrease in Shareholding | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|---|---|---|---|
| | | No. of shares | % of total shares | | | No. of shares | % of total shares | No. of shares | % of total shares |
| 1 | Arisaig Partners (Asia) Pte Ltd. A/C Arisaig India Fund Limited | 3,285,000 | 9.89 | - | - | - | - | 3,285,000 | 9.89 |
| | | | | 14- Sep- 2016 | Record date for Stock Split | - | - | 3,285,000 | 9.89 |
| | | | | 15-Sep -2016 | Stock Split (Allotment) | - | - | 32,850,000 | 9.89 |
| | | | | 31-Mar-2017 | At the end of the year | - | - | 32,850,000 | 9.89 |
| 2 | Dodona Holdings Limited | 1,781,756 | 5.36 | - | - | - | - | 1,781,756 | 5.36 |
| | | | | 14-Sep-2016 | Record date for Stock Split | - | - | 1,781,756 | 5.36 |
| | | | | 15-Sep-2016 | Stock Split (Allotment) | - | - | 17,817,560 | 5.36 |
| | | | | 31-Mar-2017 | At the end of the year | - | - | 17,817,560 | 5.36 |
| 3 | Reliance Capital Trustee Co. Ltd. (various sub accounts) | 2,448,380 | 7.37 | - | - | - | - | 2,448,380 | 7.37 |
| | | | | 06-May-2016 | Sale of Shares | 200,000 | 0.60 | 2,248,380 | 6.77 |
| | | | | 20-May-2016 | Sale of Shares | 20,000 | 0.06 | 2,228,380 | 6.71 |
| | | | | 27-May-2016 | Sale of Shares | 257,782 | 0.78 | 1,970,598 | 5.93 |
| | | | | 30-Jun-2016 | Sale of Shares | 4,840 | 0.01 | 1,965,758 | 5.92 |
| | | | | 15-Jul-2016 | Sale of Shares | 115,043 | 0.35 | 1,850,715 | 5.57 |
| | | | | 02-Aug-2016 | Sale of Shares | 212,000 | 0.64 | 1,638,715 | 4.93 |
| | | | | 02-Sep-2016 | Sale of Shares | 100,000 | 0.30 | 1,538,715 | 4.63 |
| | | | | 09-Sep-2016 | Sale of Shares | 100,000 | 0.30 | 1,438,715 | 4.33 |
| | | | | 14-Sep-2016 | Record date for Stock Split | - | - | 1,438,715 | 4.33 |
| | | | | 15-Sep-2016 | Sale of Shares | 3,099 | 0.01 | 1,435,616 | 4.32 |
| | | | | 15-Sep-2016 | Stock Split (Allotment) | - | - | 14,356,160 | 4.32 |
| | | | | 09-Dec-2016 | Sale of Shares | 1,000,000 | 0.30 | 13,356,160 | 4.02 |
| | | | | 23-Dec-2016 | Sale of Shares | 8,640 | 0.00 | 13,347,520 | 4.02 |
| | | | | 10-Feb-2017 | Sale of Shares | 500,000 | 0.15 | 12,847,520 | 3.87 |
| | | | | 17-Feb-2017 | Sale of Shares | 386,985 | 0.12 | 12,460,535 | 3.75 |
| | | | | 17-Feb-2017 | Sale of Shares | 17,000 | 0.01 | 12,443,535 | 3.74 |
| | | | | 24-Feb-2017 | Sale of Shares | 26,175 | 0.01 | 12,417,360 | 3.74 |
| | | | | 03-Mar-2017 | Sale of Shares | 289,042 | 0.09 | 12,128,318 | 3.65 |
| | | | | 10-Mar-2017 | Sale of Shares | 105,714 | 0.03 | 12,022,604 | 3.62 |
| | | | | 17-Mar-2017 | Sale of Shares | 7,324 | 0.00 | 12,015,280 | 3.62 |
| | | | | 24-Mar-2017 | Sale of Shares | 182,790 | 0.06 | 11,832,490 | 3.56 |
| | | | | 31-Mar-2017 | Sale of Shares | 10,000 | 0.00 | 11,822,490 | 3.56 |
| | | | | 31-Mar-2017 | At the end of the year | - | - | 11,822,490 | 3.56 |

| Sr. No. | Name* | Shareholding at the beginning of the year 1st April 2016 | | Date | Reason | Increase / Decrease in Shareholding | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|---|---|---|---|
| | | No. of shares | % of total shares | | | No. of shares | % of total shares | No. of shares | % of total shares |
| 4 | HDFC Trustee Company Limited (various sub accounts) | 1,065,800 | 3.21 | - | - | - | - | 1,065,800 | 3.21 |
| | | | | 15-Apr-2016 | Purchase of Shares | 25,000 | 0.08 | 1,090,800 | 3.28 |
| | | | | 14-Sep-2016 | Record date for Stock Split | - | - | 1,090,800 | 3.28 |
| | | | | 15-Sep-2016 | Stock Split (Allotment) | - | - | 10,908,000 | 3.28 |
| | | | | 31-Mar-2017 | At the end of the year | - | - | 10,908,000 | 3.28 |
| 5 | Franklin Templeton Investment Funds | 653,522 | 1.97 | - | - | - | - | 653,522 | 1.97 |
| | | | | 27-May-2016 | Purchase of Shares | 171,142 | 0.51 | 824,664 | 2.48 |
| | | | | 15-Jul-2016 | Purchase of Shares | 100,000 | 0.30 | 924,664 | 2.78 |
| | | | | 02-Aug-2016 | Purchase of Shares | 90,538 | 0.27 | 1,015,202 | 3.05 |
| | | | | 05-Aug-2016 | Purchase of Shares | 60,241 | 0.18 | 1,075,443 | 3.24 |
| | | | | 14-Sep-2016 | Record date for Stock Split | - | - | 1,075,443 | 3.24 |
| | | | | 15-Sep-2016 | Stock Split (Allotment) | - | - | 10,754,430 | 3.24 |
| | | | | 31-Mar-2017 | At the end of the year | - | - | 10,754,430 | 3.24 |
| 6 | Prazim Trading and Investment Co. Pvt. Ltd | 0 | 0.00 | - | - | - | - | 0 | 0.00 |
| | | | | 31-Dec-2016 | Purchase of Shares | 252,820 | 0.08 | 252,820 | 0.08 |
| | | | | 24-Mar-2017 | Purchase of Shares | 9,212,230 | 2.77 | 9,465,050 | 2.85 |
| | | | | 31-Mar-2017 | At the end of the year | - | - | 9,465,050 | 2.85 |
| 7 | Derive Trading and Resorts Private Limited (various accounts) | 911,523 | 2.74 | - | - | - | - | 911,523 | 2.74 |
| | | | | 14-Sep-2016 | Record date for Stock Split | - | - | 911,523 | 2.74 |
| | | | | 15-Sep-2016 | Stock Split (Allotment) | - | - | 9,115,230 | 2.74 |
| | | | | 31-Mar-2017 | At the end of the year | - | - | 9,115,230 | 2.74 |
| 8 | Amansa Holdings Private Limited | 0 | 0.00 | - | - | - | - | 0 | 0.00 |
| | | | | 06-May-2016 | Purchase of Shares | 382,455 | 1.15 | 382,455 | 1.15 |
| | | | | 13-May-2016 | Purchase of Shares | 7,286 | 0.02 | 389,741 | 1.17 |
| | | | | 03-Jun-2016 | Purchase of Shares | 100,209 | 0.30 | 489,950 | 1.47 |

| Sr. No. | Name* | Shareholding at the beginning of the year 1st April 2016 | | Date | Reason | Increase / Decrease in Shareholding | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|---|---|---|---|
| | | No. of shares | % of total shares | | | No. of shares | % of total shares | No. of shares | % of total shares |
| | | | | 10-Jun-2016 | Purchase of Shares | 19,168 | 0.06 | 509,118 | 1.53 |
| | | | | 17-Jun-2016 | Purchase of Shares | 2,190 | 0.01 | 511,308 | 1.54 |
| | | | | 05-Aug-2016 | Purchase of Shares | 118,750 | 0.36 | 630,058 | 1.90 |
| | | | | 19-Aug-2016 | Purchase of Shares | 9,500 | 0.03 | 639,558 | 1.92 |
| | | | | 26- Aug-2016 | Purchase of Shares | 8,145 | 0.02 | 647,703 | 1.95 |
| | | | | 02-Sep-2016 | Purchase of Shares | 104,500 | 0.31 | 752,203 | 2.26 |
| | | | | 14-Sep-2016 | Record date for Stock Split | - | - | 752,203 | 2.26 |
| | | | | 15-Sep-2016 | Stock Split (Allotment) | - | - | 7,522,030 | 2.26 |
| | | | | 25-Nov-2016 | Purchase of Shares | 71,509 | 0.02 | 7,593,539 | 2.29 |
| | | | | 24-Feb-2017 | Purchase of Shares | 846,330 | 0.25 | 8,439,869 | 2.54 |
| | | | | 31-Mar-2017 | At the end of the year | - | - | 8,439,869 | 2.54 |
| 9 | SBI Life Insurance Co. Ltd | 811,260 | - | - | - | - | 811,260 | 2.44 | |
| | | | | 08-Apr-2016 | Sale of Shares | 14,600 | 0.04 | 796,660 | 2.40 |
| | | | | 15-Apr-2016 | Sale of Shares | 50,000 | 0.15 | 746,660 | 2.25 |
| | | | | 29-Apr-2016 | Sale of Shares | 15,515 | 0.05 | 731,145 | 2.20 |
| | | | | 06-May-2016 | Purchase of Shares | 4,000 | 0.01 | 735,145 | 2.21 |
| | | | | 20-May-2016 | Purchase of Shares | 5,000 | 0.02 | 740,145 | 2.23 |
| | | | | 27-May-2016 | Purchase of Shares | 5,000 | 0.02 | 745,145 | 2.24 |
| | | | | 03-Jun-2016 | Purchase of Shares | 3,000 | 0.01 | 748,145 | 2.25 |
| | | | | 24-Jun-2016 | Purchase of Shares | 2,000 | 0.01 | 750,145 | 2.26 |
| | | | | 01-Jul-2016 | Purchase of Shares | 2,000 | 0.01 | 752,145 | 2.26 |
| | | | | 08-Jul-2016 | Purchase of Shares | 8,000 | 0.02 | 760,145 | 2.29 |
| | | | | 15-Jul-2016 | Sale of Shares | 2,000 | 0.01 | 758,145 | 2.28 |
| | | | | 02-Aug-2016 | Purchase of Shares | 9,990 | 0.03 | 768,135 | 2.31 |
| | | | | 12-Aug-2016 | Sale of Shares | 2,000 | 0.01 | 766,135 | 2.31 |
| | | | | 19-Aug-2016 | Sale of Shares | 3,702 | 0.01 | 762,433 | 2.29 |
| | | | | 26-Aug-2016 | Sale of Shares | 10,000 | 0.03 | 752,433 | 2.26 |

| Sr. No. | Name* | Shareholding at the beginning of the year 1st April 2016 | | Date | Reason | Increase / Decrease in Shareholding | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|---|---|---|---|
| | | No. of shares | % of total shares | | | No. of shares | % of total shares | No. of shares | % of total shares |
| | | | | 02-Sep-2016 | Sale of Shares | 8,957 | 0.03 | 743,476 | 2.24 |
| | | | | 09-Sep-2016 | Sale of Shares | 12,076 | 0.04 | 731,400 | 2.20 |
| | | | | 14-Sep-2016 | Record Date for Stock Split | - | - | 731,400 | 2.20 |
| | | | | 15-Sep-2016 | Stock Split (Allotment) | - | - | 7,314,000 | 2.20 |
| | | | | 15-Sep-2016 | Sale of Shares | 16,261 | 0.00 | 7,297,739 | 2.20 |
| | | | | 23-Sep-2016 | Sale of Shares | 38,801 | 0.01 | 7,258,938 | 2.18 |
| | | | | 30-Sep-2016 | Purchase of Shares | 15,000 | 0.00 | 7,273,938 | 2.19 |
| | | | | 07-Oct-2016 | Purchase of Shares | 20,000 | 0.01 | 7,293,938 | 2.19 |
| | | | | 28-Oct-2016 | Sale of Shares | 155,000 | 0.05 | 7,138,938 | 2.15 |
| | | | | 04-Nov-2016 | Sale of Shares | 25,000 | 0.01 | 7,113,938 | 2.14 |
| | | | | 11-Nov-2016 | Sale of Shares | 28,300 | 0.01 | 7,085,638 | 2.13 |
| | | | | 18-Nov-2016 | Sale of Shares | 13,300 | 0.00 | 7,072,338 | 2.13 |
| | | | | 25-Nov-2016 | Sale of Shares | 7,109 | 0.00 | 7,065,229 | 2.13 |
| | | | | 02-Dec-2016 | Purchase of Shares | 6,287 | 0.00 | 7,071,516 | 2.13 |
| | | | | 09-Dec-2016 | Sale of Shares | 154,304 | 0.05 | 6,917,212 | 2.08 |
| | | | | 16-Dec-2016 | Sale of Shares | 10,696 | 0.00 | 6,906,516 | 2.08 |
| | | | | 23-Dec-2016 | Sale of Shares | 6,878 | 0.00 | 6,899,638 | 2.08 |
| | | | | 31-Dec-2016 | Purchase of Shares | 24,326 | 0.01 | 6,923,964 | 2.08 |
| | | | | 06-Jan-2017 | Purchase of Shares | 4,040 | 0.00 | 6,928,004 | 2.08 |
| | | | | 20-Jan-2017 | Sale of Shares | 256,884 | 0.08 | 6,671,120 | 2.01 |
| | | | | 27-Jan-2017 | Sale of Shares | 288,000 | 0.09 | 6,383,120 | 1.92 |
| | | | | 03-Feb-2017 | Sale of Shares | 117,000 | 0.04 | 6,266,120 | 1.89 |
| | | | | 10-Feb-2017 | Sale of Shares | 247,686 | 0.07 | 6,018,434 | 1.81 |
| | | | | 17-Feb-2017 | Sale of Shares | 116,000 | 0.03 | 5,902,434 | 1.78 |
| | | | | 24-Feb-2017 | Sale of Shares | 15,462 | 0.00 | 5,886,972 | 1.77 |
| | | | | 17-Mar-2017 | Purchase of Shares | 5,150 | 0.00 | 5,892,122 | 1.77 |
| | | | | 24-Mar-2017 | Purchase of Shares | 100,000 | 0.03 | 5,992,122 | 1.80 |
| | | | | 31-Mar-2017 | Purchase of Shares | 150,000 | 0.05 | 6,142,122 | 1.85 |
| | | | | 31-Mar-2017 | At the end of the year | - | - | 6,142,122 | 1.85 |

| Sr. No. | Name* | Shareholding at the beginning of the year 1st April 2016 | | Date | Reason | Increase / Decrease in Shareholding | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|---|---|---|---|
| | | No. of shares | % of total shares | | | No. of shares | % of total shares | No. of shares | % of total shares |
| 10 | Government Pension Fund Global | 174,515 | 0.53 | - | - | - | - | 174,515 | 0.53 |
| | | | | 08-Apr-2016 | Purchase of Shares | 5,056 | 0.02 | 179,571 | 0.54 |
| | | | | 15-Apr-2016 | Purchase of Shares | 25,000 | 0.08 | 204,571 | 0.62 |
| | | | | 27-May-2016 | Purchase of Shares | 50,000 | 0.15 | 254,571 | 0.77 |
| | | | | 14-Sep-2016 | Record Date for Stock Split | - | - | 254,571 | 0.77 |
| | | | | 15-Sep-2016 | Stock Split (Allotment) | - | - | 2,545,710 | 0.77 |
| | | | | 21-Oct-2016 | Sale of Shares | 3,000 | 0.00 | 2,542,710 | 0.77 |
| | | | | 09-Dec-2016 | Purchase of Shares | 394,000 | 0.12 | 2,936,710 | 0.88 |
| | | | | 06-Jan-2017 | Purchase of Shares | 94,140 | 0.03 | 3,030,850 | 0.91 |
| | | | | 03-Mar-2017 | Purchase of Shares | 546,060 | 0.16 | 3,576,910 | 1.08 |
| | | | | 31-Mar-2017 | At the end of the year | - | - | 3,576,910 | 1.08 |
| 11 | Jaguar Services Private Limited (various accounts) | 351,579 | 1.06 | - | - | - | - | 351,579 | 1.06 |
| | | | | 14-Sep-2016 | Record Date for Stock Split | - | - | 351,579 | 1.06 |
| | | | | 15-Sep-2016 | Stock Split (Allotment) | - | - | 3,515,790 | 1.06 |
| | | | | 04-Nov-2016 | Sale of Shares | 700,000 | 0.21 | 2,815,790 | 0.85 |
| | | | | 04-Nov-2016 | Purchase of Shares | 700,000 | 0.21 | 3,515,790 | 1.06 |
| | | | | 31-Mar-2017 | At the end of the year | - | - | 3,515,790 | 1.06 |
| 12 | First State Investments Icvc- Stewart Investors Global Emerging Markets Fund | 370,654 | 1.12 | - | - | - | - | 370,654 | 1.12 |
| | | | | 20-May-2016 | Sale of Shares | 873 | 0.00 | 369,781 | 1.11 |
| | | | | 27-May-2016 | Sale of Shares | 62,306 | 0.19 | 307,475 | 0.93 |
| | | | | 02-Aug-2016 | Sale of Shares | 40,608 | 0.12 | 266,867 | 0.80 |
| | | | | 14-Sep-2016 | Record Date for Stock Split | - | - | 266,867 | 0.80 |
| | | | | 15-Sep-2016 | Stock Split (Allotment) | - | - | 2,668,670 | 0.80 |
| | | | | 15-Sep-2016 | Sale of Shares | 8,110 | 0.00 | 2,660,560 | 0.80 |
| | | | | 17-Feb-2017 | Sale of Shares | 1,504,402 | 0.45 | 1,156,158 | 0.35 |
| | | | | 31-Mar-2017 | At the end of the year | - | - | 1,156,158 | 0.35 |

| Sr. No. | Name* | Shareholding at the beginning of the year 1st April 2016 | | Date | Reason | Increase / Decrease in Shareholding | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|---|---|---|---|
| | | No. of shares | % of total shares | | | No. of shares | % of total shares | No. of shares | % of total shares |
| 13 | Morgan Stanley Asia (Singapore) Pte. | 59,412 | 0.18 | - | - | - | - | 59,412 | 0.18 |
| | | | | 08-Apr-2016 | Purchase of Shares | 20,000 | 0.06 | 79,412 | 0.24 |
| | | | | 29-Apr-2016 | Purchase of Shares | 68 | 0.00 | 79,480 | 0.24 |
| | | | | 20-May-2016 | Purchase of Shares | 189 | 0.00 | 79,669 | 0.24 |
| | | | | 27-May-2016 | Purchase of Shares | 25,558 | 0.08 | 105,227 | 0.32 |
| | | | | 03-Jun-2016 | Purchase of Shares | 51 | 0.00 | 105,278 | 0.32 |
| | | | | 30-Jun-2016 | Sale of Shares | 48 | 0.00 | 105,230 | 0.32 |
| | | | | 05-Aug-2016 | Sale of Shares | 3 | 0.00 | 105,227 | 0.32 |
| | | | | 14-Sep-2016 | Record Date for Stock Split | - | - | 105,227 | 0.32 |
| | | | | 15-Sep-2016 | Stock Split (Allotment) | - | - | 1,052,270 | 0.32 |
| | | | | 31-Mar-2017 | At the end of the year | - | - | 1,052,270 | 0.32 |
| 14 | The Master Trust Bank of Japan, Ltd. As Trustee of Nissay India Equity Selection Mother Fund | 265,157 | 0.80 | - | - | - | - | 265,157 | 0.80 |
| | | | | 15-Apr-2016 | Sale of Shares | 1,173 | 0.00 | 263,984 | 0.79 |
| | | | | 22-Apr-2016 | Sale of Shares | 565 | 0.00 | 263,419 | 0.79 |
| | | | | 06-May-2016 | Sale of Shares | 7,528 | 0.02 | 255,891 | 0.77 |
| | | | | 13-May-2016 | Sale of Shares | 74 | 0.00 | 255,817 | 0.77 |
| | | | | 20-May-2016 | Sale of Shares | 21,224 | 0.06 | 234,593 | 0.71 |
| | | | | 27-May-2016 | Sale of Shares | 56,000 | 0.17 | 178,593 | 0.54 |
| | | | | 10-Jun-2016 | Purchase of Shares | 1,785 | 0.01 | 180,378 | 0.54 |
| | | | | 17-Jun-2016 | Purchase of Shares | 408 | 0.00 | 180,786 | 0.54 |
| | | | | 24-Jun-2016 | Purchase of Shares | 506 | 0.00 | 181,292 | 0.55 |
| | | | | 30-Jun-2016 | Purchase of Shares | 231 | 0.00 | 181,523 | 0.55 |
| | | | | 02-Sep-2016 | Sale of Shares | 11,296 | 0.03 | 170,227 | 0.51 |
| | | | | 14-Sep-2016 | Record Date for Stock Split | - | - | 170,227 | 0.51 |
| | | | | 15-Sep-2016 | Stock Split (Allotment) | - | - | 1,702,270 | 0.51 |
| | | | | 23-Sep-2016 | Sale of Shares | 30,804 | 0.01 | 1,671,466 | 0.50 |
| | | | | 30-Sep-2016 | Sale of Shares | 45,003 | 0.01 | 1,626,463 | 0.49 |
| | | | | 14-Oct-2016 | Sale of Shares | 12,898 | 0.00 | 1,613,565 | 0.49 |
| | | | | 09-Dec-2016 | Sale of Shares | 499,021 | 0.15 | 1,114,544 | 0.34 |

| Sr. No. | Name* | Shareholding at the beginning of the year 1st April 2016 | | Date | Reason | Increase / Decrease in Shareholding | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|---|---|---|---|
| | | No. of shares | % of total shares | | | No. of shares | % of total shares | No. of shares | % of total shares |
| | | | | 16-Dec-2016 | Sale of Shares | 8,544 | 0.00 | 1,106,000 | 0.33 |
| | | | | 17-Feb-2017 | Sale of Shares | 13,140 | 0.00 | 1,092,860 | 0.33 |
| | | | | 24-Feb-2017 | Sale of Shares | 27,923 | 0.01 | 1,064,937 | 0.32 |
| | | | | 03-Mar-2017 | Sale of Shares | 99,861 | 0.03 | 965,076 | 0.29 |
| | | | | 31-Mar-2017 | At the end of the year | - | - | 965,076 | 0.29 |
| 15 | UTI - Children's Career Balanced Plan | 87,000 | 0.26 | - | - | - | - | 87,000 | 0.26 |
| | | | | 14-Sep-2016 | Record Date for Stock Split | - | - | 87,000 | 0.26 |
| | | | | 15-Sep-2016 | Stock Split (Allotment) | - | - | 870,000 | 0.26 |
| | | | | 27-Jan-2017 | Sale of Shares | 98,063 | 0.03 | 771,937 | 0.23 |
| | | | | 03-Feb-2017 | Sale of Shares | 2,178 | 0.00 | 769,759 | 0.23 |
| | | | | 10-Feb-2017 | Sale of Shares | 22,599 | 0.01 | 747,160 | 0.22 |
| | | | | 31-Mar-2017 | At the end of the year | - | - | 747,160 | 0.22 |
| 16 | Pi Opportunities Fund I (various accounts) | 921,223 | 2.77 | - | - | - | - | 921,223 | 2.77 |
| | | | | 14-Sep-2016 | Record Date for Stock Split | - | - | 921,223 | 2.77 |
| | | | | 15-Sep-2016 | Stock Split (Allotment) | - | - | 9,212,230 | 2.77 |
| | | | | 23-Dec-2016 | Sale of Shares | 9,212,230 | 2.77 | - | - |
| | | | | 23-Dec-2016 | Purchase of Shares | 9,212,230 | 2.77 | 9,212,230 | 2.77 |
| | | | | 24-Mar-2017 | Sale of Shares | 9,212,230 | 2.77 | - | - |
| | | | | 31-Mar-2017 | At the end of the year | - | - | - | - |

* Shareholding is consolidated based on permanent account number of the shareholder

**v. Shareholding of Directors and Key Managerial Personnel (KMP)**

Note: The shareholders of the Company, at the 64th Annual General Meeting held on 12th August 2016, approved the sub-division of equity shares of the Company from the face value of ₹ 10/- each to ₹ 1/- each which was effective from the record date i.e. 14th September 2016.

| Name of the Director | Date | Reason | Shareholding at the beginning of the year 1st April 2016 | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|---|
| | | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| Mr. N. N. Tata | 01-Apr-2016 | - | 88,693 | 0.27 | 88,693 | 0.27 |
| | 14-Sep-2016 | Record Date for Stock Split | - | - | 88,693 | 0.27 |
| | 15-Sep-2016 | Stock Split (Allotment) | - | - | 886,930 | 0.27 |
| | 31-Mar-2017 | At the end of the year | - | - | 886,930 | 0.27 |
| Ms. S. Singh | 01-Apr-2016 | - | 122 | 0.00 | 122 | 0.00 |
| | 14-Sep-2016 | Record Date for Stock Split | - | - | 122 | 0.00 |
| | 15-Sep-2016 | Stock Split (Allotment) | - | - | 1,220 | 0.00 |
| | 31-Mar-2017 | At the end of the year | - | - | 1,220 | 0.00 |

| Name of the KMP | Date | Reason | Shareholding at the beginning of the year 1st April 2016 | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|---|
| | | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| Mr. M. M. Surti, Company Secretary | 01-Apr-2016 | - | 722 | 0.00 | 722 | 0.00 |
| | 14-Sep-2016 | Record Date for Stock Split | - | - | 722 | 0.00 |
| | 15-Sep-2016 | Stock Split (Allotment) | - | - | 7,220 | 0.00 |
| | 31-Mar-2017 | At the end of the year | - | - | 7,220 | 0.00 |

## V. INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT

**(₹ in Crores)**

| | Secured Loans excluding Deposits | Unsecured Loans | Deposits | Total Indebtness |
|---|---|---|---|---|
| Indebtedness at the beginning of the Financial Year | | | | |
| i) Principal Amount | - | 375.00 | - | 375.00 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | 16.41 | - | 16.41 |
| iv) Amortised cost as per Ind AS (Ind AS Adjustment) | - | 20.82 | - | 20.82 |
| Total (i + ii + iii+iv) | - | 412.23 | - | 412.23 |
| Change in Indebtedness during the Financial Year | | | | |
| Addition | - | 367.23 | - | 367.23 |
| Reduction | - | 380.16 | - | 380.16 |
| Net Change | | (12.93) | - | (12.93) |
| Indebtedness at the end of the Financial Year | | | | |
| i) Principal Amount | - | 361.20 | - | 361.20 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | 12.23 | - | 12.23 |
| iv) Amortised cost as per Ind AS (Ind AS Adjustment) | - | 25.87 | - | 25.87 |
| **Total (i + ii + iii+iv)** | **-** | **399.30** | **-** | **399.30** |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole – Time Directors/ Manager:

(₹ in Crores)

| Sr. No. | Particulars of Remuneration | Mr. P. Auld, Managing Director | Mr. P. Venkatesalu, Executive Director (Finance) and CFO | Total |
|---|---|---|---|---|
| 1 | Gross Salary | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 5.30 | 1.87 | 7.17 |
| | (b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961 | 0.75 | 0.06 | 0.81 |
| | (c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961 | - | - | - |
| 2 | Stock Option | - | - | - |
| 3 | Sweat Equity | - | - | - |
| 4 | Commission | - | - | - |
| | -as % of profit | - | - | - |
| | -Others, please specify | - | - | - |
| 5 | Others, please specify | - | - | - |
| | Total | 6.05 | 1.93 | 7.98 |
| Ceiling as per the Act (@ 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013) | | | | 8.38 |

### B. Remuneration to other Directors

1. Independent Directors

| Sr. No. | Particulars of Remuneration | Name of the Directors | | | | | | Total Amount in ₹ |
|---|---|---|---|---|---|---|---|---|
| | | Mr. Z. S. Dubash | Mr. S. Susman | Mr. B.N. Vakil | Ms. S. Singh * | Mr. A. Sen** | Mr. A.D. Cooper# | |
| 1 | Fee for attending Board/ Committee Meetings | 1,485,000 | 4,80,000 | 1,350,000 | 735,000 | 1,560,000 | - | 5,610,000 |
| 2 | Commission paid for 2015-16 | 1,500,000 | 500,000 | 900,000 | 600,000 | 1,200,000 | 900,000 | 5,600,000 |
| 3 | Others, Please Specify | - | - | - | - | - | - | - |
| | Total (B1) | 2,985,000 | 980,000 | 2,250,000 | 1,335,000 | 2,760,000 | 900,000 | 11,210,000 |

* Re-appointed as an Independent Director for a second term w.e.f. 3rd March 2017 to 2nd March 2022, subject to the approval of shareholders at the forthcoming Annual General Meeting.

** Re-appointed as an Independent Director for a second term w.e.f. 27th May 2017 to 17th November 2020, subject to the approval of shareholders at the forthcoming Annual General Meeting.

# Retired as a Director of the Company w.e.f. closing hours of 23rd August 2015.

Note: Commission is for the year 2015-16, paid in 2016-17.

2. Other Non- Executive Directors

| Sr. No. | Particulars of Remuneration | Name of the Directors | | | Total Amount in ₹ |
|---|---|---|---|---|---|
| | | Mr. N.N. Tata | Mr. B. Bhat | Mr. H. Bhat | |
| 1 | Fee for attending Board/ Committee Meetings | 1,370,000 | 710,000 | 470,000 | 2,550,000 |
| 2 | Commission paid for 2015-16 | 1,800,000 | 900,000 | Nil# | 2,700,000 |
| 3 | Others, Please Specify | - | - | - | - |
| | Total (B2) | 3,170,000 | 1,610,000 | 470,000 | 5,250,000 |
| Total Managerial Remuneration (B1) + (B2) | | | | | 16,460,000 |
| Total Sitting Fees | | | | | 8,160,000 |
| Total Commission | | | | | 8,300,000 |
| Overall ceiling as per the Act for payment of commission to Non - Executive Directors (@1% of the net profits of the Company for FY 2015-16 calculated as per Section 198 of the Companies Act, 2013) | | | | | 8,862,694 |

# Mr. H. Bhat has not accepted commission for the year 2015-16

Note: Commission is for the year 2015-16, paid in 2016-17.

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

(₹ in Crores)

| Sr. No. | Particulars of Remuneration | Mr. M.M. Surti, Company Secretary |
|---|---|---|
| 1 | Gross Salary | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 0.55 |
| | (b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961 | - |
| | (c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961 | - |
| 2 | Stock Option | - |
| 3 | Sweat Equity | - |
| 4 | Commission | - |
| | -as % of profit | - |
| | -Others, please specify | - |
| 5 | Others, please specify | - |
| | Total | 0.55 |

**VII. PENALTIES/PUNISHMENTS/COMPOUNDING OF OFFENCES:**

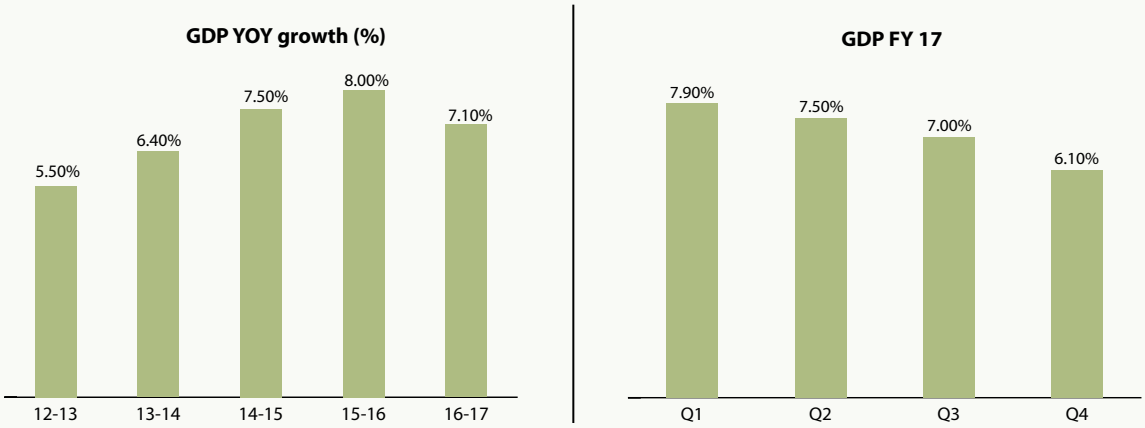
There were no penalties, punishments or compounding of offences during the year ended 31st March 2017.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Economic backdrop

The economic backdrop is a key factor impacting the performance of companies across sectors including organized retail. Against the backdrop of robust macro-economic stability, the year was marked by two major domestic policy developments, the passage of the Constitutional amendment, paving the way for implementation of the transformational Goods and Service Tax (GST), and the action to demonetize the two highest denomination notes.

Indian economy was on a growth trajectory and the gross domestic product (GDP) registered a growth rate of 8 percent in FY 2015-16. The economy was treading along that path and clocked a 7.5 percent in the first half of FY 2016-17. However, possibly impacted by the demonetization measure, the economy registered a lower economic growth rate in relative terms in the second half of FY 2016-17. Notwithstanding the downward trend in GDP growth over the four quarters of FY 2016-17, India continues to remain one of the fastest growing major economies.




*(Source: Central Statistics Office)*

India's economic performance has been impacted by various factors including:

- RBI's inflation focus and the lower inflation rates
- Decline in interest rates impacting both corporate and retail credit
- Improving fiscal deficit
- Confidence reposed by the foreign investors as reflected by growing FDI into India

Although the demonetization possibly had a temporary dampening effect on consumption, it is likely to strengthen India's institutional framework and should support efficiency gains through greater formalisation of economic and financial activity.

The economy is expected to grow to 7.5 percent in FY 2017-18 and 7.7 percent in FY 2018-19, with accelerated pace of remonitisation, discretionary consumer spending picking up and the growth emphasis of Union budget 2017-18.

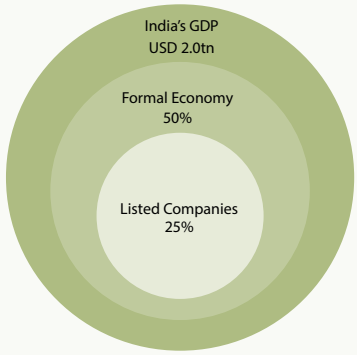
The long-term growth prospects of the Indian economy is positive due to its young population, low dependency ratio, healthy savings & investment rates and increasing integration into the global economy.

### Organized retail opportunity

The unorganized sector in India continues to remain high despite India being one of the fastest growing economies. The unorganized sector contributes 50 percent to India's GDP and accounts for 90 percent of the employment. Within the formal economy, the listed companies are estimated to be contributing in the region of 25 percent to the GDP.

Retail industry contributes over 20 percent to India's GDP. The Indian retail market is estimated around USD 600 billion as of FY15 and is one of the top five retail markets in the world by economic value. India is also one of the fastest growing retail and e-commerce markets in the world, and is projected to reach USD 1.3 trillion by FY20 (BCG Report 2020). There has been a consistent shift from the unorganized to organized sector and this shift is expected to accelerate.

**Unorganized Sector – Significant portion of the economy**




*(Source: National Statistical commission, CMIE, various research reports)*

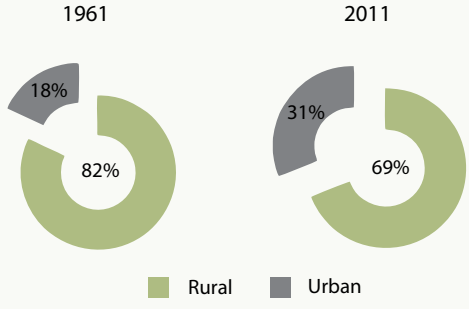
Consistent with the coverage in earlier reports, the following constitute the principal arguments in favour of organized retailing.

- **Urbanisation**

  Currently, over 2/3rds of India's population live in rural areas and this population contributes over 50 percent of the total retail consumption. Higher job opportunities in service & manufacturing sectors, increased urban amenities and better lifestyle opportunities are the factors contributing to growing urbanisation.

  Rapid urbanization in tier 2 and tier 3 cities is influencing the traction for organized retail in these cities. Urban population has grown to 31 percent in 2011 from 18 percent in 1961 as depicted in the chart.

**Urban Rural Population Mix**



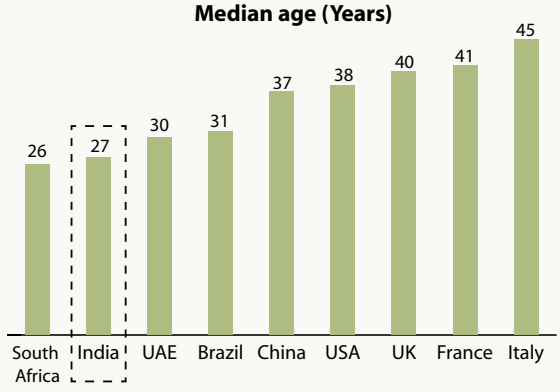

*(Source: Internal Analysis/ Research Reports)*

- **Demographics**

  India is a young nation with more than 50 percent of its population in the working age group of 15-54 years. India has a relative advantage over other countries in terms of distribution of youth population as depicted in the chart.

  This indicates significant influence wielded by this segment on consumption. The increasing need to look good & presentable, influenced by growing exposure to media has boosted the demand for more fashionable clothing and lifestyle products. Immense scope is seen for banners offering an innovative product range to meet the aspirations of brand conscious consumers with rapidly evolving preferences.

**Median age (Years)**




*(Source: Institute for social and economic research)*

Following demographic trends are also contributing to the growth in overall spending:

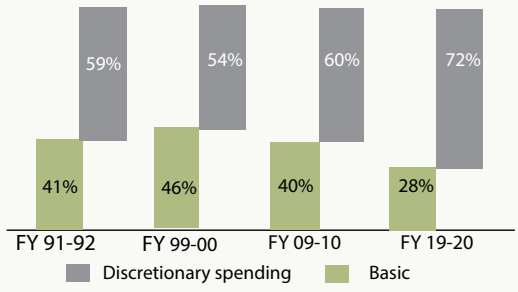
- Increasing purchasing power of women with greater involvement in decision making
- Changing family level organization, role definitions and exposure
- Kids being more informed and demanding
- More nuclear families

➢ **Higher Disposable Income**

The aggregate disposable income is estimated to increase from ₹ 30 trillion in FY 2014-15 to ₹ 44 trillion in FY 2024-25. Middle class is envisaged as the prime driver of consumption of discretionary items.

The share of discretionary spending in India is expected to grow to 72 percent by 2020 with higher disposable income and increasing urbanisation, as depicted in the chart.

**Spending Segregation (%)**




*(Source: Institute for social and economic research)*

Targeting the mid-market seems to offer substantial revenue potential on account of:

- More women entering the workforce in the recent years
- Easy availability of credit at economical rates
- Social acceptance of consumption aided by borrowings

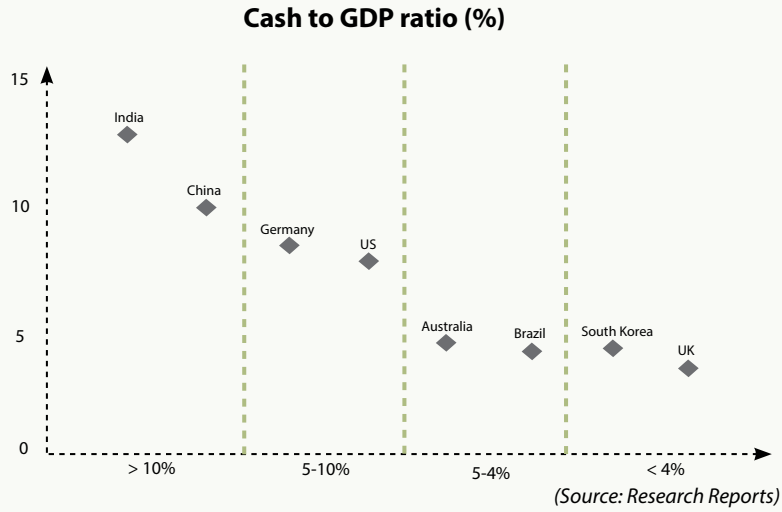
➢ **E-commerce and digital platforms**

Increasing internet penetration through availability of broadband, 4G etc. has not only increased the convenience but has also influenced the level of engagement through diverse and interactive activities like online shopping, social networking, mobile apps, net banking, instant feedback, access to price comparison etc. E–commerce and digital marketing in the last few years have opened a new channel of retailing in the Indian market. This has led to intensified competition across categories and this challenge is even more pronounced for retailers offering primarily third party brands.

➢ **Demonetization and digitization**

India's cash to GDP ratio is more than 10 percent which is higher than most other major economies mainly due to large portion of informal economy, where cash is the primary mode of transaction and compliance with tax laws is minimal. Low compliance with taxation and other laws enables the unorganized sector to offer products at lower pricing compared to that of the organized sector.

The government decision to demonetize high value currency and promote digital payments was aimed at curbing tax evasion. The demonetization measure followed by active promotion of digital payments is expected accelerate the shift in trade to organized sector.

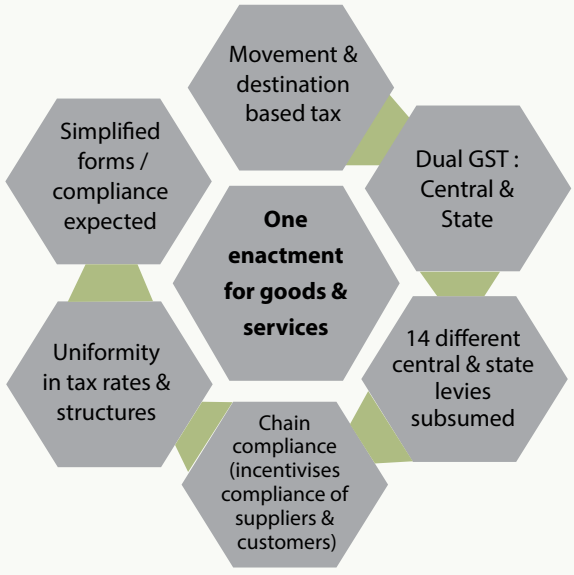



*(Source: Research Reports)*

➢ **Transition to the Goods and Service Tax (GST) regime**

GST, a destination-based tax, will create a trail of various transactions across the value chain, which is expected to enable robust tracking of movement of goods across states, drive higher compliance and widen the tax base. Over time, GST would also accelerate formalization of the economy, reduce cascading effect of indirect taxes and consequently, further contribute to the growth of organized retail.

**Goods & Service Tax (GST)**




*(Source: Internal Analysis/ Research Reports)*

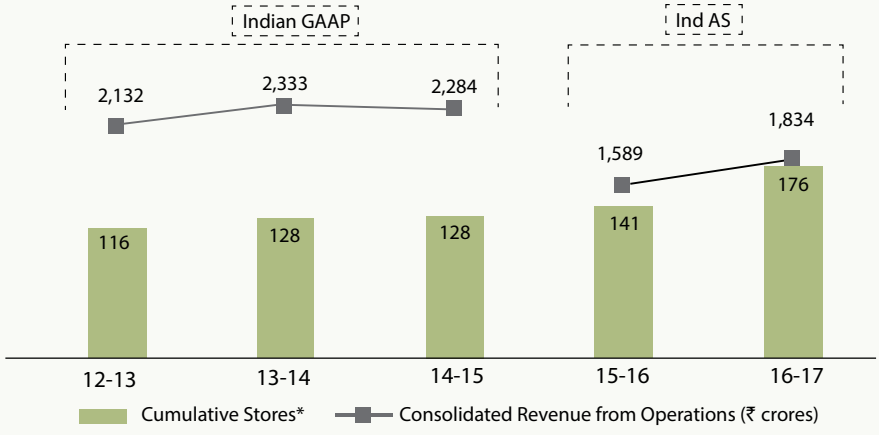
The organized retail offers tremendous opportunity but there are also some significant challenges that need to be tackled such as:

- Real estate: Limited availability of quality real estate coupled with high rentals and non-adherence to committed schedule by builders poses significant challenges to deployment of strategic plans related to expansion. Other challenges include :
  - attractiveness of alternate developments like residential apartments
  - sub-optimal performance of most malls (maintenance, tenant mix, resilience vs proximate newer malls)
  - entry of international players and their clustering in high street malls leading to difficulty in obtaining properties at acceptable economics
  - significant liquidity squeeze faced by the real estate sector given the RBI policy
- Cost pressures: There has been significant inflation in manpower costs and common area maintenance charges in malls in the last few years
- Retail talent: The last few years have seen challenges related to paucity and retention of trained talent
- Local legislations: Multiple local legislations across the country make it challenging for any organization with pan-India presence
- Supply chain management: Multiple issues with respect to supply chain infrastructure pose obstacles in ensuring availability for customers
- Online competition: Aggressive discounting by online players in "land grab" mode

These macro observations have been applied, though with varying emphasis, on the retailing formats managed by the Company.

The Company registered a growth of 15 percent with consolidated revenue from operations at ₹ 1,834 crores. The Group has adopted Indian Accounting Standards ('Ind AS') from 1st April, 2015, hence the following chart represents financials as per 'Ind AS' for FY 2015-16 and FY 2016-17, whereas the financials from FY 2012-13 to FY 2014-15 are as per Indian GAAP.

**Consolidated revenue from operations (₹ crores)**




* includes stores opened by Inditex Trent Retail India Private Limited, Massimo Dutti Private Limited and Trent Hypermarket Private Limited

**Principal formats and focus on sustainable growth**

The Company was one of the earliest to enter the organized retail sector in India and has focused on developing a robust business model in each of the retail formats pursued. We have consistently emphasized the importance of establishing the viability of a retail format with a limited portfolio of stores prior to embarking on rapid expansion. This approach has yielded encouraging results and has enabled the Company in coping with market challenges. The Company primarily operates stores across three formats – Westside, Star & Landmark.

**Westside –** Trent's flagship format – offers apparel, footwear and accessories for men, women and children, along with furnishings, decor and a range of home accessories. Operating with a predominantly exclusive brands model, Westside continues to demonstrate the ability to compete effectively in the market place, despite having to face global competition for mind space and share of wallet of a discerning audience. Westside products are known for style and class amongst fashion conscious consumers in 61 cities across 108 stores.

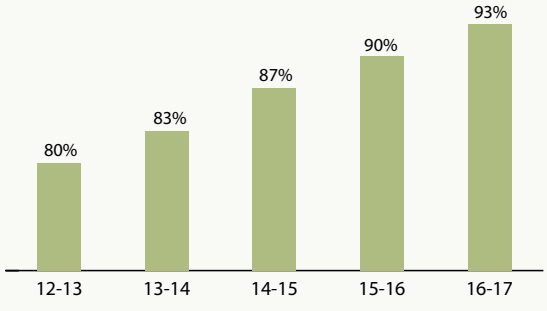
**Star –** hypermarket and convenience store chain – offers a wide choice of products, including staple foods, beverages, health and beauty products, apparel, home furnishings, vegetables, fruits, dairy and non-vegetarian products. The market reception for Star stores has been encouraging and the format is in the process of establishing itself as a place offering a compelling range of quality merchandize at attractive prices. The Star brand currently operates through 42 stores under Star Daily, Star Market & Star Hyper banners.

**Landmark –** a family entertainment format – offers a curated range of toys, front-list books and sports merchandize. The back-end operations relating to the format are significantly integrated with that of the Westside format to realize synergies and contain overhead costs. In addition to 5 independent stores, Landmark merchandize is also retailed through select Westside locations.

**Operations – Westside**

Westside offers fashion forward aspirational brands which continue to be the mainstay of the business. This format is operational in 108 stores across 61 cities in India.

**Own brands contribution to revenue (%)**




Westside model involves active control across the value chain with respect to design, branding, sourcing, logistics, distribution, pricing, display and promotion. Exclusive brands contribute over 93 percent to the overall revenues of Westside and the format in turn accounts for over 97 percent of the Company's revenues. In FY 2016-17, apparels accounted for over 77 percent of Westside's revenues (with womens' wear contributing to over 2/3rds of this share) and the residual was contributed by a range of categories including footwear, home, gourmet west (food) and studio west (bath, body & cosmetics).

We believe this model is more robust than the department store models that predominantly retail third party brands including from a 'return on capital employed' perspective. Empirical evidence also seems to suggest that globally, retailers who control the entire value chain are relatively more successful.

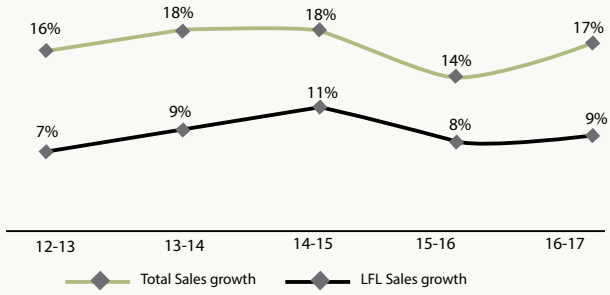
In the year under review, we continued to focus on a number of key initiatives including:

- Improving salience of our exclusive brands with emphasis on aspirational fashionability
- A wider and compelling range of exclusive brands in lingerie and cosmetics

- Improving look and feel across the store portfolio and especially in flagship locations
- Growing online presence together with Tatacliq.com and movement towards being omni-channel

Aided by the strategies pursued and reasonably favorable market conditions, the format registered a healthy 9 percent like-for-like growth in revenues in FY 2016-17.

**Westside Stores - Total Sales Growth and Like-for-Like Sales Growth (%)**




➢ **Exclusive Brands**

We continued to launch / refresh/ expand a number of brands, available exclusively at Westside stores. These brands have been evolved to target key customer segments based on their needs, purchasing power and appetite for fashion. Customer response to the refreshed offerings has been encouraging and the intent is to continue investing on growing the exclusive brand portfolio.

Some of the key brands include:

BOMBAY PAISLEY · NUON · Zuba · E.T.A · SASSY SODA · wardrobe NINETONINE FASHION · WESTSPORT · STUDIOWEST · L.O.V.

**New Initiatives during the year:**

STUDIOFIT is the newest offerings for the fitness enthusiast. This sports inspired apparel is perfect for the energetic and always active consumer who performs yoga, or hits the gym, heads out for a run, enjoys some outdoor sport, and wears active wear as casual wear. With black and grey and pops of color, Studiofit exudes energy and is best suited for the active lifestyle of the metropolitan consumer.

utsa

Westside ethnic kurta offerings were branded as Utsa. It enables one to make a unique statement that defines one's accomplishments and purpose, with the offerings in signature prints and solids in modern Indian silhouettes.

Vark

Westside's elegant range of salwar kameez dupatta sets – classics of modern woman were branded as Vark. Vark is a celebration of everything feminine and magical.




Westside's womens' footwear was branded as Luna Blu. It offers a wide range of smart, stylish and fashionable footwear.




Westside's men's footwear was branded as Soleplay.

**Gourmet West** – is an offering of premium food & beverages in select Westside stores. Gourmet West currently operates in ten Westside stores through a shop-in-shop format in Mumbai, Ahmedabad, Bangalore, Baroda, Hyderabad, Chandigarh, Pune and Surat.

**Lakeland** – is a fashionable kitchenware offer, brought to India through an exclusive tie up with Lakeland – a British company famous for its creative kitchenware across the world. Lakeland currently operates primarily through a shop-in-shop format within Westside with two stores in Bangalore and one in Pune.

- **Partners in Progress**

  Product sourcing capabilities and a global vendor base are key ingredients to delivering a desired merchandize at the right price and right time. Feedbacks from our Supplier Satisfaction Surveys and Annual Supplier Meets suggest that improvements in our product development and supplier relationship management processes continued to play a key role in delivering the same. The interactive –iListen portal continues to assist the vendors in aligning priorities and addressing their queries/concerns.

- **Efficient Supply Chain**

  The organization continues to invest in expansion and upgradation of the supply chain network which, we believe, is vital to the success of a retail organization. Our warehouse operations continue to run at over 99 percent efficiency. Higher levels of efficiency were witnessed despite growing volumes in terms of both intakes from vendors and dispatches to stores.

  We are investing in the expansion of our existing warehousing capacity and partnered with THPL in the development of a new state of art warehousing facility at Vapi, Gujarat.

  The Vapi facility is semi-automated and is envisaged to facilitate smooth and faster movement of merchandise to and from the warehouse. It will also service increased volumes as well as mitigate risk related to a concentrated warehouse ecosystem. The said development is expected to go live in the first quarter of FY 2017-18.

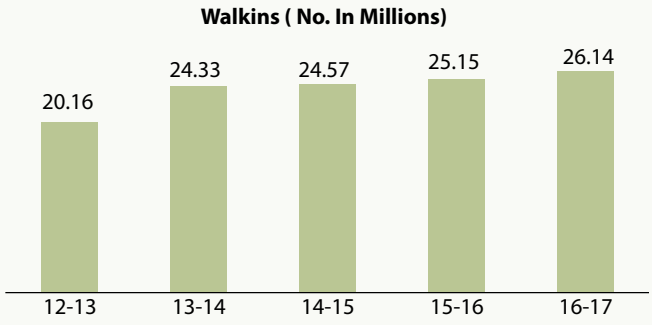
- **Great Shopping Experience**

  In retail industry, a great shopping experience is of paramount importance. Store location, displays, store ambience, customer service and convenience are some of the key parameters that enhance customer experience and customer loyalty. As part of the journey to deliver a 'fashion theatre' experience, we continue to significantly upgrade to an international look & feel and optimize space allocation for the categories. Both of these initiatives are delivering encouraging results.

  Store improvements undertaken during the year under review:

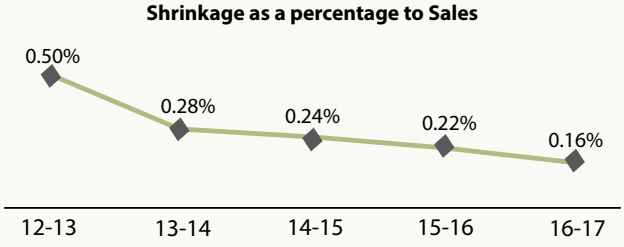
  - **Accelerated store modernization –** In the year under review, seven existing stores have been refurbished – DB Mall Bhopal, Ampa Mall Chennai, Chandigarh Elante, Inorbit Mall Vashi, Alankar Delhi, East End Mall Lucknow, Hughes Road Mumbai. In general, refurbished stores register sharply improved growth in walk-ins and revenues. Over fifteen stores are slated for refurbishment in the current fiscal.

- **Customer service –** Several initiatives have been undertaken to deliver improved customer service in the stores. Various modes of digital payments have been introduced and staff training has been enhanced to provide assisted selling in select categories like footwear, lingerie and cosmetics. We also continue to focus on improving the availability of merchandise across the stores.



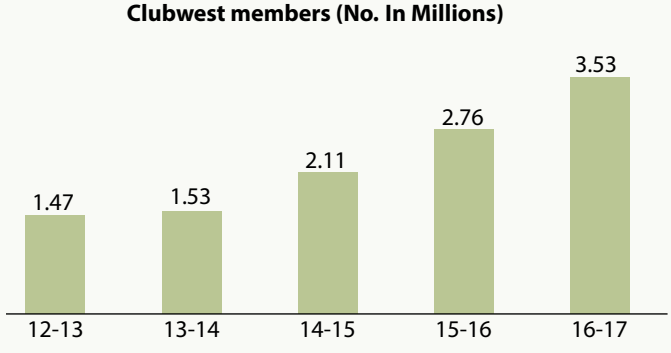

## ➢ Operating Standards

Westside seeks to actively refresh its offerings on an ongoing basis to synchronise with the latest fashion trends. This is made possible through an emphasis on leveraging our supply chain model coupled with rigorous reviews. As we emphasise speed across the value chain, shrinkage cost is one of the bellwether measures with respect to operating efficiency at stores and distribution centres. We have witnessed an improving trend (as depicted in the chart) in the recent years.



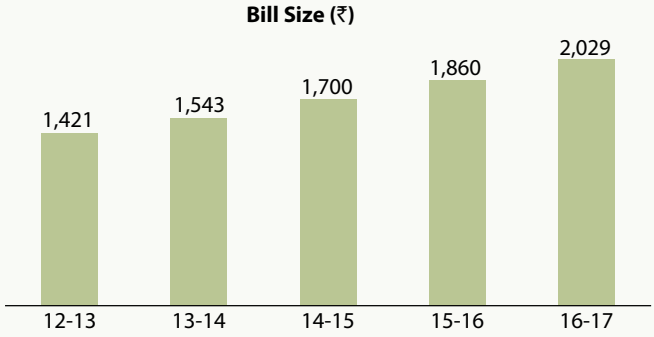

## ➢ Customer Listening & Engagement

We have increased our focus on using social media as an important customer listening and learning mechanism. Digital campaigns on social media channels have become integral to connecting with our target audience. We leverage social media by using targeted tools such as Westside and StudioWest page on Facebook. Separately, digital video campaigns promoting our exclusive brands is an initiative which has been actively pursued and has received very encouraging traction.




The innovative usage of targeted communication methods enables us in connecting with our customers and enhancing customer satisfaction. The above chart depicts the increase in the loyalty customer base over the years. Power targeting is used to run customised campaigns for ClubWest members. This has helped us in improving contribution of the existing members and also winning back relatively dormant members.

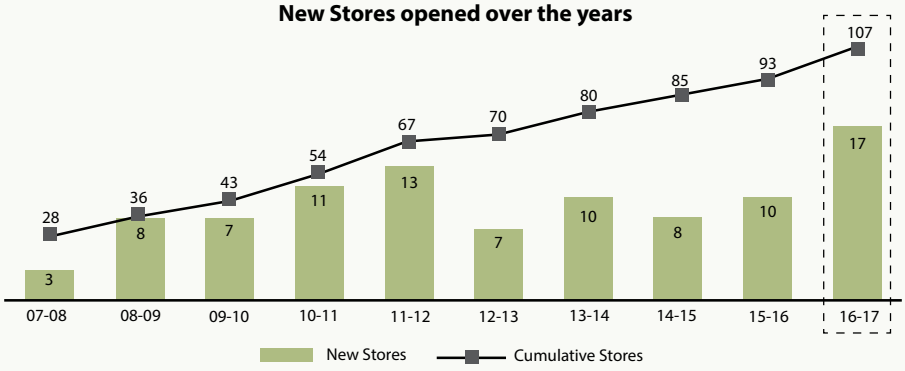
The average bill size registered an encouraging growth of 9 percent in FY 2016-17. Bill size represents the average amount spent by each customer on the purchase. The following chart depicts the trend of this measure for Westside in recent years.




➢ **Increasing reach – expanding into newer cities**

Numerous micro-markets with significant growth potential are emerging across India. Westside continues to monitor opportunities in these micro-markets and establish presence as appropriate. Simultaneously, strategic properties in Tier 1 cities which fit into our overall growth plan are also being pursued.

In the year under review the following seventeen stores were opened – Warangal (Assunta Bhavan), Ghaziabad (Indirapuram Mall), Vadodara (Eva Mall), Mumbai (D N Road Andheri), Bangalore (Orion East), Jaipur -2 (Fort Anandam), Indore – 2 (Princes Business Skyline), Dimapur, Hyderabad (Himayat Nagar), Seawoods (Grand Central Mall), Lucknow-2 (Singapore Mall), Bhubaneshwar (Adijyoti), Kollam (Chandanayazhikom Arcade), Jaipur-3 (Pink Square Mall), Meerut (PVS Mall), Gangtok (Mount Simvo Commercial Complex) and Erode. Also, three stores which were seen to be located in declining/ unviable locations and lacking a sustainable growth outlook were closed. In the first quarter of the current financial year, one store has been opened in Gandhidam, Gujrat. Currently, Westside operates through 66 malls/ shopping centres and 42 standalone stores across India.

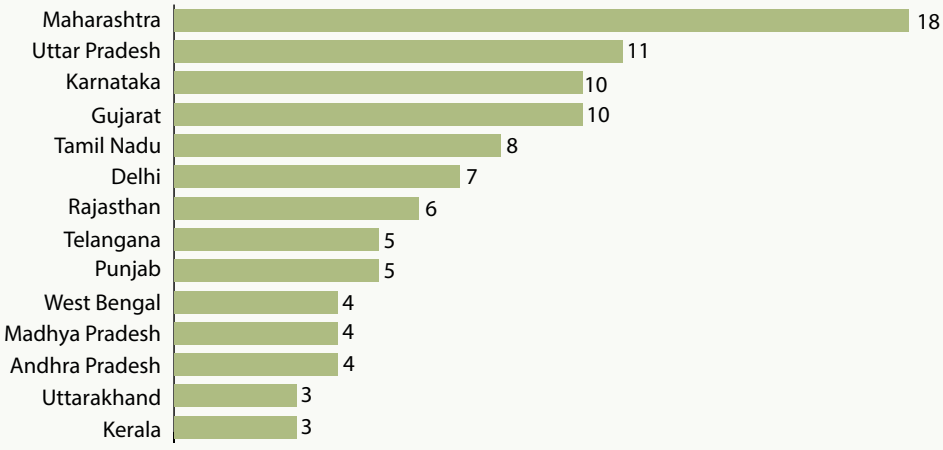



A team of in-house property experts helps us in identifying strategic locations for new stores. They are supported by a well-defined set of processes for analysing the potential market and catchment. We feel this ecosystem of people and processes, helps us in identifying the right store and making it profitable in a relatively short span of time.

Westside is planning to accelerate expansion in the coming years by focusing broadly on two formats - flagship stores, the prominent full offer stores and the curated smaller stores in non-metros/ emerging micro-markets.

For instance, in recent quarters we have opened several prominent standalone flagship stores in distinctive locations that showcase the Westside range (cases in point include the Himayat Nagar store in Hyderabad and Grand Central Seawoods in Mumbai) and in new untapped region – Dimapur in Nagaland. The average size of Westside stores is around 17,500 sq.ft. with the investment in fit outs of around ₹ 2,000 per sq.ft. for newer stores.

**Number of stores by States/Union territory**



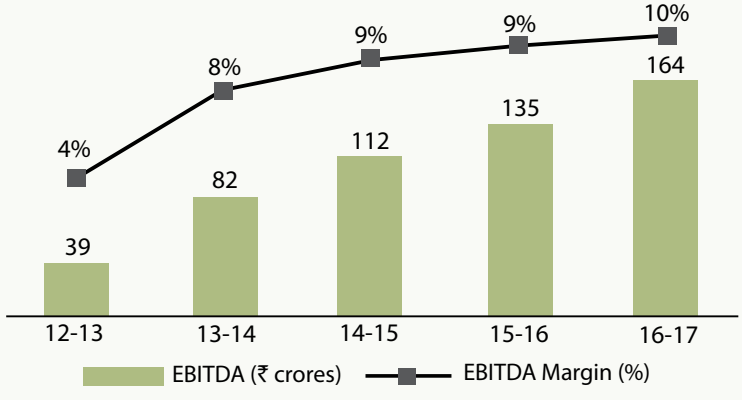

Goa & Chhattisgarh have two stores each
Assam, Haryana, Jammu & Kashmir, Nagaland, Odissa & Sikkim have one store each

➢ **E-commerce**

Online fashion retailing is expected to gain more traction in India in the coming years. With an aim to address this fast emerging market, and especially to enable the convenience of our customers seeking to shop with us online, we have strengthened the exclusive online offer on Tatacliq.com - a Tata Group marketplace initiative. The response to our online business has been encouraging. We believe this approach would enhance the brand visibility and allow us to adopt an omni-channel approach to servicing our target audience.

Westside continues to be a profitable format and has registered encouraging results in the recent years.

**EBITDA (₹ In crores) & EBITDA Margin (%)**



Overall, Westside is adopting a multi-pronged approach aimed at leveraging the opportunity afforded by the Indian Fashion retailing space with the following guideposts:

| | |
|---|---|
| Exclusive fashion brands | Efficient & scalable supply chain |
| Contemporary look & feel and customer experience | Growing reach with stores & online |
| Profitable & sustainable business model | |

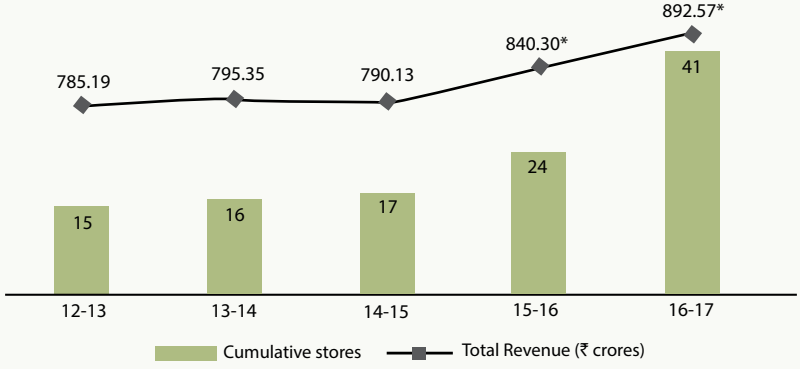
**Operations – Star Bazaar**

Trent Hypermarket Private Limited (THPL) operates a multi format retail business under the Star banner and primarily competes in the multi brand food and grocery segment. THPL is positioned to provide a convenient modern shopping environment for customers to shop multiple product categories, with a focus on service and quality.

Food & grocery accounts for well over 50 percent of the retail market in India and is characterized by low organized retail penetration. However, viable retailing in the space has been a challenge for most players given relatively high occupancy costs, energy charges, minimum wages and other operating expenses. Nevertheless, over time the opportunity is seen to be substantial. In the foregoing context, THPL has adopted a calibrated approach to expansion in the recent years and has continued to emphasize the evolution of a sustainable business model.

During the year under review, the like-for-like sales growth of Star Bazaar stores was 2.1 percent as against 8.6 percent witnessed in the preceding year. In FY 2016-17, THPL registered total revenues of ₹ 892.57 crores (₹ 840.3 crores in FY 2015-16), EBITDA was negative ₹ 16.71 crores (negative ₹ 21.54 crores in FY 2015-16) and a PAT of negative ₹ 52.49 crores (negative ₹ 54.38 crores in FY 2015-16).

**Total revenue (₹ crores)**




* For FY 2015-16 and FY 2016-17 the financials are as per 'Ind AS'. The financials from FY 2012-13 to FY 2014-15 are as per Indian GAAP.

The Star brand is represented primarily by three facia namely: Star Daily, Star Market & Star Hyper. The brand leverages the collective strength of Tata and Tesco platforms to provide customers with a modern retail solution with focus on freshness, convenience and service. Currently THPL operates 19 Star Dailies, 13 Star Markets and 10 Star Hypers in the cities of Mumbai, Pune, Bangalore, Aurangabad and Kolhapur.

**Star Market**

Star Market is a supermarket format store that operates in 5,000 to 10,000 sq. ft. and is positioned as a one-stop shop for fulfilling customers' monthly & top-up needs for groceries, fresh produce, FMCG products, personal grooming and general merchandise. The performance of the Star Market stores is broadly in line with expectations. We increasingly believe that the Star Market format affords the most sustainable platform for expansion and the rollout could be further accelerated if we continue to see encouraging results.

**Fresh food & own branded offerings**

As for the product range on offer, the focus would be primarily on food and grocery with a clear emphasis on fresh food as the lead footfall driver.

Star focuses on providing its customers quality & reasonably priced fresh produce, meat & fish and positioning itself as a distinct retailer famous for 'Fresh Food'. We now directly engage with over 200 farmers and around 70 percent of vegetables are now directly sourced and serviced through a network of collection and distribution centers.

Also, we believe own branded private label offerings are key to evolving a sustainable business model. In this context, we have continued to focus on expanding our range of private label products. In 2016-17, private label launches included a range of roasted snacks, basmati rice, body & hand wash and powder detergents. The own branded range now includes over 200 private label SKUs across staples, beverages, cleaning aids, ready foods and health & beauty. The plan is to continue expanding own branded offerings by emphasizing the proposition of great quality at reasonable prices.

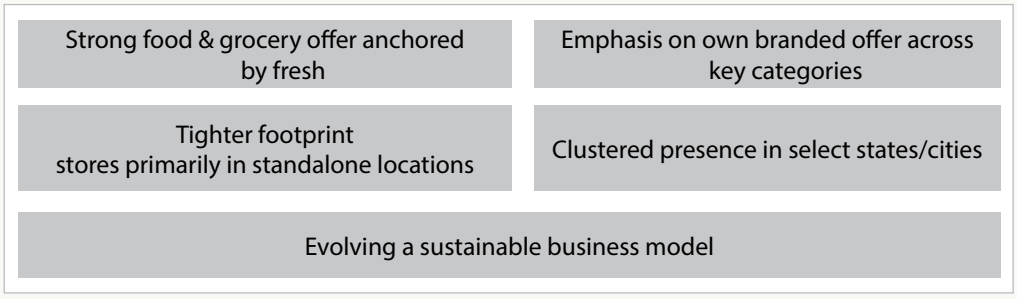
Some of our own branded offerings include :




**Geographical presence**

In terms of geographies, we have continued to pursue a clustered approach with stores in the states of Maharashtra, Karnataka and Telangana with an aim of creating local scale and being closer to customers.

Overall, THPL is adopting a multi-pronged approach with the following principal guideposts:




**Fiora Hypermarket Limited (FHL) operations**

As discussed in earlier reports, FHL (a wholly owned subsidiary of the Company), acquired from THPL few of the Star Bazaar stores in the context of the applicable regulations with respect to FDI in Multi Brand Retail Trading. FHL currently operates two of the stores and envisages expansion of Star banner stores only in the State of Gujarat. FHL is also pursuing on a trial basis online retailing of food & grocery in limited catchments in the proximity of select Star banner stores. The intent would be to grow the operations of FHL in a calibrated manner that leverages the existing presence and operations.

**Operations – Landmark**

Landmark has evolved into an entertainment format offering a range of curated products including toys, front-list books and sports merchandize. In the recent years, the back-end operations relating to the format have been significantly integrated with that of the Westside format to drive synergies and contain overhead costs. The business has been consolidated into 5 independent stores in the year under review. Currently, in addition to the independent stores, Landmark merchandize is also retailed through select Westside locations. During the year under review, the like-for-like sales growth of Landmark stores was 19 percent as against 7 percent witnessed in the preceding year.

The intent is to build on the positive momentum seen in recent periods, leverage the partnership with SportZone (a market leader in sports retailing in Portugal) and evolve a compelling business case for accelerating expansion.

Consequent to the various strategies pursued and measures taken, the format has registered store level profitability. The principal measures pursued in the period under review include:

- **Focus on newer growth categories –** In order to cater to emerging lifestyles trends and be relevant to our customers; the product portfolio is calibrated to trending product opportunities. As such the product portfolio has a sharp focus on toys, front-list books, latest gadgets and sports. Freshness and exclusivity will be the driving force for all product categories across Landmark going forward.
- **Customer engagement –** Landmark's positioning of "For the Child in All of us" has been backed by its endeavor to create exclusive customer engagement experiences. In the said pursuit, various events and activities in the stores were conducted during the year under review. Events such as Rubik's challenge and Lego challenge were conducted in the stores for kids (being the key Landmark audience). Author visits in the stores were also organized to connect with the customers.
- **Store portfolio –** The intent is to focus efforts on select stores with potential for growth. Further, Landmark stores have been rolled out in select Westside stores and they are operating as a store-in-store. Currently, we have 5 independent Landmark stores and 11 SIS inside Westside.

Led by select categories like toys & sports merchandize, we believe that Landmark format could prove to be a sustainable growth platform for the Company over the medium term. The substantial integration of the non-customer facing parts of the business with the Westside infrastructure coupled with few strong stores can be expected to further improve operational performance and mitigate risks in FY 2017-18.

**Other Joint Ventures, Key Operating Subsidiaries and Treasury**

- **Zara and Massimo Dutti:** The Company has two separate joint ventures with the Inditex group of Spain with a shareholding of 51 percent (Inditex):49 percent (Trent) – one for Zara and the other for Massimo Dutti stores in India. The JV for Zara Stores currently operates twenty stores – three in Delhi, six in Mumbai, two in Bangalore and one each in Pune, Surat, Jaipur, Chandigarh, Chennai, Mohali, Hyderabad, Gurgaon & Noida. This JV entity (Inditex Trent Retail India Private Limited) recorded revenues of ₹1,023.10 crores and PAT of ₹47.62 crores in FY 2016-17. Plans are to open a few more Zara stores in India over the next three to four years in the major cities – the primary challenge to faster expansion is the availability of high quality retail spaces which can be expected to generate reasonable sales throughput. The Company views its commitment to this JV primarily as a financial investment and consequently, it may be appropriate not to consider this as a long term strategic investment integral to other retail operations. This view is including in the context of the majority partner entirely controlling the core customer proposition with respect to the fashion offer. The JV for Massimo Dutti stores operates two stores in Delhi and Noida. This JV entity (Massimo Dutti Private Limited) recorded revenues of ₹ 30.24 crores and PAT of negative ₹ 1.03 crores in FY 2016-17.

- **Fiora Services Limited (Fiora):** a subsidiary of the Company continues to render various services in terms of sourcing activities, warehousing, distribution, clearing and forwarding. We believe this structure of a separate service providing entity has yielded encouraging results with respect to attracting relevant functional talent and at the same time keeping related costs under control. Fiora charges the service receiving entities primarily on a cost plus reasonable markup basis.

- **Fiora Business Support Services Limited (FBSSL)** (formerly known as "Westland Limited")**:** is now a wholly subsidiary of the Company. During the period under review, 100% of the share capital held by Westland, in its subsidiary, Westland Publications Limited (WPL) was transferred to Amazon Eurasia Holdings S.a r.l. WPL thus ceased to be a subsidiary of Westland w.e.f. 23rd November 2016. Thereafter, Westland concluded a slump sale of the publishing business of Westland into WPL vide a Business Transfer Agreement, for a consideration of ₹ 39.80 crores. Consequently, in the consolidated results the Company registered profit of ₹ 32.15 crores before applicable taxes.

- **Treasury:** The Company's treasury income (other than from subsidiaries) represented a reasonable yield on the funds deployed on account of favorable market conditions coupled with a prudent treasury policy. In the context of the Ind AS Accounting Standards adopted from 1st April, 2015, mark-to-market gains and losses relating to treasury investments are required to be accounted for in the respective periods through the profit & loss account – this also predominately explains the variability of related income registered in each of the quarters.

**Overall financial results**

The Group has adopted Indian Accounting Standards ('Ind AS') from 1st April, 2015 and accordingly the financial results along with comparatives have been prepared in accordance with the recognition and measurement principles stated therein, prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India.

Overall, for FY 2016-17, on a standalone basis the company has reported total revenues of ₹ 1,797.05 crores (₹ 1,580.66 crores in FY 2015-16), Profit After Tax of ₹ 106.87 crores (₹ 86.55 crores in FY 2015-16) and Total Comprehensive Income of ₹ 107.60 crores (₹ 86.05 crores in FY 2015-16). The exceptional items for the year include sale of certain investments held by the Company to a subsidiary.

On a consolidated basis, the company has reported total revenues of ₹ 1,894.44 crores (₹ 1,646.63 crores in FY 2015-16), Profit After Tax ₹ 84.95 crores (₹ 55.02 crores in FY 2015-16) and Total Comprehensive Income of ₹ 82.42 crores (Total Comprehensive Income of ₹ 54.04 crores in FY 2015-16) and the exceptional items for the year relates to impairment of certain assets. Discontinued operations relate to the publishing business of Westland Limited (a subsidiary of the Company), the sale of which has been concluded during the year. The consolidated results under the new accounting standards are significantly different vis-a-vis under the previously applicable Indian GAAP Standards. One of the principal contributing factors for the difference is the accounting treatment with respect to the results of the key joint ventures of the Company (with Inditex Trent Retail India Private Limited for Zara stores and Tesco Plc.). The comparative results under the two accounting standards are summarized in the table below (the Indian GAAP results for FY 2016-17 is proforma and is unaudited):

(₹in crores)

| Details | Standalone | | Standalone | | Consolidated | | Consolidated | |
|---|---|---|---|---|---|---|---|---|
| | Indian GAAP | | Ind AS | | Indian GAAP | | Ind AS | |
| | 2016-17 | 2015-16 | 2016-17 | 2015-16 | 2016-17 | 2015-16 | 2016-17 | 2015-16 |
| Revenue from operations | 1,746.93 | 1,500.55 | 1,738.06 | 1,491.91 | 2,905.37 | 2,397.32 | 1,833.92 | 1,589.33 |
| PBT | 119.92 | 96.92 | 135.04 | 109.26 | 122.53 | 103.44 | 134.98 | 89.88 |
| PAT | 86.35 | 77.85 | 106.87 | 86.55 | 80.51 | 62.94 | 84.95 | 55.02 |

A review of the performance of the principal retails formats has been covered in prior sections.

**Internal Controls and Adequacy**

The Company has a defined system of internal controls for financial reporting of transactions and compliance with relevant laws and regulations commensurate with its size and nature of business. The Company also has a well-defined process for ongoing management reporting, and periodic review of businesses using the Balanced Score Card process to ensure alignment with strategic objectives.

There is an active internal audit function carried out partly by the internal resources and the balance activity outsourced to CA firms. As part of the efforts to evaluate the effectiveness of the internal control systems, the internal audit department reviews the control measures on a periodic basis and recommends improvements, wherever appropriate. The internal audit department is manned by qualified and experienced personnel and reports directly to the Audit Committee of the Board. The Audit Committee regularly reviews the audit findings as well as the adequacy and effectiveness of the internal control measures. Based on their recommendations, the Company has implemented a number of control measures both in operational, internal control and accounting related areas, apart from security related measures.

**Sustainability**

The Company adopts a triple bottom-line philosophy (People-Planet-Profit) to create a sustainable organization.

**People**

Being part of the Tata Group, we have always been guided by the philosophy of improving the quality of lives of the communities we serve. Our practice of returning to society what we earn evokes trust among consumers, employees, shareholders and the community.

- Community initaitives:

  In order to make community initiatives sustainable in the long run, Trent's approach to societal responsibilities and support of key communities is linked to its business and core competencies. The organization approaches all such initiatives with the philosophy of it being beneficial to the business as well and focuses on:

  - Creating more jobs for the society by following a growth agenda, and recruiting freshers from local community
  - Increasing employability of the employees at the entry level through cross training so that they can also pursue enriching careers within and outside the enterprise

  Today, close to 20 percent of Company's workforce come from underprivileged classes of the society. The Company has won multiple awards at the Tata Group level for its efforts in making youngsters from the underprivileged classes employable and employing them.

- Learning & Development (L & D):

  The Company believes that people are one of its greatest assets and training is an investment for organizational excellence.

  In order to strengthen our alignment with customer promise and enhance customer centricity, our organization has transitioned to a matrix structure. In the newly evolved structure, colleagues work together as category teams consisting of buying, merchandising, sourcing, garment technology and sales management, each contributing towards respective category goals and meeting customer needs as one work team.

  While making this transition, based on diagnostic results from a culture study that signaled the need to enrich people capability for continuously driving change and managing risk, the Company has adopted a concept from "David McClelland's" motivation theory approach. The Organization aligned business focus, business processes and workforce behavior as an integrated approach to drive change. An organization wide intervention, covering 27 work teams and 306 colleagues, called "Good to Great" was launched, to enable them to reach their fullest working together in a matrix structure.

- Talent Availability:

  As discussed earlier, availability of the right kind of talent in the organized retail space continues to be an issue considering the nascent nature of the industry. Although attrition continues to remain high with the front end store level staff, it is marginal amongst corporate staff. However, given the expansion plans of retailers, the emergence of new entrants coupled with pronounced hiring appetite we are witnessing compensation pressures at all levels.

  As of 31st March'17 the staff strength (including corporate staff) was 4,367 at Westside, 264 at Fiora, 2,214 at Star Bazaar and 200 at Landmark with an overall total of 7,045 employees across key formats/ entities within the Trent Group.

**Planet**

The Company follows the Tata group climate change policy which emphasises the need to play a leading role in making the planet a better place to live in. We focus on four areas for championing the cause of a green operation:

- Energy conservation
- Logistics efficiency
- e-Waste management
- Product manufacturing & packaging

Targets are set for energy consumption at stores and offices and adherence monitored on a monthly basis. Logistics efficiency with a focus towards reducing carbon footprint helps the organization reap business benefits as well. e-Waste is managed through certified suppliers. Reduction in usage of plastic in product packaging also helps the Company in making its operations green.

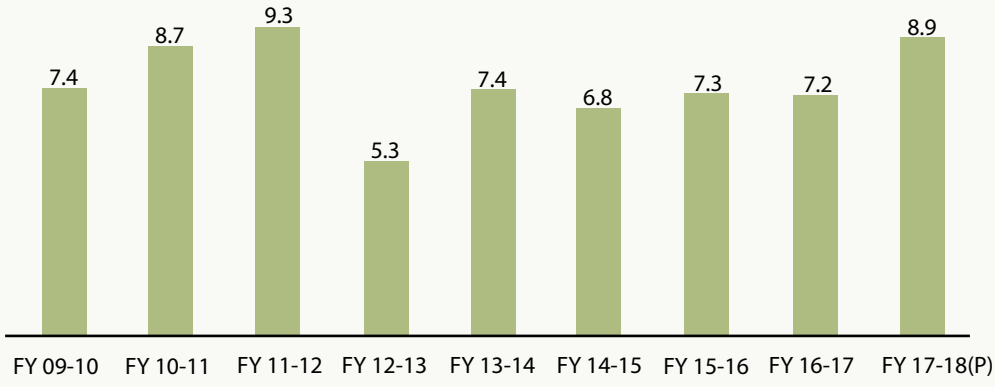
**Profit**

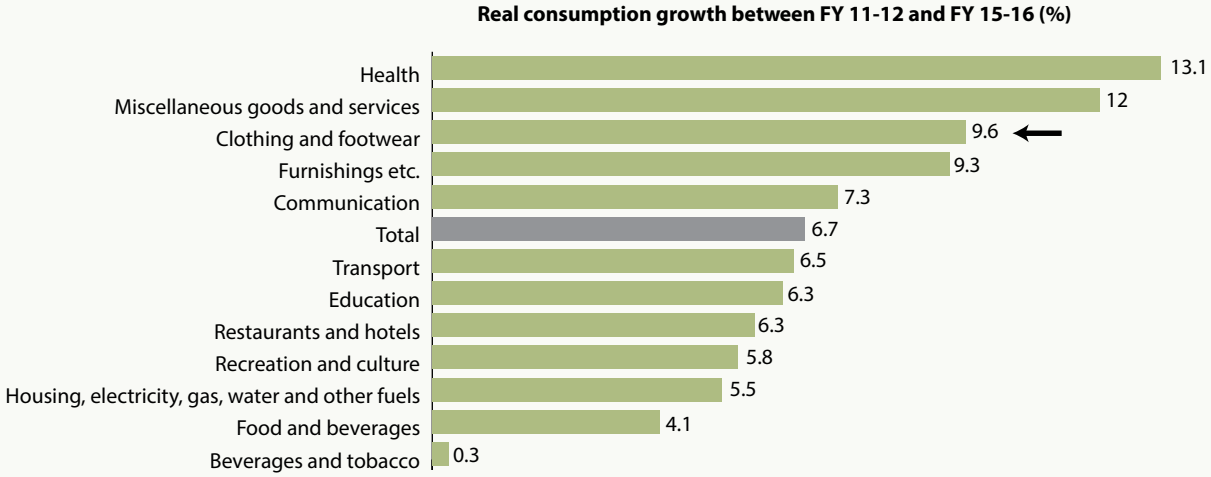
Since its inception, the company has had a focus on delivering value for all its stakeholders. It has operated on the principles of effective cost management without compromising the quality of products retailed from the stores.

**Outlook**

The economic situation has been more or less stable in the recent years with consumption demand holding up. Also, discretionary consumption has been registering above average growth rates in several of the categories of interest to the Company. The following charts summarise these trends.

**Consumption demand (Annual YOY growth (%))**






In FY 2017-18, Indian economy is expected to grow at around 7.5 percent and discretionary consumer spending is also expected to remain strong. The government's focus on strengthening the investment environment and maintaining economic stability should further boost the economic outlook and translate into positive consumption triggers over time. India has been attracting growing FDI given its large attractive market and positive government initiatives. Over time, this is also expected to increase the purchasing power of the average Indian consumer.

On the other hand, escalating costs (especially wages, electricity and common area maintenance) imply continued challenges. Further, securing properties at acceptable rentals and valuations in the real estate space (with most participants in the organized retail pursuing their growth plans) continues to be a challenge. However, across formats, the preference for standalone properties vis-à-vis mall developments has mitigated this risk to a significant degree. The property pipeline already contracted should still allow opening accelerated number of new Westside and Star banner stores in FY 2018.

The proposed GST regime slated to be rolled out from 1st July, 2017 and is likely to impact the retail businesses of the Company. The impact is expected to be positive over the medium term as indirect tax compliances should get more streamlined and formalization of the economy is accelerated under the new regime. Nevertheless, in the interim period the transition costs and operational challenges may impact results to varying degrees across of retail formats.

Overall, we continue to be very positive on the underlying case for growth of organized retailing in India over the coming years. As observed in the previous years, the intent going forward is to continue scaling up our presence and in doing so across the formats:

- Concentrate resources on substantially growing the existing anchor formats (especially Westside and Star);
- Continued emphasis on building own-branded/ exclusive customer offers that are compelling to the target audience and afford greater degree of control on key elements of the customer proposition;
- Emphasize sustainable store level profitability and only scale up with new stores locations that are expected to be profitable within an agreeable time frame;
- Emphasis on primarily "standalone" properties; especially given the rental economics vis-à-vis sales densities in locations of interest to us;

- Selectively commit direct investments in properties;
- Leverage partnership with global retailers like Tesco and Inditex to further the profitable growth of respective formats;
- Online presence through the Tatacliq marketplace platform aimed at leveraging on the growing internet penetration in India

**Risk and Concerns**

- **Retail real estate availability and costs:** Significant number of global retailers already having presence in India & other global brands (especially under the single-brand umbrella) plan to roll out stores and consequently, the shortage of quality malls/ standalone real estate in high street locations is seen as an impediment to the expansion plans of the organized retail in the near term. We see the emphasis on standalone properties being critical to mitigating this risk to an extent.
- **Talent availability:** As observed in earlier years, the availability of relevant talent at acceptable compensation levels continues to be an issue. And employing expatriates, with the attendant higher costs, becomes inevitable in certain areas due to paucity of talent as we attempt to scale up significantly.
- **Electricity availability & costs:** Electricity is one of the largest components of our costs and has increased significantly in recent years, especially in states like Maharashtra. Separately, higher power deficits in select cities has led to increased load shedding and has meant more reliance on generators, which has added to costs – our stores in Chennai continue to remain a case in point.
- **Discounting by online retailers:** Several online players have sought to disrupt the retail market in the last few years with discounting funded by overseas shareholders. The sustainability of such discounting is debatable but we need to nevertheless handle the onslaught and continue to be relevant to our target audiences. The recent clarification from the Department of Industrial Policy and Promotion (DIPP) on 100 percent FDI in e-commerce marketplaces is likely to facilitate formalization of presence and hopefully adoption of more sustainable business models.
- I**ndirect taxation:** The indirect tax regime with its multiplicity of charges and levies has continued to be an issue. This should get addressed with the proposed GST roll out in the current fiscal. The impact of GST is expected to be positive over the medium term however, the transition including related complexities could impact the performance of our formats in the interim.

**Cautionary Statement**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factor.

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2016-17

[As required under Schedule V(C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

### 1] The Company's philosophy on Corporate Governance

The Company's philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings, to ensure efficient conduct of the Company and help the Company achieve its goal by creating value for all its stakeholders. The Company's philosophy is in line with the Tata group's long standing tradition of fair and transparent governance.

The Company has adopted Tata Code of Conduct for its employees including the Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors. The Company's Corporate Governance philosophy has been further strengthened through the Tata Business Excellence Model, the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices and the Whistle Blower Policy. The Company is in compliance with the requirements of Corporate Governance stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['the Listing Regulations'].

### 2] Board of Directors

As on 31st March 2017, the Company has 10 Directors including a Non-Executive Chairman, a Managing Director and an Executive Director (Finance) & CFO. Out of 8 Non-Executive Directors, 5 are Independent Directors. The composition of the Board is in conformity with Regulation 17(1) of the Listing Regulations and the Companies Act, 2013.

All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013, Listing Regulations and the Governance Guidelines for Board Effectiveness adopted by the Company. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website.

None of the Directors of the Company is a Member of more than 10 Committees or a Chairman of more than 5 Committees across all the Listed Companies in which he/she is a Director, as per Regulation 26(1) of the Listing Regulations.

35 Board/Committee meetings were held at Mumbai during the year under review comprising 8 Board Meetings, 26 meetings of various Committees and 1 Independent Directors Meeting. The Board of Directors of the Company met 8 times during the financial year 2016-2017 i.e. on 12th April 2016, 26th May 2016, 28th June 2016, 11th August 2016, 27th October 2016, 23rd January 2017, 9th February 2017 and 16th March 2017. The necessary quorum was present at all the meetings.

The names and categories of the Directors on the Board, their attendance at Board meetings and at the last Annual General Meeting (AGM) held during the financial year and the number of directorships and committee chairmanships / memberships held by them in other public limited companies is given below:

| Name | Category | No. of Board Meetings held and attended during FY 2016-17 | | Whether attended last AGM held on Friday, 12th August 2016 | No. of Directorships in other Indian Public Limited Companies (As on 31st March 2017)# | No. of Committee positions held in other Indian Public Companies (As on 31st March 2017)## | | Number of Equity shares held (As on 31st March 2017) |
|---|---|---|---|---|---|---|---|---|
| | | Held | Attended | | | Chairman | Member | |
| Mr. N. N. Tata (Chairman) DIN: 00024713 | Non-Independent Non-Executive | 8 | 8 | Yes | 6 | 1 | 1 | 8,86,930 |
| Mr. Z.S. Dubash DIN: 00026206 | Independent Non-Executive | 8 | 8 | Yes | 1 | Nil | Nil | Nil |
| Mr. B. Bhat DIN: 00148778 | Non-Independent Non-Executive | 8 | 8 | Yes | 8 | Nil | 3 | Nil |
| Mr. S. Susman DIN:03503013 | Independent Non-Executive | 8 | 5 | Yes | Nil | Nil | Nil | Nil |
| Mr. B. N. Vakil DIN:00283980 | Independent Non-Executive | 8 | 8 | Yes | 3 | Nil | 1 | Nil |
| Mr. H. R. Bhat DIN : 00478198 | Non-Independent Non-Executive | 8 | 7 | Yes | 6 | Nil | 3 | Nil |
| Ms. S. Singh* DIN:07108778 | Independent Non-Executive | 8 | 8 | Yes | Nil | Nil | Nil | 1,220 |
| Mr. Philip .N. Auld** (Managing Director) DIN:03543080 | Non-Independent Executive | 8 | 7 | Yes | 1 | Nil | Nil | Nil |
| Mr. A. Sen*** DIN:00002593 | Independent Non-Executive | 8 | 8 | Yes | 4 | 1 | 2 | Nil |
| Mr. P. Venkatesalu Executive Director (Finance) & CFO DIN: 02190892 | Non -Independent Executive | 8 | 8 | Yes | 6 | 1 | Nil | Nil |

\# Excludes alternate Directorships, Directorships of private limited companies, Section 8 companies and of companies incorporated outside India.

## Represents Chairmanship / membership of Audit Committee and Stakeholders Relationship Committee.

* The first term of Ms. S. Singh as an Independent Director concluded on 2nd March 2017. Ms. S. Singh is appointed as an Additional Director (Non-Executive) w.e.f. 3rd March 2017. She is also re-appointed as an Independent Director of the Company for a second term w.e.f. 3rd March 2017 to 2nd March 2022, subject to the approval of shareholders.

** Mr. P. Auld is re-appointed as a Managing Director of the Company on fresh terms and conditions of appointment and remuneration w.e.f. 1st May 2017 to 30th April 2020, subject to necessary approvals.

*** The first term of Mr. A. Sen as an Independent Director concludes on 26th May 2017. Mr. A. Sen is appointed as an Additional Director (Non-Executive) w.e.f. 27th May 2017. He is also re-appointed as an Independent Director of the Company for a second term w.e.f. 27th May 2017 to 17th November 2020, subject to the approval of shareholders.

The gap between two meetings did not exceed 120 days. The required information as enumerated in Part A of Schedule II of the Listing Regulations is made available to the Board of Directors for discussions and consideration at Board meetings.

The Company did not have any pecuniary relationship or transactions with Non-Executive Directors during the financial year ended 31st March 2017 except for payment of sitting fees, Commission and reimbursement of expenses incurred in the discharge of their duties. None of the Directors are inter-se related to each other. None of the Directors hold convertible instruments of the Company.

**Separate Meeting of Independent Directors**

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 16th March 2017 as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations. All the Independent Directors i.e. Mr. B. N. Vakil, Mr. Z. S. Dubash, Mr. S. Susman, Ms. S. Singh and Mr. A. Sen attended the Meeting of Independent Directors. Mr. B. N. Vakil Chaired the meeting.

**Code of Conduct**

The Company has adopted the Tata Code of Conduct for its Executive Directors, Senior Management Personnel and other employees of the Company. The Company has also adopted a Code of Conduct for the Non-Executive Directors of the Company. All the Board members and Senior Management personnel have affirmed compliance with the applicable Code of Conduct. A declaration to this effect duly signed by the Managing Director forms part of this report. Both the Codes are posted on the website of the Company.

**Board, Director and Committee Evaluation and Criteria for Evaluation**

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria for the performance evaluation of individual Directors and the Board / Committees.

The criteria for evaluation of individual Directors includes inter alia, aspects such as knowledge and competency, fulfillment of functions, ability to function as a team, initiatives taken, availability and attendance at the meeting, commitment, integrity, independence, contribution at Board / Committee Meetings and guidance / support to the management outside Board / Committee Meetings. In addition, the Chairman is also evaluated on key aspects of his role, including inter alia effectiveness of leadership and ability to steer the meetings, impartiality, ability to keep shareholders' interests in mind and motivating and providing guidance to the Executive Directors.

The criteria for Board Evaluation includes inter alia, structure of the Board, meetings and functions of the Board, degree of fulfillment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information and functioning and quality of relationship between the Board and the Management

The criteria for Committee evaluation includes inter alia, mandate and composition, effectiveness of the Committee, structure of the Committee and meetings, Independence of the Committee from the Board, contribution to decisions of the Board, effectiveness of the meetings and quality of relationship of the Committee with the Board and the Management.

**Familiarization Programme for Independent Directors**

The Company familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. These include orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis.

The details of familiarization programmes imparted to the Independent Directors is disclosed on the Company's Website at http://www.mywestside.com/WebPages/InnerPages/Policies-information.aspx

**3] Audit Committee**

**a) Terms of reference:**

The terms of reference of the Audit Committee, inter alia, are as follows:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) (if any) in the draft audit report:
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue, the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;

- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- Generally all items as listed in Regulation 18(3) read with Part C of Schedule II of the Listing Regulations and in Section 177 of the Companies Act, 2013;
- To mandatorily review :
  - (i) the Management discussion and analysis of financial condition and results of operations;
  - (ii) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - (iii) Management letters / letters of internal control weaknesses issued by the statutory auditors
  - (iv) Internal audit reports relating to internal control weaknesses and
  - (v) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
  - (vi) Statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of Listing Regulations. (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.
- To provide guidance to the Compliance Officer for setting forth policies and implementation of the Tata Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices;
- To note and take on record the status reports detailing the dealings by Designated Persons in Securities of the Company, as submitted by the Compliance Officer;
- To give suitable directions for initiating penal action against any person upon being informed by the Compliance Officer that such person has violated the Tata Code of Conduct for Prevention of Insider Trading and / or Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Audit Committee meetings are usually attended by the Managing Director, Executive Director (Finance) & CFO, representatives of the Statutory Auditors and the Internal Auditor. The Company Secretary acts as the Secretary of the Audit Committee.

Minutes of the Audit Committee Meetings are circulated to the members of the Board, discussed and taken note of.

**b) Composition and attendance during the year:**

The Audit Committee of the Company is constituted in line with Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013. As on 31st March 2017, the Audit Committee comprises of 4 Non-Executive Directors, 3 of which are Independent.

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

| Name of Members | Category | No. of Committee Meetings held and attended during the financial year 2016-2017 | |
|---|---|---|---|
| | | Held | Attended |
| Mr. A. Sen, Chairman | Independent Non-Executive | 6 | 6 |
| Mr. N. N. Tata | Non-Independent Non-Executive | 6 | 6 |
| Mr. Z. S. Dubash | Independent Non-Executive | 6 | 6 |
| Mr. B. N. Vakil | Independent Non-Executive | 6 | 4 |

Members of the Audit Committee have requisite financial, legal and management expertise.

During the year 2016-17, 6 Audit Committee meetings were held on 22nd April 2016, 26th May 2016, 10th August 2016, 26th October 2016, 23rd January 2017 and 8th February 2017. The necessary quorum was present at all the meetings.

The Chairman of the Audit Committee, Mr. A. Sen was present at the Annual General Meeting held on 12th August 2016. The Chairman of the Audit Committee briefs the Board members about the significant discussions held at the Audit Committee meetings.

**Vigil Mechanism / Whistle Blower Policy**

The Board of Directors on the recommendations of the Audit Committee has approved and adopted a Whistle Blower Policy that provides a formal mechanism for all Directors and employees of the Company to approach the Chairman of the Audit Committee / Chief Ethics Counselor of the Company and make protective disclosure about the unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. No personnel have been denied access to the Audit Committee.

**4] Nomination and Remuneration Committee (NRC)**

**a) Terms of Reference**

The terms of reference of the Nomination and Remuneration Committee inter alia are as follows:

- Recommend the Board the setup and composition of the Board and its Committees. This shall include formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Recommend the Board the appointment or re-appointment of Directors;
- Recommend the Board the appointment of Key Managerial Personnel;
- Devise a policy on diversity of board of directors;

- Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors. This shall include "Formulation of criteria for evaluation of Independent Directors and the Board." Additionally, the Committee may also oversee the performance review process of the Key Managerial Personnel and the Executive team of the Company;
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- On an annual basis, recommend to the Board the remuneration payable to Directors and executive team/ Key Managerial Personnel of the Company;
- Oversee familiarisation programmes for Directors;
- Oversee the HR philosophy, HR and People strategy and HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for Board, Key Managerial Personnel and executive team);
- Review retirement benefits to be paid under the Retirement Benefit Guidelines adopted by the Board and to deal with matters pertaining to Employees' Stock Option Scheme, etc.

**b) Composition and attendance during the year:**

The Nomination and Remuneration Committee (NRC) of the Company is constituted in line with Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013. As on 31st March 2017, the NRC comprises of 4 Non-Executive Directors, 2 of which are Independent.

The composition of the NRC and the details of Meetings attended by the Members are given below:

| Name of Members | Category | No. of Committee Meetings held and attended during the financial year 2016-2017 | |
|---|---|---|---|
| | | Held | Attended |
| Mr. B. N. Vakil, Chairman | Independent Non-Executive | 5 | 5 |
| Mr. N. N. Tata | Non-Independent Non-Executive | 5 | 5 |
| Mr. B. Bhat | Non-Independent Non-Executive | 5 | 5 |
| Mr. A. Sen | Independent Non-Executive | 5 | 5 |

During the year 2016-17, 5 NRC meetings were held on 12th April 2016, 20th September 2016, 27th October 2016, 9th February 2017 and 16th March 2017.

The Chairman of the NRC, Mr. B. N. Vakil was present at the Annual General Meeting held on 12th August 2016.

## 5] REMUNERATION OF DIRECTORS

### a) Remuneration Policy

The remuneration policy is in line with the provisions of Section 178(3) of the Companies Act, 2013 and the Listing Regulations. While formulating this policy, the NRC has considered the factors laid down under Section 178(4) of the Companies Act 2013, which are as under:

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

**Key principles governing this remuneration policy are as follows:**

**Remuneration for Independent Directors and Non-Independent Non-Executive Directors**

- Independent Directors ("ID") and Non-Independent Non-Executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.
- Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
- Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives).
- Overall remuneration should be reflective of size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay the remuneration and overall remuneration practices should be consistent with recognized best practices.
- Quantum of sitting fees may be subject to review on a periodic basis, as required.
- The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
- The NRC will recommend to the Board the quantum of commission for each Director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and Committee meetings, individual contributions at the meetings and contributions made by Directors other than at meetings.
- In addition to the sitting fees and commission, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/ her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/ Committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the Company for Directors).

**Remuneration for Managing Director ("MD") / Executive Directors ("ED")/ Key Managerial Personnel/ rest of the employees**

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence, remuneration should be market competitive, driven by the role played by the individual, reflective of size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay, consistent with recognized best practices and aligned to any regulatory requirements.
- In terms of remuneration mix or composition,
    - The remuneration mix for the MD/ EDs is as per the terms approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
    - Basic/fixed salary is provided to all the employees to ensure that is a steady income in line with their skills and experience.
    - In addition to the basic/ fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
- In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company provides MD/ EDs such remuneration by way of an annual incentive remuneration/ performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the NRC/Board. An indicative list of factors that may be considered for determination of the extent of this component are:
    - Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time,
    - Industry benchmarks of remuneration,
    - Performance of the individual.
- The Company also provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the individual performance appraisal process and the performance of the Company.

**b) Directors' Remuneration**

As per the provisions of Section 197 of the Companies Act, 2013 and rules made thereunder, the sitting fees to be paid to each Director for attending each meeting of the Board or a Committee thereof shall not exceed Rupees One Lakh. Accordingly, sitting fee of Rupees Seventy Five Thousand to the Non-Executive Directors (excluding current employees of Tata Companies) and Rupees Fifty Thousand to the Non-Executive Directors who are current employees of Tata Companies for attendance at each meeting of the Board or Audit Committee or Nomination and Remuneration Committee and Rupees Thirty Thousand for attendance at each meeting of the other Committees was paid by the Company. Sitting fee of Rupees Seventy Five Thousand was paid to the Independent Directors for attendance at the Independent Directors Meeting.

The Directors' remuneration and sitting fees paid in the financial year 2016-17 is given below:

Non-Executive Directors

| Name of the Director | Commission for the financial year 2015-16 paid in 2016-17 [₹] | Sitting Fees for attending Board and Committee Meetings held during financial year 2016-17 [₹] |
|---|---|---|
| Mr. N. N. Tata | 18,00,000 | 13,70,000 |
| Mr. Z. S. Dubash | 15,00,000 | 14,85,000 |
| Mr. B. Bhat | 9,00,000 | 7,10,000 |
| Mr. S. Susman | 5,00,000 | 4,80,000 |
| Mr. B. N. Vakil | 9,00,000 | 13,50,000 |
| Mr. H.R. Bhat* | - | 4,70,000 |
| Ms. S. Singh | 6,00,000 | 7,35,000 |
| Mr. A. Sen | 12,00,000 | 15,60,000 |
| Mr. A.D.Cooper** | 9,00,000 | - |

* Mr. H. Bhat has not accepted commission for the year 2015-16.

** Retired as a Director of the Company w.e.f closing hours of 23rd August 2015

The remuneration paid to Mr. P. Auld – Managing Director for FY 2016-17 is as follows:

Salary: ₹ 24 lakhs, Perquisites and allowances: ₹ 404.11 lakhs, Bonus and Performance linked incentives: ₹ 184 lakhs, Retirals: ₹ 2.88 lakhs

Term : Mr. P. Auld was appointed as a Managing Director of the Company for a period of 3 years from 4th November 2014 to 3rd November 2017. The Board at its meeting held on 16th March 2017 (based on recommendation of NRC) approved the re-appointment of Mr. P. Auld as a Managing Director of the Company on fresh terms and conditions of appointment and remuneration w.e.f. 1st May 2017 to 30th April 2020, subject to necessary approvals.

Notice period: Either party may terminate the agreement by giving to the other party six months' notice of such termination or by surrendering six months remuneration in lieu thereof. There is no separate provision for payment of severance fees.

Stock Options : Nil

The remuneration paid to Mr. P. Venkatesalu - Executive Director (Finance) and Chief Financial Officer for FY 2016-17 is as follows:

Salary: ₹ 55.99 lakhs, Perquisites and allowances: ₹ 83.48 lakhs, Bonus and Performance linked incentives: ₹ 57.81 lakhs, Retirals: ₹ 6.72 lakhs

Term : Period of three years w.e.f. 1st June 2015

Notice period: Either party may terminate the agreement by giving to the other party three months' notice of such termination or by surrendering three months remuneration in lieu thereof. There is no separate provision for payment of severance fees.

Stock Options : Nil

## 6] Stakeholders Relationship Committee

### a) Terms of Reference

The terms of reference of the Stakeholders Relationship Committee interalia are as follows:

- Review statutory compliance relating to all security holders.
- Consider and resolve the grievances of security holders of the company including complaints related to transfer of securities, non-receipt of annual report/declared dividends/notices/ balance sheet.
- Oversee compliances in respect of dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund.
- Oversee and review all matters related to the transfer of securities of the Company.
- Approve issue of duplicate certificates of the Company.
- Review movements in shareholding and ownership structures of the Company.
- Ensure setting of proper controls and oversee performance of the Registrar and Share Transfer Agent.
- Recommend measures for overall improvement of the quality of investor services.

### b) Composition and attendance during the year:

The composition of the Stakeholders Relationship Committee is given below:

| Name of Members | Category |
|---|---|
| Mr. H. R. Bhat, Chairman | Non-Independent Non-Executive |
| Mr. S. Susman | Independent Non-Executive |
| Mr. P. Venkatesalu | Non-Independent Executive |

During the year 2016-17, one Stakeholders Relationship Committee meeting was held on 11th August 2016 which was attended by Mr. H. R. Bhat, Mr. S. Susman, and Mr. P. Venkatesalu.

The Chairman of the Stakeholders' Relationship Committee, Mr. H. R. Bhat was present at the Annual General Meeting held on 12th August 2016.

The Company Secretary acts as the Secretary of the Committee.

[a] Name and contact details of Compliance Officer : Mr. M. M. Surti
Company Secretary

Corporate Office: Trent Limited
Trent House, 10th Floor, G- Block,
Plot No. C-60, Beside Citi Bank,
Bandra Kurla Complex,
Bandra (East), Mumbai-400 051
Tel: 022-67009000
Email Id for correspondence:
investor.relations@trent-tata.com

[b] Details of shareholders complaints received and redressed during FY 2016-17 are as follows:

| Opening Balance | Received during the year | Resolved during the year | Closing Balance |
|---|---|---|---|
| Nil | 13 | 10 | 3* |

* Out of three pending complaints, one has been closed subsequently and balance are in process of being resolved.

[c] No. of pending share transfers / requests for dematerialization of shares as on 31st March 2017: 19 request for dematerialization and 11 requests for share transfer were pending as on 31st March 2017. The same have been processed subsequently, as certified by the Registrars.

## 7] Corporate Social Responsibility Committee

### a) Terms of Reference:

The terms of reference of the Corporate Social Responsibility (CSR) Committee interalia are as follows:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause above;
- Monitor the Corporate Social Responsibility Policy of the Company from time to time;
- Oversee the Company's conduct with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen;
- Oversee activities impacting the quality of life of various stakeholders.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company. The Annual Report on CSR activities for the year 2016-17 forms a part of the Board's Report.

### b) Composition and attendance during the year

The Composition of the CSR Committee and the details of the Meetings attended by the Members are given below:

| Name of Members | Category | No. of Committee Meetings attended during the financial year 2016-17 | |
|---|---|---|---|
| | | Held | Attended |
| Mr. A. Sen, Chairman | Independent Non-Executive | 2 | 2 |
| Mr. N. N. Tata | Non-Independent Non-Executive | 2 | 2 |
| Mr. B. Bhat | Non-Independent Non-Executive | 2 | 2 |
| Ms. S. Singh* | Independent Non-Executive | 2 | 2 |

* Member upto 2nd March 2017. Re-appointed as a Member w.e.f. 3rd March 2017, pursuant to re-appointment as Independent Director w.e.f 3rd March 2017 for second term.

During the year 2016-17, 2 CSR Committee meetings were held on 27th October 2016 and 9th February 2017.

**8] Borrowing and Investment Committee**

The terms of reference of the Borrowing and Investment Committee inter alia includes, review of borrowing requirements and investment of surplus funds from time to time.

The Composition of the Borrowing and Investment Committee and the details of Meetings attended by Members are given below:

| Name of Members | Category | No. of Committee Meetings held and attended during the financial year 2016-17 | |
|---|---|---|---|
| | | Held | Attended |
| Mr. N. N. Tata, Chairman | Non-Independent Non-Executive | 3 | 3 |
| Mr. Z. S. Dubash | Independent Non-Executive | 3 | 3 |
| Mr. H. R. Bhat | Non-Independent Non-Executive | 3 | 3 |
| Mr. P. Venkatesalu | Non-Independent Executive | 3 | 3 |

During the year 2016-17, 3 Borrowing and Investment Committee Meetings were held on 10th August 2016, 30th November 2016 and 8th February 2017.

**9] Property Committee**

The terms of reference of the Property Committee inter alia includes review and approval for proposals to take premises on lease or on leave and license basis or enter into business conducting agreement or appoint a franchisee for stores.

The composition of the Property Committee and the details of Meetings attended by the Members are given below:

| Name of Members | Category | No. of Committee Meetings attended during the year 2016-17 | |
|---|---|---|---|
| | | Held | Attended |
| Mr. N. N. Tata, Chairman | Non-Independent Non-Executive | 9 | 9 |
| Mr. Z. S. Dubash | Independent Non-Executive | 9 | 9 |
| Mr. P. Auld | Non-Independent Executive | 9 | 7 |
| Mr. P. Venkatesalu | Non-Independent Executive | 9 | 9 |

During the year 2016-17, 9 Property Committee Meetings were held on 12th April 2016, 13th May 2016, 28th June 2016, 10th August 2016, 23rd September 2016, 26th October 2016, 29th November 2016, 5th January 2017 and 10th February 2017.

**10] Subsidiary Companies**

The Company does not have any unlisted material subsidiary incorporated in India. The Company has formulated a policy for determining material subsidiaries. The Policy is disclosed on the Company's website at http://www.mywestside.com/WebPages/InnerPages/Policies-information.aspx

The Audit Committee of the Company reviews the financial statements, particularly, the investments made by the Company's unlisted subsidiary companies. The minutes of the Board Meetings of the subsidiary companies along with significant transactions and arrangements entered into by the subsidiary companies are periodically placed before the Board of Directors of the Company.

## 11] General Body Meetings

Location and time, where last three Annual General Meetings were held:

| Annual General Meeting (AGM) | Date | Time | Venue |
|---|---|---|---|
| 62nd AGM | 14th August 2014 | 11.00 a.m. | Walchand Hirachand Hall,4th Floor, Indian Merchant Chamber (IMC), IMC Building, IMC Marg, Churchgate, Mumbai -400020 |
| 63rd AGM | 7th August 2015 | 11.00 a.m. | Rangaswar Auditorium, Y.B. Chavan Centre, 4th Floor, General Jagannath Bhosale Marg, Nariman Point, Mumbai 400021 |
| 64th AGM | 12th August 2016 | 10.45 a.m. | Walchand Hirachand Hall,4th Floor, Indian Merchant Chamber (IMC), IMC Building, IMC Marg, Churchgate, Mumbai -400020 |

All resolutions moved at the last Annual General Meeting were passed with requisite majority by the shareholders.

The following are the special resolutions passed at the Annual General Meeting held in the last three years.

| AGM Held on | Special Resolution passed | Summary |
|---|---|---|
| 14th August 2014 | Yes | Re-appointment of Mr. Philip Auld as a 'Manager' |
| 7th August 2015 | Yes | Appointment of Mr. P. Venkatesalu as an Executive Director of the Company |
| | | Offer or invitation to subscribe to Non-Convertible Debentures on a Private Placement basis |
| 12th August 2016 | Yes | Offer or invitation to subscribe to Non-Convertible Debentures on a private placement basis |

During the year under review, no resolution was passed by Postal Ballot.

## 12] Means of Communication

The annual, half-yearly and quarterly results are posted by the Company on its website www.mywestside.com.

These are also submitted to BSE Limited and National Stock Exchange of India Limited, in accordance with Regulation 33 of the Listing Regulations, and published quarterly in leading newspapers like the Business Standard, Free Press Journal, Navshakti and Jam-e-Jamshed giving adequate coverage of the financial results in accordance with Regulation 47 of the Listing Regulations.

Whenever applicable, the Company also displays official news releases and meets the institutional investors/analysts.

**13] Other Disclosures**

a) Transactions with related parties are disclosed in the Notes to the Standalone Balance Sheet and Statement of Profit and Loss Account in the Annual Report.

b) There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The Policy is disclosed on the Company's website at http://www.mywestside.com/WebPages/InnerPages/Policies-information.aspx

c) During the year, there were no materially significant related party transactions, i.e. transactions of the Company of material nature with its promoters, their subsidiaries, the Directors or the management or relatives, etc. that may have potential conflict with the interests of the Company at large. Declarations have been received from the Senior Management Personnel to this effect.

d) The Company has complied with the requirements of the Stock Exchanges/ SEBI and statutory authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by these authorities.

e) The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements is as under:

- The financial statements of the Company are with unmodified audit opinion.
- The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director.
- The Internal Auditor reports to the Audit Committee.

f) The Company has laid down a process of assessing risk management. The scope of Audit Committee includes review of Company's financial and risk management policies.

g) The Company discloses to the Audit Committee the uses / applications of funds raised on a quarterly and annual basis as a part of their declaration of financial results, as and when applicable.

h) The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

i) The Company manages foreign exchange risk and hedges to the extent considered necessary as and when required.

**14] Secretarial Audit**

- Parikh & Associates, Practicing Company Secretaries have conducted the Secretarial Audit of the Company for the year 2016-17. Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Listing Regulations, applicable SEBI Regulations, Secretarial Standards and other laws applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.
- Pursuant to Regulation 40(9) of the Listing Regulations, certificates have been issued on a half-yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

- A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ listed capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

## 15] General Shareholder Information

Annual General Meeting:

| | |
|---|---|
| Date and Time | Tuesday, 1st August 2017 at 10.45 a.m. |
| Venue | Walchand Hirachand Hall, 4th Floor, Indian Merchant Chamber (IMC), IMC Building, IMC Marg, Churchgate, Mumbai – 400020 |
| Date of book closure | Friday 21st July 2017 to Tuesday, 25th July 2017 (both days inclusive) |
| Dividend Payment date | On or after Friday, 4th August 2017 |
| Listing on Stock Exchanges | The Company's Equity Shares are listed on the following Stock Exchanges: |
| | BSE Limited<br>Phiroze Jeejeebhoy Towers<br>Dalal Street<br>Mumbai- 400001 |
| | National Stock Exchange of India Limited<br>Exchange Plaza, C-1, Block G,<br>Bandra Kurla Complex,<br>Bandra (E)<br>Mumbai – 400051 |

The privately placed Non-Convertible Debentures (NCDs) issued by the Company are listed on the National Stock Exchange of India Limited.

As required under Listing Regulations particulars of Directors seeking appointment / re-appointment are appended to the Notice of the Annual General Meeting to be held on 1st August 2017.

**Financial Calendar Year ending 31st March**

The Company has paid annual listing fees to BSE Limited (BSE) and to National Stock Exchange of India Limited (NSE) for the financial year 2016-17.

**Stock Code and ISIN:**

| Stock Code | ISIN | BSE | NSE |
|---|---|---|---|
| EQUITY | INE849A01012<br>(prior to sub-division)<br><br>INE849A01020<br>(pursuant to sub-division) | 500251 | TRENT EQ |

| NSE - NCDs |
|---|
| INE849A08033 |
| INE849A08041 |
| INE849A08066 |

**Debenture Trustee**

Axis Trustee Services Limited
Registered & Corporate Office Address:- Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400025
Tel: 022-6226 0075/6226 0074
Email Id: debenturetrustee@axistrustee.com

**Market Information**

Market price data- monthly high/low of the closing price and trading volumes on BSE/NSE depicting liquidity of the Company's equity shares on the said exchanges is as under:

| Month | BSE | | | NSE | | |
|---|---|---|---|---|---|---|
| | High [₹] | Low [₹] | No. of Shares Traded | High [₹] | Low [₹] | No. of Shares Traded |
| April 2016 | 1,691.85 | 1,575.00 | 48,158 | 1,698.80 | 1,581.75 | 1,58,695 |
| May 2016 | 1,806.15 | 1,639.05 | 4,84,979 | 1,809.30 | 1,634.55 | 6,70,382 |
| June 2016 | 1,804.25 | 1,677.85 | 55,182 | 1,816.50 | 1,679.45 | 3,32,547 |
| July 2016 | 1,824.65 | 1,744.55 | 19,241 | 1,831.10 | 1,750.50 | 2,91,446 |
| August 2016 | 2,177.25 | 1,844.00 | 93,502 | 2,175.75 | 1,850.45 | 3,97,653 |
| September 2016* | 2,394.25 | 209.45 | 4,76,617 | 2,398.15 | 209.10 | 16,56,394 |
| October 2016 | 223.30 | 198.40 | 4,66,018 | 223.05 | 197.80 | 13,93,246 |
| November 2016 | 206.90 | 180.10 | 3,42,166 | 207.35 | 180.25 | 14,21,666 |
| December 2016 | 203.70 | 178.50 | 4,95,038 | 203.70 | 177.90 | 46,30,868 |
| January 2017 | 253.80 | 196.55 | 19,28,270 | 254.10 | 196.95 | 85,51,705 |
| February 2017 | 261.65 | 239.55 | 15,89,544 | 261.60 | 239.35 | 66,65,045 |
| March 2017 | 265.65 | 238.05 | 9,46,332 | 266.70 | 238.15 | 1,36,57,888 |

(Source: The information is compiled from the data available on the BSE & NSE Websites.)

* The shareholders of the Company, at the 64th Annual General Meeting held on 12th August 2016, approved the sub-division of equity shares of the Company from the face value of ₹ 10/- each to ₹ 1/- each which was effective from the record date i.e. 14th September 2016.

**Performance of Share Price of the Company in comparison to the BSE Sensex**




Note: The shareholders of the Company, at the 64th Annual General Meeting held on 12th August 2016, approved the sub-division of equity shares of the Company from the face value of ₹ 10/- each to ₹ 1/- each which was effective from the record date i.e. 14th September 2016. For the purpose of comparison, the share prices for the prior period mentioned in the graph have been proportionally adjusted.

**Registrar and Transfer Agents:**

Members are requested to correspond with the Company's Registrar & Transfer Agents- TSR Darashaw Limited (formerly Tata Share Registry Limited) quoting their folio no. at the following addresses :-

(i) For transfer lodgement, delivery and correspondence:

TSR Darashaw Limited
Unit: **Trent Limited**
6-10 Haji Moosa Patrawala Industrial Estate,
20 Dr. E Moses Road, Near Famous Studio,
Mahalaxmi, Mumbai – 400 011

Tel: 022-6656 8484
Fax: 022- 6656 8494
E-mail : csg-unit@tsrdarashaw.com
website : www.tsrdarashaw.com

(ii) For the convenience of investors based in the following cities, transfer documents and letters will also be accepted at the following branches/agencies of TSR Darashaw Limited:-

1 503, Barton Centre, 5th Floor,
84, Mahatma Gandhi Road,
Bangalore - 560 001
Tel : 080– 25320321
Fax : 080-25580019
e-mail : tsrdlbang@tsrdarashaw.com

2 "E" Road,
Northern Town, Bistupur,
Jamshedpur – 831 001
Tel: 0657 – 2426616
Email : tsrdljsr@tsrdarashaw.com

3 Tata Centre, 1st Floor,
43, Jawaharlal Nehru Road,
Kolkata – 700 071
Tel : 033 – 22883087
Fax : 033 – 22883062
e-mail : tsrdlcal@tsrdarashaw.com

4 2/42, 1st Floor, Sant Vihar,
Ansari Road, Daryaganj,
New Delhi – 110 002
Tel : 011 – 23271805
Fax : 011 – 23271802
e-mail : tsrdldel@tsrdarashaw.com

**Agent** : Shah Consultancy Services Limited
3, Sumathinath Complex, Pritam Nagar,
Akhada Road, Ellis Bridge,
Ahmedabad 380 006
Telefax: 079–2657 6038
Email: shahconsultancy8154@gmail.com

**Share Transfer System** : Share Transfers in physical form can be lodged with TSR Darashaw Limited at any of the above mentioned addresses.

The Transfers are normally processed within 15 days from the date of receipt, if the documents are complete in all respects. Any Director of the Company or the Company Secretary is empowered to approve transfers.

**Distribution of Shareholding as on 31st March 2017:**

Nominal Value of equity shares is ₹ 1/- each.

| Range (Shares) | Holding | Amount (₹) | Percentage to capital | Number of holders | % of Total holders |
|---|---|---|---|---|---|
| 1 to 500 | 34,08,633 | 34,08,633 | 1.03 | 23,738 | 59.45 |
| 501 to 1,000 | 38,23,614 | 38,23,614 | 1.15 | 4,895 | 12.26 |
| 1,001 to 2,000 | 60,06,366 | 60,06,366 | 1.81 | 4,036 | 10.11 |
| 2,001 to 3,000 | 54,16,125 | 54,16,125 | 1.63 | 2,168 | 5.43 |
| 3,001 to 4,000 | 44,77,940 | 44,77,940 | 1.35 | 1,282 | 3.21 |
| 4,001 to 5,000 | 50,62,192 | 50,62,192 | 1.52 | 1,105 | 2.77 |
| 5,001 to 10,000 | 1,31,29,777 | 1,31,29,777 | 3.95 | 1,873 | 4.69 |
| Greater than 10,000 | 29,09,92,083 | 29,09,92,083 | 87.56 | 830 | 2.08 |
| **Total** | **33,23,16,730** | **33,23,16,730** | **100.00** | **39,927** | **100.00** |

**Categories of Shareholders:**

| Category | As on 31st March 2017 | | As on 31st March 2016 | | % Variance 2017 v/s 2016 |
|---|---|---|---|---|---|
| | Number of Equity Shares Held* | % to Paid-up Capital | Number of Equity Shares Held | % to Paid-up Capital | |
| Promoters | 10,83,80,150 | 32.61 | 1,08,38,015 | 32.61 | 0.00 |
| Mutual Funds and Unit Trust of India | 2,97,93,736 | 8.97 | 40,54,975 | 12.20 | (3.23) |
| Government Companies, Financial Institutions, Banks and Insurance Companies, Venture Capital Funds | 99,29,744 | 2.99 | 22,84,330 | 6.87 | (3.88) |
| Foreign Corporate | 8,88,67,936 | 26.74 | 78,76,978 | 23.70 | 3.04 |
| Bodies Corporate | 3,56,19,118 | 10.72 | 26,36,054 | 7.94 | 2.78 |
| Alternative Investment Fund | 2,15,950 | 0.06 | 21,595 | 0.06 | 0.00 |
| Others : | | | | | |
| Resident Individuals | 5,67,07,404 | 17.07 | 53,20,102 | 16.01 | 1.06 |
| Non-Resident Individuals | 17,25,462 | 0.52 | 1,04,657 | 0.32 | 0.20 |
| Trust | 81,350 | 0.02 | 2,973 | 0.01 | 0.01 |
| Directors & their Relatives | 9,19,940 | 0.28 | 91,994 | 0.28 | 0.00 |
| NBFCs registered with RBI | 75,940 | 0.02 | 0 | 0.00 | 0.02 |
| **TOTAL** | **33,23,16,730** | **100.00** | **3,32,31,673** | **100.00** | **0.00** |

* The shareholders of the Company, at the 64th Annual General Meeting held on 12th August 2016, approved the sub-division of equity shares of the Company from the face value of ₹ 10/- each to ₹ 1/- each which was effective from the record date i.e. 14th September 2016.

**Dematerialization of shares and liquidity:**

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the Depositories in India viz., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares representing 97.91% of the Company's Share Capital are dematerialized as on 31st March 2017. The Company has sent a letter in March 2017 to shareholders holding shares in physical form encouraging them to dematerialize the shares held by them.

The Company's shares are regularly traded on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), in the electronic form.

**Benefits of Dematerialization:**

Shares held in dematerialized form have several advantages like immediate transfer of shares, faster settlement cycle, faster disbursement of non-cash corporate benefits like rights, etc., lower brokerage, ease in portfolio monitoring, etc. Besides, no stamp duty is payable on transfer of shares held in demat form and risks associated with physical certificates such as forged transfer, fake certificates, bad deliveries, loss of certificates in transit, get eliminated.

Since there are several benefits arising from dematerialization, we sincerely urge all the shareholders who are still holding their shares in physical form to dematerialize the shares at the earliest.

**Outstanding ADRs/ GDRs/ Warrants or any convertible instruments, conversion date and likely impact on equity:**

The Company does not have any outstanding ADRs/ GDRs/ Warrants or any convertible instruments.

**Action required regarding non-receipt of dividends:**

In case of non-receipt / non-encashment of dividend warrants, the investors are requested to correspond with the Company's Registrars / the Investor Education and Protection Fund Authority, as mentioned hereunder:

| | | |
|---|---|---|
| 2009-10 to 2015-16 | TSR Darashaw Limited | Letter on plain paper. |
| Upto 2008-09 | Investor Education and Protection Fund Authority | Online Claim in Form IEPF – 5 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and then send the same duly signed along with, requisite documents as enumerated in Form IEPF-5 to the Company at Registered Office for verification of the claim. |

Given below are due dates for claim of unpaid / unclaimed equity dividend by shareholders post which the said dividend shall be transferred to the Investor Education and Protection Fund ("IEPF") by the Company:

| Financial Year | Date of Declaration of Dividend | Last date for claim by shareholders |
|---|---|---|
| 2009-2010 | 18th August 2010 | 17th September 2017 |
| 2010-2011 | 5th August 2011 | 4th September 2018 |
| 2011-2012 | 10th August 2012 | 9th September 2019 |
| 2012-2013 | 2nd August 2013 | 1st September 2020 |
| 2013-2014 | 14th August 2014 | 13th September 2021 |
| 2014-2015 | 7th August 2015 | 6th September 2022 |
| 2015-2016 | 12th March 2016 (Interim Dividend) | 11th April 2023 |

Shareholders who have not yet encashed their dividend warrant(s) for the financial year ended 31st March 2010 or any subsequent financial years, are requested to make their claim to the Registrar and Transfer Agent of the Company. Pursuant to Sections 205A and 205C other applicable provisions, if any, of the Companies Act, 1956, all unclaimed / unpaid dividends remaining unpaid or unclaimed for a period of seven years from the date they became due for payment, were required to be transferred to the IEPF.

Sections 124 and 125 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), both of which were applicable with effect from 7th September 2016, also contain similar provisions for transfer of such amounts to the IEPF. Accordingly, all unclaimed / unpaid dividend, remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, in relation to the Company be transferred to the IEPF established by the Central Government. No claim shall be entertained against the Company for the amounts so transferred.

As per Section 124(6) of the Companies Act, 2013 read with the IEPF rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred

in the name of IEPF. Please note that no claim shall lie against the Company in respect of the shares so transferred to IEPF.

However, both the unclaimed dividend amount and the shares can be claimed from the IEPF Authority by making an application in the prescribed Form IEPF - 5 online and sending the physical copy of the same duly signed (as per the specimen signature recorded with the Company) along with the requisite documents enumerated in Form IEPF - 5 to the Company at the Registered Office address. The IEPF Rules and the application Form (IEPF-5) as prescribed by the Ministry of Corporate Affairs (MCA) for claiming back the shares / unclaimed dividend are available on the website of the Company – www.mywestside.com as well as the website of MCA at www.iepf.gov.in. Details of unclaimed dividend in respect of those shares which are / were liable to be transferred to the IEPF are made available on the Company's website www.mywestside.com.

The Company has uploaded the information in respect of unclaimed dividends, as on the date of last AGM i.e. 12th August 2016 on the website of the Company www.mywestside.com

**Support towards digitization**

Green Initiatives:

The Ministry of Corporate Affairs has allowed Companies to send all future notices/communication/ documents including Notice of Annual General Meeting and Annual Report of the Company, in an electronic form, through e-mail to the shareholders.

The Company has sent a circular in March 2017 to the shareholders requesting them to register their email address. We once again request you to join us in this initiative and register your e-mail ID with Company's Registrar and Transfer Agent, TSR Darashaw Limited, in case you are holding shares in physical form. In case you are holding shares in dematerialized form, please register your e-mail ID with your depository participant directly.

Direct credit of dividend:

Payment of dividend through electronic mode has following advantages:

- Shareholder need not make frequent visits to his bank for depositing the physical warrants.
- Prompt credit to the bank account of the shareholder through electronic clearing.
- Fraudulent encashment of warrant is avoided.
- Delay/loss in postal transit is avoided.

The Company has sent a circular in March 2017 to the shareholders requesting them to register their bank details. Members who have still not registered are requested to register their Bank Account Details (Core Banking Solutions enabled account number and 9 digit MICR and 11 digit IFS Code), in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with the Company's Registrar and Transfer Agent, TSR Darashaw Limited.

**Nomination**

As per the requirements, transmission of shares held in single name to the legal heir/s of the shareholder would require production of documents through a Court process which involves considerable time and is expensive. This delays transmission of shares to the legal heir/s.

Shareholders who hold shares in the physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Companies Act, 2013, may submit the prescribed Form SH-13 to TSR Darashaw Limited. The Nomination Form can be downloaded from the Company's website www.mywestside.com under the section 'Investors'. In respect of shareholders who hold shares in the dematerialized form and wish to make/change a nomination, are requested to contact their respective Depository Participants.

## DECLARATION UNDER PARA D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

In accordance with Para D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them for the Financial Year ended 31st March 2017.

For Trent Limited

**Philip Auld**
**Managing Director**

Mumbai, 26th May 2017

## CERTIFICATE

To

The Members of **Trent Limited**,

We have examined the compliance of the conditions of Corporate Governance by Trent Limited ("the Company"), for the year ended 31st March 2017, as per Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.

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

For **N. M. RAIJI & Co.**
Chartered Accountants
Registration No. 108296W

**CA. Y. N. Thakkar**
Partner
Membership No. 33329

Date: 26th May, 2017
Place: Mumbai

**List of stores as on 26th May 2017**

**WESTSIDE**

**Andhra Pradesh**

1. 10-50-58/1, R K Estate Building, Waltair Road, Ram Nagar, Vizag, Vishakhapatnam, Andhra Pradesh; Tel: 08790846651
2. Sai Odyssey, Opposite Executive Club, Gurunanak Nagar Road, NH-5, Gunadala, Vijayawada 520008; Tel: 08666543535

**Assam**

3. Silver Square, Christian Basti, G.S. Road, Guwahati 781005; Tel: 0361-2343940/4138

**Chandigarh**

4. 28A, Industrial & Business Park, Phase-I, Next to HDFC Bank, Chandigarh 160001; Tel: 0172-2650386/87
5. Elante Mall, Shop No. 1, Industrial Area, Phase 1, Near Cable Factory, Chandigarh 160002; Tel: 0172-5041580

**Chhattisgarh**

6. Magneto Mall, PC No.113, Labhendi Village, Chhattisgarh, Raipur 492001; Tel: 0771-2259111/12
7. Shop No.1, Ground Floor, City Mall 36, Mangla Chowk, Bilaspur, Chhattisgarh 495001; Tel: 07752-271801 /03

**Delhi**

8. 15-A, 34/35, Ajmal Khan Road, Karol Bagh, New Delhi 110008; Tel: 011-25729760/61
9. A-15, Alankar Cinema Building, Feroze Gandhi Marg, Lajpat Nagar III, New Delhi 110024; Tel: 011-29832158/59
10. TDI Mall, Plot No.11, Shivaji Place, Next to Vishal Cinema, Rajouri Garden Market, New Delhi 110027; Tel: 011-25110821/26
11. Moments Mall, 67, Patel Road, Near Kirti Nagar Metro Station, Opp. of Metro Piller No. 283, New Delhi 110015; Tel: 011-42451011/12/14
12. Ambience Mall, Upper Ground, 1st & 2nd Floor, Vasant Kunj, New Delhi 110070; Tel: 011-40870525/29/30
13. South Extension, Plot No.5, Block-M, Part-II, Next to HP Petrol Pump, New Delhi; Tel: 011-41050924
14. G-11 & 12 Unity One Mall, Rohini West Metro Station, New Delhi 110085; Tel: 011-27058660/62

**Goa**

15. CaculoK Mall, Caculo Enclave, Opp. Goa Fire Service H.Q., Near Aculo Ford Showroom, St. Inez, Panaji 403001; Tel: 08007779571
16. CD Diva Near Swami Chinmayanand Marg, Gogal Housing Board Road, Margao, Goa 403601; Tel: 0832-2751620/21

**Gujarat**

17. Abhijeet-V, Opp. Mayor's Bungalow, Near Law Garden, Mithakhali, Ellisbridge, Ahmedabad 380006; Tel: 079-66610190/91
18. Iscon Mega Mall, Sarkhej Gandhi Nagar Highway, Near Rajpath Club, Ahmedabad; Tel: 079-66058292/93
19. Iscon Mall, Dummas Road, Opp. Rajhans Theatre, Surat 395007; Tel: 0261-2252201/02
20. V. R. Mall, (Virtuous Retail Mall) Dumas Airport Road, Magdalla, Surat 395007; Tel:0261-6795055
21. Monalisa, Final Plot 326 (Prt.), Next to INOX, Race Course Road, Vadodara 390007; Tel: 0265-6623101/106
22. Shop No.3,4,5 and 6 Sigma Prime Complex, Vidhya Vihar Road, Anand 388001; Tel: 09825177275
23. Himalaya Mall, Victoria Park, New ISCON Mega city, Bhavnagar 364001; Tel: 0278-2530605/6/7
24. Daffodils Complex, Near Fortune Galaxy Hotel, Vapi 396195; Tel: 0260-2429378
25. Shop No. 14, Ground floor, EVA Mall, Patidar Crossing, Near Saraswati Complex, Manjalpur, Vadodara 390011; Tel: 0265-2662123/24/25/26/27
26. Plot No.339, Sector 12-B, Near Banking Circle, Opp. Honest Hotel, Gandhidham (Kutch) 370201; Tel: 02836-230001

**Haryana**

27. EF3 Mall, Plot No.12, (Bikaner Sweets), Sector 20-A, Mathura Road, Faridabad 121001; Tel: 0129-2222683/84

**Hyderabad**

28. KMC Retail Mall, Plot No. 6-3-1112, Begumpet, Near Kirtilal Jewellers, Somajiguda Circle,Hyderabad 500082; Tel: 040-23400421/22
29. Khan Lateef Khan Estate, Municipal No.5-8-62, Fateh Maidan Road, Hyderabad 500001; Tel: 040-66666000/01
30. MIG-40, Plot No. 1058/1059, Dharma Reddy Colony, Phase I, Opp. JNTU, Kukatapally, Hyderabad 500072; Tel: 040-40180973
31. The Forum Sujana Mall, Plot No.S-16, Opp. Malayasian Township, Survey No.1009, KPHP Phase-IV, Kukatpally, Hyderabad 500072; Tel: 040-30534171/72/73
32. Dr. K. Samantha Reddy Estate, H. No.3-6-199, A, A/1, Beside Minerva Coffee Shop Himayath Nagar, Hyderabad 500029; Tel: 040-23320701/02/03/04/05

**Jammu & Kashmir**

33. Shop No.3, Indira Theatre, Canal Road, Near Circuit House, Jammu 180001; Tel: 0191-2502750

**Karnataka**

34. The Forum, 21 Hosur Road, Koramangla, Bengaluru 560029; Tel: 080-66670121/22/23
35. Garuda Mall, CTS 15, Magrath Road, Opp. Karnataka Police Hockey Ground, Bengaluru 560025; Tel: 080-66641230/31
36. Orion Mall, Brigade Gateway, 26/1, Dr. Rajkumar Road, Rajajinagar, Bengaluru 560055; Tel: 080-22682023/183

37. Gopalan Innovation Mall, Opp. Mantri Enclave No.22, Bannergatta Road, J.P. Nagar, 3rd Phase, Bengaluru 560078; Tel: 080-26586733/44/55
38. No. 42/5, SJR – ZION, Opp. Shankar Eye Hospital, Near Kundanahalli Gate Signal, Munnekolalu, Varthur Main Road, Bengaluru 560037; Tel: 080-285444222
39. CMJ, Prestige Site, Kamraj Road, Near Commercial Street, Bengaluru 560042; Tel: 080-25585875
40. No.508, Vishwamanava Double Road, Kuvempunagar, Mysore 570023; Tel: 0821-2340150/51
41. Forum Fiza Mall, Shop No.UGF 11/12, Pandeshwar Road, Mangaluru 575001; Tel: 0824-24981713
42. City Centre Mall, K. S. Rao Road, Hampankatta, Mangaluru 575001; Tel: 0824-2449012/17
43. Orion East Mall, Banaswadi, 10/34, G001/101, Banaswadi Main Road, Maruthi Seva Nagar Bengaluru 560033; Tel: 080-23094051 to 5

**Kerala**

44. Lulu International Shopping Mall Pvt. Ltd., 50/2392 N H 17, Edapally, Kochi 682024; Tel: 0484-2728011/8013
45. 25/1661, Mullasery Towers, Kuruappam Road, Thrissur 680001
46. #4/748 ABC, Chandanayanzhikam Arcade, Madanada Kollam 691010; Tel: 0474-2744485

**Madhya Pradesh**

47. 17, Race Course Road, Opp. Basket Ball Complex, Indore 452003; Tel: 0731-2432206/07
48. Business Princes Park, Skyline Block No - 32 & 33 Plot No. 3, Commercial - Scheme No.54, Vijay Nagar, A.B Road, Opposite to C21 Mall, Indore 452010; Tel: 0731-2555394/95
49. Samdariya Mall, Civic Centre, JDA Scheme No.18, Subhadra Kumari Chauhan Ward, Jabalpur 482001; Tel: 0761-4069830
50. DB City Mall, Khasra 1511 & 1509, Arera Hills, Opp. M.P. Nagar, Bhopal 462011; Tel: 0755-6644081/82

**Maharashtra**

51. 39, Hughes Road, Mumbai 400007; Tel: 022-23822231/23861571
52. Army & Navy Building, 148, M. G. Road, Kala Ghoda, Mumbai 400001; Tel: 022-66360499/500
53. Infiniti, Raheja Classic Complex, New Andheri Oshiwara Link Road, Andheri (W), Mumbai 400058; Tel: 022-67021345/46
54. Inorbit Mall, Sector No.30-A, Vashi, Navi Mumbai 400705; Tel: 022-27815571
55. Haiko Mall, Level 1, Central Avenue, Hiranandani Gardens, Powai, Mumbai 400076; Tel: 022-67424560/61
56. Korum Mall, Upper Ground Floor, Cadbury Compound, Mangal Pandey Road, Thane (West) 400606; Tel: 022-25417402/03
57. Infiniti Mall-II, Unit No. 001/101, Rajan Pada, Ijjimma Service Road, Linking Road, Malad (West), Mumbai 400064; Tel: 022-67255408
58. R City Mall, L.B.S. Marg, Ghatkopar (West), Mumbai 400080; Tel: 022-61273234/35
59. Gold Crush Building, Opp. Manubhai Jewelers, L. T. Road, Borivali (West), Mumbai 400092; Tel: 022-28901059

60. SGS Mall, 231, Moledina Road, Pune 411001; Tel: 020-66202505/06
61. Kakade One Centre Port, S.No.132/A-2-1, C.T.S. No. 2687B, Shivaji Nagar, University Road, Pune 411051; Tel: 020-25514261/62
62. Phoenix Market City, Survey No.207, Behind Baker Gauges, Next to Tyco Electronics, Viman Nagar, Nagar Road, Pune 411014; Tel: 020-30950500/503
63. City Centre Mall, Plot No.117 to 133, Opp. Trimbak Road, Lawate Nagar, Untwadi Road, Nashik 422002; Tel: 0253-2570029/34
64. Landmark Complex, Plot No, 5&6, Ramdas Peth, Wardha Road, Nagpur 440012; Tel: 0712-24236334/40
65. Seasons Mall, Magarpatta City, Hadapsar, Upper Ground Floor, G 22-23, adjacent to Star Bazaar, Pune 411028
66. Fidvi Towers, Opp. Saraf Chambers, Sadar Bazar Road, Nagpur 440001; Tel: 8698846333
67. Prozone Mall, Plot No.80, Chikalthana Industrial Area, Masanatpur, Dist. Aurangabad 431210; Tel: 0240-6618912/13/14
68. Cosmos Plaza, J.P. Road, D.N. Nagar, Andheri West, Mumbai 400053; Tel: 022-26399604/5/6/12/13
69. Grand Central, Seawood Grand central, Plot R 1, Shop No-34A, Tower No 2, Sector 40; Navi Mumbai 400706

**Nagaland**

70. House No.193, Dhobinala, Midland, Near ICICI Bank, Dimapur 797112; Tel: 7085086060

**Odisha**

71. Plot No. 2, Opp. Kendriya Vidyalalya, Satya Nagar, Janpath Road, Bhubaneshwar 751001; Tel: 9776400088

**Punjab**

72. Shop No. 57, North Country Mall, Mohali Kharar Road, Shahizada, Ajit Singh Nagar, Mohali 160118; Tel: 0161-2551462
73. West End Mall, Plot No.2&3, Ferozpur Road, Ludhiana 141001; Tel: 0161-2551462/63
74. HUB 545, Model Town, Opp. Niku Park, Jalandhar 144001; Tel: 0181-2272020/2121

**Rajasthan**

75. Citi Pulse Mall, Plot No.21, Narayan Single Circle, Jaipur 302004; Tel: 0141-2574433/63
76. Plot No-3, Indira Palace, Fort Anandam, Opp. Gaurav Tower, JLN Marg, Malviya Nagar, Jaipur 302017; Tel: 0141-2729131/2729132
77. Pink Square Mall, Shop No. GA02 & 1A02, Plot No. 1 & 2, Ground & First Floor, Govind Marg, Raja Park, Jaipur 302004; Tel: 9783914444
78. R Kay Mall, 001, Ground Floor, Panchwati, Udaipur 313004; Tel: 0294-2427555 to 58
79. Plot No.4, Sector E, Ashapura Mall, Shastri Nagar, Jodhpur 342001; Tel: 9636158888
80. Genesis Mall, Alwar Byepass Road, Bhiwadi 301019; Tel: 01493-526126

**Sikkim**

81. Simvo Commercial Complex, Opp. Krishi Bhawan, City, Tadong, Gangtok, Dist. East Sikkim 737102; Tel: 03592 231192/231113

**Tamil Nadu**

82. Ampa Skywalk Mall, Nelson Manickam Road No.1, Aminjikaral, Chennai 600029; Tel: 044-23746973/74
83. Express Avenue Mall, Express Estate, No. 2, Club Road, Anna Salai, Chennai 600002; Tel: 044-28464171/72
84. Brooke Fields Mall, 67-71, Krishnaswamy Road, Coimbatore 641001; Tel: 0422-2255224/25/29
85. The Forum, Vijaya Mall, Arcot Road, Vadapalani, Chennai 600026; Tel: 044-28151600
86. Dev Apartments, Adayar Street, Adayar, Chennai 600020
87. Mayfair Exports, 84, G N. Chetty Road, T Nagar, Chennai 600017
88. Muthiah Towers, No.1, Royal Road, Cantonment, Trichy 620001; Tel: 9788799466

**Telangana**

89. The Institute of the Franciscan Sisters of Mary, Hanamkhonda Main Road, Warangal, Telangana 506001
90. Jyoti Mall, 40/323, Bellary Road Opp. Zilla Parishad, Kurnool 518001; Tel: 08518-224421/22

**Uttar Pradesh**

91. Shop No.111, Ground Floor, Garden Galleria Mall, Behind the Great India Place, Plot No.A-2, Sector 38-A, Noida, UP 201301; Tel: 0120-2479820/21/22
92. Indrapuram, Shop No.95, B Block, Plot No. Ahinsa Khand, Phase 1, Habitat Centre, Ghaziabad, U.P. 201014; Tel: 0120-6516511
93. The Centrestage Mall, L-1, Sector-18, Noida 201301; Tel: 0120-2517761/62
94. Pacific Mall, Plot No.1, Site-IV, Sahibabad 201010; Dist.Ghaziabad; Tel: 0120-2778511/17
95. East End Mall, Wave Cinema, TC-54, Vibhuti Khand, Gomati Nagar, Lucknow 226010; Tel: 0522-2720990/92
96. 35/1/3 Ranpur Baug, Civil Lines, Near Indian Oil Office, Bareilly 243001; Tel: 09415224339
97. Ground Floor, D-57/3-1/2/3, Dhanushree Complex, Siddhgiribaug Road, Sigra, Varanasi 221010; Tel: 0542-2220051/52
98. 163/37, The Palace Theatre, Civil Lines Main Road, Allahabad; Tel: 0979325350/09415200000
99. 16/113, M. G. Road, Corner Plot of Bada Chauraha, Kanpur 208001; Tel: 0512-6543201/3
100. Singapore Mall, CP-192, District Centre, Viraj Khand Road, Viraj Khand-4, Gomti Nagar, Lucknow 226010; Tel: 8081682010
101. PVS Mall, I-Block, Shastri Nagar, Meerut (U.P.) 250004; Tel: 0121-2604051/52

**Uttarakhand**

102. Cross Road Mall, UBIT No.U-01, & F-01, Old Survey Road, Dehradun 248001; Tel: 09897062082
103. Anchor 3, Metropolis Mall, Housing Sector, Pant Nagar, Rudrapur, Udham Singh Nagar, (U.K.) 263153; Tel: 5944-307202/203
104. Ground Floor, Walkway Mall, NH-87, Nainital Road, Haldwani 263126; Tel: 5946-283336/7

**West Bengal**

105. Block-D, 22 Camac Street, Kolkata 700017; Tel:033-22817312/13/15

106. The Gariahat Mall, 13 Jamir Lane, Near Ballygunge Railway Station, Kolkata 700019; Tel: 033-24613508/09
107. Mani Square Mall, Maniktala Main Road, Police Station, Phoolbagan, Kolkata 700064; Tel: 033-23201950/51
108. Sevoke Plaza, Near P.C. Mittal Bus Stand, Opp. Bharat Petro Pump, Siliguri 734001; Tel: 0353-2540142/43/45

**LANDMARK**

**Hyderabad**

1. KMC Retail Mall, Next to Kirtilal Jewellers, Somajiguda Circle, Begumpet, Hyderabad 500082; Tel: 8885531493

**Karnataka**

2. Forum Mall, 21, Hosur Road, Koramangala, Bengaluru 560029; Tel: 8147061351
3. Orion Mall, 21/6, Dr. Rajkumar Road, Brigade Gateway Campus, Malleswaram West, Bengaluru 560055; Tel: 8147061354

**Maharashtra**

4. Inorbit Mall, 1st Floor, Next to Westside, Near Vashi Railway Station, Mumbai 400705; Tel: 7208000625
5. Season's Mall, Magarpatta Hadapsar, Magarpatta Police Station Road, Hadapsar, Pune 411035

**FIORA HYPERMARKET LIMITED**

**Gujarat**

1. Iscon Mall, Opp. Bidiwala Park, Satellite Road, Ahmedabad 380015; Tel: 079-66010101
2. Imperial Square Mall, Opp. Aalishan Enclave Apts., Hazira Road, Adazan, Surat 395009; Tel: 0261-4088402

**STAR BAZAAR**

**Karnataka**

1. Star Daily, Near Shobha Hospital, Govindraj Nagar, Prashant Nagar, Bengaluru 560040; Tel: 9108449060
2. Star Daily, 35/1, 24th Main, 7th Phase, J P Nagar, Bengaluru 560078; Tel: 9108449058
3. Star Daily, 2M - 313A, 2nd Main, East of NGEF, Kasturinagar, Bengaluru 560043; Tel: 9108449055
4. Star Daily, SY No. 11/2, Khatha No.5, Koudenahalli Village, T.C. Palya Main Road, Ramamurthy Nagar, Bengaluru 560016; Tel: 7337837094
5. Star Daily, No. 28, Radha Krishna Layout, 80 ft. Main Road, Padmanabha Nagar, Bengaluru 560070; Tel: 8197303339
6. Star Daily, Nandana, 4th Main, 1st Stage, 1st Phase, WCR, Manjunath Nagar, Bengaluru 560079; Tel: 8197393338
7. Star Daily, Site No. 93, 1st 'A' Main Road, Yelahanka, Bengaluru 560064; Tel: 9108989096

8. Star Daily, 'Tesco Bengaluru Campus', situated at No.81 & 82, EPIP Area, Whitefield, Bengaluru 560066; Tel: 9108989095
9. Star Market, VGR ESSOR, 17th Cross, 5th Main, HSR Layout, 7th Sector, Bengaluru 560102; Tel: 9108449059
10. Star Market, No. 3 & 4, Vigyan Nagar Main Road, Vibhutipura, Bengaluru 560043; Tel: 7337837092
11. Star Market, BMTC ISRO Layout Bus Station Complex, Bikasipura, ISRO Layout, Suaramanyapura Post, Bengaluru 560061; Tel: 9108449054
12. Star Market, Channasadra, Next to Whitefield Global School, Channasandra Main Road, Bengaluru 560067; Tel: 7337849147
13. Star Market, Opp. Petrol Pump, Near Nagarabhavi Circle, Bengaluru 560072; Tel: 7337849146
14. Star Market, Gottigere, Marudhar Complex, Next to Carmel Academy, Bannerghatta Road, Bengaluru 560083; Tel: 7349646477
15. Star Market, #1192, 7th Cross, Anantha Nagar Phase-2, Electronic City Phase-2, Bengaluru 560100; Tel: 7349646010
16. Star Market, Survey No. 23/1, No E-1,1/1, Near Arekere, BPL Bus Stop, Hulimavu, Banergatta Road, Bengaluru 560076; Tel: 9108989099
17. Star Market, Trent Hypermaket Pvt. Ltd., Saket Callipolis, Survey No. 57,58/1/2/3, Doddakanneli, Sarajpur, Carmelaram Post
18. Star Hyper, 18/2 Gopalan, The Arch Mall, Mysore Road, Raja Rajeshwari Nagar, Bengaluru 560098; Tel: 9108449062
19. Star Hyper, HM Vibha Tower, Ward No.63, Koramangla, Bengaluru 560029; Tel: 9108449063
20. Star Extra, SJR - Zion, S. No. 42/5, Opposite Shankar Eye Hospital, Near Kundalahalli Gate Signal, Next to Golconda Chimney Restaurant, Munnekolau Village, Varthur, Bengaluru 560037; Tel: 9108449056

**Maharashtra**

21. Star Daily, Periwinkle Building, Rose Land Residency, Pimple Saudagar, Pimpri, Chinchwad, Pune 411027; Tel: 8828305485
22. Star Daily, Shop No.13-16, Twin Tower, Plot No.57, Sector 20, Kharghar 410210; Tel: 022-65649555
23. Star Daily, Ivory Towers, Prabhat Road, Pune 411004; Tel: 020-65000436
24. Star Daily, Moreshwar Dham Society, Plot No.03, Sector–19, Kamothe, Navi Mumbai 410209; Tel: 8828305483
25. Star Daily, Sanghvi House, 3rd Pasta Lane, Off. Shahid Bhagat Sing Lane, Colaba, Fort, Mumbai 400005; Tel: 8828301993/8828301994
26. Star Daily, ABC Elegance, Shop No. 2-9, Plot No.04, Sector 25, BHEL Chowk, Pradhikaran Nigdi, Pune 411044; Tel: 8828124437
27. Star Daily, B/24, Cosmos Arcade, Bramhand Complex, Thane West 400607; Tel: 8828301991/8828301992
28. Star Daily, Survey No.127/2B/2, Opp. Horizons at Wakad, Off Wakad Thergoan Road, Wakad, Pune 411057; Tel: 7718847049
29. Star Daily, Silver Dreams, Sr. No. 125, Hissa No.1 to 4 + 8/55, Dhayari, Pune 411041; Tel: 8828109960

30. Star Daily, 24 Wall Street, Shop No.101, Survey No.116, 24 Wall Street, Warje, Pune 411058; Tel: 8828111024
31. Star Daily, Om Harmony, Plot No.267, Sector-10, Kharghar, Navi Mumbai 410210; Tel: 8451844752
32. Star Market, Aarambh Shreeji, Near McDonald, Mira Road (East) 401107; Tel: 9004084346
33. Star Market, Shop No. 3B & 3C (Part), Ground floor, DB Ozone Orchid, Ketkipada, Western Express Highway, Near Dahisar Toll Naka, Dahisar (East), Mumbai 400068; Tel: 7738618338
34. Star Market, Unit No. 5,6,7 & 8, Hubtown Solaris, N.S. Phadake Marg, Opp. Teli Galli, Andheri (East), Mumbai 400069; Tel: 8451844737
35. Star Market, ICC Trade Towers, MCCIA Trade Tower, Plot No. 2, No.403 A, Senapati Bapat Marg, Bhamburda, Taluka - Pune City, District- Pune 411016
36. Star Hyper, Crystal Point, Off New Link Road, Andheri (West), Mumbai 400053; Tel: 8828305492
37. Star Hyper, Korum Mall, Near Cadbury Co., Pokhran Road No.1, Off Western Express Highway, Thane (West) 400606; Tel: 8828305487
38. Star Hyper, Ideal Wood Working & Engineering Co. Ltd., M.I.D.C., D III Block, Plot No.91, Opp. Greaves Ltd., Mumbai Pune Road, Pimpri-Chinchwad, Pune 411019; Tel: 8828305489
39. Star Hyper, Prozone Mall, Plot No. 80 Chikalthana Industrial Area, Masanatpur Dist: Aurangabad 431001; Tel: 8828305491
40. Star Hyper, Ghatge Patil Automobiles, #517 E, Old Pune Bangalore Road, Opp. Hotel Victor Palace, Kolhapur 416001; Tel: 8828305490
41. Star Hyper, Unit No.G1 to G6, Phoenix Market City, Ground Floor Building, Junction of Pune Nagar Road, Viman Nagar, Pune 411014; Tel: 8828305488
42. Star Hyper Seasons Mall, Magarpatta City, Kharadi Bypass Road, Hadapasar, Pune 411013; Tel: 7798982953

## BUSINESS RESPONSIBILITY REPORT - 2016-17

The Company is guided by Tata group philosophy of improving the quality of lives of the communities we serve through value creation. Our practice of returning to society what we earn evokes trust among consumers, employees, shareholders and the community at large. The Company's continuing commitment to societal responsibilities and support is linked and integrated with its business strategy, core competence, values and need of the communities. The organization approaches all such initiatives with an intent to contribute to sustainable economic development and beneficial actions that are environmentally sustainable and socially responsible for the communities.

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company - L24240MH1952PLC008951
2. Name of the Company – TRENT LIMITED
3. Registered address - Bombay House, 24, Homi Mody Street, Fort, Mumbai - 400001, Maharashtra, India
4. Website – www.mywestside.com
5. E-mail id - investor.relations@trent-tata.com
6. Financial Year reported - 2016-17
7. Sector(s) that the Company is engaged in (industrial activity code-wise)-

| NIC CODE | DESCRIPTION |
|---|---|
| 47711 | Retail Sale of Readymade Garments etc. |

8. List three key products/services that the Company manufactures/provides (as in balance sheet)
   (a) Sale of Readymade Garments and related products
9. Total number of locations where business activity is undertaken by the Company
   (a) International Locations – NIL
   (b) National Locations – 114 Stores (including 5 Landmark Stores & 1 Zudio Store)
10. Markets served by the Company – Local /State/National/International

    Westside, Landmark & Zudio Stores are in Pan India across 61 cities.

    Pls refer 'Management Discussion and Analysis' Section of Company's Annual Report FY 2016-17 for complete list of markets served.

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR) – ₹ 33.23 crores
2. Total Turnover (INR) – ₹ 1797.05 crores
3. Total profit after taxes (INR) – ₹ 106.87 crores
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) :- ₹ 80.80 lakhs, 2.04 % of average profit for previous three years (computation as prescribed by the Companies Act, 2013).
5. List of activities in which expenditure in 4 above has been incurred

| Sr. No. | Particulars | Amount in lakhs |
|---|---|---|
| 1. | Education Sponsorship Programme | 9.05 |
| 2. | Special Coaching – for Communication Skills | 12.05 |
| 3. | School Infrastructure Development | 13.44 |
| 4. | Vocational Skills for women | 15.00 |
| 5. | Vocational Skills for youth | 28.75 |
| 6. | Curative Healthcare | 2.50 |
| | Total Amount Spent | 80.80 |

## SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

   Trent has 6 Subsidiaries & 3 Joint Ventures

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

   Trent has 2 Subsidiaries (Fiora Services Limited & Nahar Retail Trading Services Limited) participating in BR initiatives

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]

   The Company does not mandate its suppliers / distributors to participate in the Company's BR initiatives. However, they are encouraged to adopt such practices and follow the concept of being a responsible business.

## SECTION D: BR INFORMATION

### 1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

Name – MR. P. N. AULD
DIN NUMBER – 03543080
DESIGNATION – MANAGING DIRECTOR

(b) Details of the BR head

| No. | Particulars | Details |
|---|---|---|
| 1 | DIN Number (if applicable) | NA |
| 2 | Name | Ratul Neogi |
| 3 | Designation | Head – Internal Audit & Business Excellence |
| 4 | Telephone number | 022 - 67009203 |
| 5 | e-mail id | ratul.neogi@trent-tata.com |

### 2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are addressed by the Company through various policies as follows:

| | | |
|---|---|---|
| P1 | Businesses should conduct and govern themselves with Ethics, Transparency and Accountability. | TATA CODE OF CONDUCT [TCOC] WHISTLE BLOWER POLICY |
| P2 | Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle. | ENVIRONMENT POLICY |
| P3 | Businesses should promote the well-being of all employees | HEALTH & SAFETY POLICY |
| P4 | Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized. | CORPORATE SOCIAL RESONSIBILITY POLICY [CSR], TATA AFFIRMATIVE ACTION POLICY |
| P5 | Businesses should respect and promote human rights | TATA CODE OF CONDUCT |
| P6 | Businesses should respect, protect, and make efforts to restore the environment | ENVIRONMENT POLICY |
| P7 | Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner | TATA CODE OF CONDUCT |
| P8 | Businesses should support inclusive growth and equitable development | CORPORATE SOCIAL RESPONSIBILITY POLICY AND TATA AFFIRMATIVE ACTION POLICY |
| P9 | Businesses should engage with and provide value to their customers and consumers in a responsible manner | TATA CODE OF CONDUCT |

**(a) Details of compliance (Reply in Y/N)**

| No. | Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Do you have a policy/ policies for? | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 2 | Has the policy being formulated in consultation with the relevant stakeholders? | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 3 | Does the policy conform to any national / international standards? If yes, specify? (50 words) * As per Statutory requirement wherever applicable | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 4 | Has the policy being approved by the Board? Is yes, has it been signed by MD / owner/ CEO/ appropriate Board Director? | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 5 | Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy? | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 6 | Indicate the link for the policy to be viewed online? | **(a) Whistleblower Policy** http://mywestside.com/includes/downloads/whistle_blower_policy_06062016.pdf<br>**(b) Tata Code of Conduct –** http://mywestside.com/includes/downloads/tatacodeofconduct.pdf<br>**(c) CSR Policy –** http://mywestside.com/downloads/Policy%20on%20Corporate%20Social%20Responsibility.pdf<br>**(d) Tata Affirmative Action Policy -** http://mywestside.com/downloads/Policy%20on%20Corporate%20Social%20Responsibility.pdf<br>**(e) Environment Policy –** http://www.mywestside.com/WebPages/InnerPages/Policies-information.aspx<br>**(f) Health & Safety Policy –** http://www.mywestside.com/WebPages/InnerPages/Policies-information.aspx | | | | | | | | |

| No. | Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|---|---|---|---|---|---|---|---|---|
| 7 | Has the policy been formally communicated to all relevant internal and external stakeholders? | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 8 | Does the company have in-house structure to implement the policy/ policies | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 9 | Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy/ policies? | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 10 | Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? | Y | Y | Y | Y | Y | Y | Y | Y | Y |

**(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)** - NOT REQUIRED IF (a) IS FILLED

| No. | Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | The company has not understood the Principles | **Not Applicable** | | | | | | | | |
| 2 | The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles | | | | | | | | | |
| 3 | The company does not have financial or manpower resources available for the task | | | | | | | | | |
| 4 | It is planned to be done within next 6 months | | | | | | | | | |
| 5 | It is planned to be done within the next 1 year | | | | | | | | | |

**3. Governance related to BR**

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The BR performance of the Company is reviewed annually.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Business Responsibility Report is published in 2016-17. It is published annually. http://mywestside.com/WebPages InnerPages/Annual-Reports.aspx.

## SECTION E: PRINCIPLE-WISE PERFORMANCE

**Principle 1**

Business should conduct and govern themselves With Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

   Trent has adopted Tata Code of Conduct (TCOC) and Anti-Bribery and Corruption (ABAC) Policy. The same is applicable to Group Companies and Vendor suppliers conduct of business.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

| | Opening Balance | Received during the year | Resolved during the year | Closing Balance |
|---|---|---|---|---|
| Ethics Related Complaints | NIL | 9 | 9 | NIL |

The Company has a Ethics compliance structure in place which is led by the Chief Ethics Counsellor (CEC) supported by Local Ethics Counsellors (LEC) across diffrent locations. This ensured effective deployment of policy (TCOC) as well as a redressal mechanism for any ethical issues. A dedicated 24/7 helpline is deployed to enable individual to register any complaint.

**Principle 2**

**Businesses should provide goods and services that are safe and contribute to Sustainability throughout their life cycle.**

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   Not Applicable

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

   (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   Not Applicable (As above)

   (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

   Not Applicable (As above)

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

   (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

   Company has process for Sustainable Sourcing which goes beyond economic considerations and takes into account environmental, social and ethical factors as well. It is a widely practiced tool within Trent where the endeavor is to maximise its reach with every passing year. Trent has a stated Environment Policy and Health & Safety Policy. Vendors are asked to sign the Tata Code of Conduct, in order to ensure ethical practices are followed throughout the supply chain. Additionally, vendors are empowered to raise ethical concerns that they may come across while dealing with members of Trent management at any level. The Company continually works with its vendors and suppliers to reduce the environmental impacts of sourcing.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

   (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   The Company works with small producers to augment the quality and design capability of the vendors. (please refer to Principal 4 (Point 3) for details.)

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   The nature of the Company's business is such that there are no significant emissions or process wastes. The waste generation is fairly limited and restricted primarily to e-waste. Company encourages re-use of assets. Trent Limited aims to minimize the adverse impact on society to the extent possible right at the source, i.e. the manufacturers and suppliers themselves. The Company gives donation of residual merchandise to NGOs so that same can be reused / recycled.

**Principle 3**

**Businesses should promote the wellbeing of all employees**

| | | |
|---|---|---|
| 1. | Total Employees (Permenent) | 4567 |
| 2. | Employees hired on Temporary / Contractual / Casual basis | 1421 |
| 3. | Permanent Women Employees | 1509 |
| 4. | Permanent Employees with Disabilities | 34 |
| 5. | Employee Association that is recognized by management | No |
| 6. | What percentage of your permanent employees is members of this recognized employee association | NA |
| 7. | Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year. | |

| | | | | |
|---|---|---|---|---|
| | | No. | Category | No of complaints filed during the financial year | No of complaints pending as on end of the financial year |
| | | 1 | Child labour / forced labour / involuntary labour | No | No |
| | | 2 | Sexual harassment | 7 | 0 |
| | | 3 | Discriminatory employment | No | No |
| 8. | What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year? | | | | |
| | (a) Permanent Employees | | | 100 % | |
| | (b) Permanent Women Employees | | | 100 % [80% specific to Women's Safety related training] | |
| | (c) Casual/Temporary/Contractual Employees | | | 100 % [treated at par of permanent] | |
| | (d) Employees with Disabilities | | | 100% [no specific training for Employees with disability category] | |

**Principle 4**

**Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised**

1. **Has the company mapped its internal and external stakeholders?**

   Yes. The Company has mapped its internal and external stakeholders. It uses both formal and informal mechanisms to engage with various stakeholders to understand their concerns and expectations. Individual departments within the organization have roles and responsibilities identified and defined to engage with various stakeholders

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

   Yes. The Company's AA policy is specially designed to address the socially disadvantaged sections of the society, Scheduled Castes and Tribes. Within the broader stakeholder group of communities, the Company works towards women empowerment and education of children. The Company is committed to work on the sub-theme under the broader umbrella of national Importance, i.e Affirmative Action. As part of our Tata Affirmative Action programme which tracks the Affirmative Action programmes of the Organisation, which developed on the lines of TBEM (Tata Business Excellence Model).The Company has emphasized that each of its social intervention activities ensures inclusion and reaching out to people from SC and ST communities. Partner organizations have been communicated and suitably sensitized. Under Skill training programme, out of the total youth trained till date, over 20 % trainees are from the SC/ST section. The Company also participated in the Tata Affirmative Action Assessment in 2016-17, which aimed at showcasing the efforts to reach out to the marginalized sections and also to help them explore entrepreneurship opportunities within the Company's supply chain.

**3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

Vocational Skills for Youth: Vocational training program has been a key thrust area under CSR for Trent and hence there is a greater emphasis on effective skilling programs. The flagship program is already on the ground in partnership with Tata Strive through the support to 4 Retail Lab centers for the Retail training to ensure quality training and employability enhancement for the youth in Mumbai, Pune, Mohali and Hyderabad.

Tata Community Initiatives Trust, one of CSR Programs is Skills Development which is named as "Tata STRIVE", Trent has supported Tata STRIVE in providing hostel facilities for the trainees enrolled from distant locations to pursue the vocational retail trainings for youth which focus to facilitate wider outreach of the training programme . The purpose is to mobilize youth from distant locations for the retail courses of Tata STRIVE centre cities and provide them hostel facilities. Around 300 beneficiaries are impacted through hostel accommodation support of Trent.

Vocational Skills for Women: In order to focus on the employability and entrepreneurship skills upgradation, Trent has taken up an initiative to upskill the women in Radhanpur area, near Mehsana Gujarat, who are already been engaged by Bhansali Trust, NGO for apparel manufacturing, for providing them livelihood and to also skill a new set of women to build the scale of skilled women force in apparel manufacturing in the area for them to earn sustainable livelihood. The technical qualities to be upskilled and skilled are apparel designing, cutting, sewing, finishing, quality control etc. to ensure that the product becomes saleable in local communities. Therefore Bhansali Trust has created Self Help Group of women from community to learn a skill and earn sustainable livelihood to support their families in their own capacity.

**Education:** Infrastructural Support: As part of Trent's education initiative which works with different segment of students. Trent now support total 17 libraries in municipal schools in Mumbai, Delhi and Pune .This initiative is implemented in partnership with Room to Read India Trust, a public charitable trust that works in collaboration with communities and local governments across Asia and Africa to develop literacy skills and a habit of reading among primary school children. The total no of beneficiaries reached through our library support is 903.

**English Communication Skills:** Trent has undertaken initiatives for imparting English Communication skills to students with aim to develop language skills to enhance individual employability of youth in marginalized and deprived sections of Society. This Program also incorporates awareness and advocacy modules on values and ethics, intended to benefit the community at large, by preparing young people to be better corporate citizens. As per standards in the industry, Trent understands the prominence of communication skills, therefore this initiative aims at improving English Communication skills of students belonging to municipal schools between the age group of 13-16 years. The project aims to make a difference in the lives of the students' vis-à-vis fluency in their ability to communicate in English so that they are enabled before entering the employment age. This program runs along in partnership Salaam Bombay Foundation and Step Up Charitable foundation, in 3 BMC Schools reaching out to 166 beneficiaries, for the next academic year to more 6 schools, which will reach approx... 300 beneficiaries.

**Scholarships:** Trent aims at assisting students at National Institute of Fashion Technology (NIFT) - Mumbai by providing educational sponsorship, thus providing financial assistance to meritorious and deserving students belonging to the economically weaker sections, specific to Affirmative Action communities. This academic year 2016-17, Trent sponsored 6 eligible students and 2 girls from Idea Foundation.

**Community Development:** As a part of our Star & Diya initiative which is our community development initiative, the Company has chalked out a sustainable path in line with the needs of the community. With the aim to reach out to the local community, Trent supports NGO projects in areas of Child Education & Nutrition across store locations in various cities. This initiative has been carried out during Diwali and Christmas festival promotions initiatives at Westside and Landmark stores. This programme enables the customers to participate in 'giving' by lighting a Diya during Diwali, or putting up a star on the Christmas tree during the Christmas season; revenue proceeds of which are routed to selected NGOs who are engaged in community work. Through this annual initiative, Trent supports children hailing from disadvantaged communities by providing financial assistance in various forms like educational scholarships, midday meals, infrastructure development. Hence, need identification and assessment were a pre-cursor to analyzing the interventions. In 2016-17, a due diligence agency called IDOBRO was taken on board, to conduct needs assessment and situation analysis, following which, the Company developed a framework to prioritize key community development needs. To implement the community development projects, a rigorous due diligence process was carried out to identify and review capabilities of partner organizations, select the partner organizations, and develop project objectives, approaches and strategies, to ensure timeliness/effectiveness. Currently, 18 projects addressing crucial issues like health, education and malnutrition and vocational education are going on in Nagpur, Noida, Kolkata, Lucknow and other town cities respectively that benefitted nearly 4000 children across locations

**Volunteering:** This year, Trent employees actively participated in the Tata Engage Group volunteering program initiated by the Tata group. Around a total of 4000 volunteers across locations participated in this program, thereby contributing their time and skills. At the Tata Sustainability Group, Trent won for the highest number of volunteering hours award, i.e 18983 man hours by our employee volunteers, in Tata Volunteering Week 6 (5th Sept - 6th October, 2016) in the medium size company category. Volunteers conducted sessions on personality development, career building and safety awareness with the youth falling within the age group of 14-16 years at various government/municipal schools and training institutes run by local Ngo's. During the year 2016-17, with the total count of TVW 6 & 7, Trent employee volunteers have put forward 42,443 volunteering man hours. The Company's volunteering program has been successfully operating in our locations during this course of year in either CSR projects or local causes.

**Principle 5**

**Businesses should respect and promote human rights**

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

   The policy is applicable to Trent, its subsidiaries and vendors. The Company's commitment to follow the basic principles of human rights is reflected in the checks and balances within the HR processes. The commitment to human rights is embedded in the 'Tata Code of Conduct', adopted by the Company. All employees, including security personnel, are sensitised to human rights as part of their orientation programme. With respect to vendors, Trent follows a rigorous screening process before entering into a business relationship. All the contracts that the Company enters into with vendors require the vendor to comply with the relevant laws safeguarding labour rights and human rights in their respective jurisdiction.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   No complaints relating to human rights are received during this financial year.

**Principle 6 –**

Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.

   Trent Environmental Policy is applicable to all the business units/groups and stakeholders are encouraged to adopt the same.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   As part of furthering a Culture for Energy and Environment Conservation, Trent under the aegis of the Tata Group has completed a 'Carbon Footprint- Assessment and Abatement exercise'. The aim being, "To move towards a carbon neutral platform by measuring the Carbon Emission Performance of the Organization, assessing the future risks and conceiving possible Techno-Financial measures to reduce the Carbon Liabilities. Trent has 2020 Carbon road map in place to reduce the emissions of existing stores by 30% by2020 and build new stores with 25-30% less carbon foot print.

   The major contributing factors to reduction in carbon emission is due to the installation and retrofitting of Light Emitting Diodes [LED] in the stores which account to more than 25% energy savings compared to the stores with metal halide and halogen lamps. The other major contributing factor in emission reduction is the use of energy saving equipment like the Variable Frequency Drives [VFD] for Air Handling Units [AHU], energy efficient chillers and improved operational efficiency

   https://www.unglobalcompact.org/system/attachments/cop_2016/276291/original/Trent_Ltd_COP_FY_2015-16_final.pdf?1460528537

3. **Does the company identify and assess potential environmental risks? Y/N**

   Not Applicable since Trent is not involved in Manufacturing of any product. However, Trent has developed a separate Environmental policy to focus on the potential impacts on environment and its mitigation.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   Not Applicable

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   Yes. Trent focuses on continual improvement in terms of Energy Efficiency and have carried out various projects to reduce energy consumption. Few such activities are:

   (a) Adoption of LEDs by installation in all new projects and retrofitting the existing Retail outlets

   (b) Installation of high efficiency VRF system for air-conditioning

   (c) Use of VFDs in Pumps and AHUs

   (d) Demand reduction and power factor improvement

(e) Optimization of Chiller temperatures and cooling towers for energy efficiency

- Corporate Sustainability page on website:

  https://www.unglobalcompact.org/system/attachments/cop_2016/276291/original/Trent_Ltd_COP_FY_2015-16_final.pdf?1460528537

- Corporate Sustainability Report on website:

  https://www.unglobalcompact.org/system/attachments/cop_2016/276291/original/Trent_Ltd_COP_FY_2015-16_final.pdf?1460528537

**6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Not Applicable

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

No such cases reported during the FY 2016-17.

**Principle 7**

**Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   (a) Retailers Association of India (RAI)
   (b) India Retail Forum (IRF)
   (c) Confederation of Indian Industry (CII)
   (d) Bombay Chamber of Commerce & Industry (BCCI)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas ( drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   Trent through various industry associations, participates in advocating matters advancement of the industry and public good. It supports various initiatives of the RAI which include aspects of Retail Industry. The Company's Affirmative Action [AA] policy is a progressive step towards inclusive development.

**Principle 8**

**Businesses should support inclusive growth and equitable development**

**1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

Yes, as per company's policy, thrust areas and CSR Strategy. Summary of initiative/projects undertaken is given below. Programmes are categorised as per themes of interest i.e.

a. Education Support Programme
b. Scholarship Programme

c. School Infrastructure Development
d. Curative Healthcare
e. Vocational Skills for women and youth

Trent encourages and recognizes that equal opportunity employment has positive impact on organizational performance. Trent ensures that all its people processes provide equal employment opportunity to the socially disadvantage.

2. **Are the programmes/projects undertaken through in-house team/ own foundation / external NGO/government structures/any other organization?**

   Yes, through in-house team, implementing agencies and External NGO Partners

3. **Have you done any impact assessment of your initiative?**

   Currently, the Company monitors the reach with the no of beneficiaries impacted and outcome of its Corporate Social Responsibility (CSR) initiatives through Half yearly and annual reports and assessments conducted by CSR Team..

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

   Trent has contributed, the total amount of INR. 80.80 lakhs towards Community Development Projects. The company also contributes towards the Star & Diya initiative which extends financial support to NGO Projects (Refer Point 1 above)

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community?**

   Yes. Initiatives conducted under CSR are tracked to determine the outcomes achieved and the benefits to the community. Internal tracking mechanisms, monthly reports and follow-up field visits, telephonic and email communications are regularly carried out.

**Principle 9**

**Businesses should engage with and provide value to their customers and Consumers in a responsible manner**

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   Of the complaints received during the year, 3% were open as on end of the financial year. These are in the process of being resolved.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws?**

   Yes. The Company displays all requisite production information on the product lable as per the laws (Legal Metrology)

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year.**

   There have been no cases relating to unfair trade practices.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   Yes, Customer Satisfaction and Brand Track Studies are undertaken annually.

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF TRENT LIMITED

**Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of Trent Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the statement of profit and loss (including other comprehensive income), the cash flow statement and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, cash flows and the 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 Companies (Indian Accounting Standards) Rules, 2015.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding 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 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

**Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner

so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31st March, 2017, and its financial performance including other comprehensive income, its cash flows and its changes in equity for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of the audit, we give in the Annexure, 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 purpose of our audit.
   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c. The balance sheet, the statement of profit and loss (including other comprehensive Income), the cash flow statement & the statement of changes in equity dealt with by this Report are in agreement with the books of account.
   d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS specified under section 133 of the Act.
   e. On the basis of written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of sub-section (2) of section 164 of the Act.
   f. The company has generally adequate internal financial controls system in place and the same are generally operating effectively.
   g. 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, in our opinion and to the best of our information and according to the explanations given to us:
      (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer note no. 37 (c) & (e) (Page 147) forming part of standalone Ind AS financial statements.
      (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except amounts held in abeyance due to pending legal cases Refer note no. 39(d) (Page 149) forming part of standalone Ind AS financial statements.
      (iv) The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer note no. 39(f) (Page 149) forming part of standalone Ind AS financial statements.

**For N. M. RAIJI & CO.**
Chartered Accountants
Firm Registration No: 108296W

**CA. Y. N. THAKKAR**
Partner
Membership No: 33329
Place : Mumbai, Date : 26th May,2017

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE

{Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Trent Limited (the Company)}

i) a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

b) As explained to us, physical verification of major items of fixed assets was conducted by the management during the year. In our opinion, the frequency of physical verification is reasonable having regard to the size and operations of the company and the nature of its assets. On the basis of explanations received, in our opinion, the discrepancies found on physical verification were not significant.

c) The title deeds of immovable property not held in name of the Company are as given in "Statement A" attached;

ii) As explained to us, physical verification of inventories has been conducted at reasonable intervals during the year by the management. In our opinion, the discrepancies noticed on physical verification were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.

iii) The Company has not granted any loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, sub clauses (a), (b) & (c), are not applicable.

iv) In our opinion and according to the information and explanation given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and securities given.

v) The Company has not accepted any deposits from the public.

vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, for the products of the Company.

vii) a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authority. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of undisputed statutory dues which remained outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable.

b) According to the records made available to us and the information & explanations given by the management, the details of the dues of sales tax, income tax, custom duty, service tax, excise duty, value added tax which have not been deposited on account of any dispute, are given below:

| Particulars | Financial year to which the matter pertains | Forum where dispute is pending | Amount (₹ in crores) |
|---|---|---|---|
| Income Tax | 2011-2012 | Commissioner (Appeals) | 1.43 |
| Sales Tax / Value Added Tax | 1995-1996, 2002-2003 & 2016-2017 | Dy. Commissioner(Appeals) | 0.06 |
| | 2007-2008 | Commissioner (Appeals) | 0.01 |
| | 2012-2013 | Jt. Commissioner (Appeals) | 0.16 |

viii) The Company has not defaulted in repayment of loans or borrowings to financial institution, banks or dues to debenture holders.

ix) The Company has raised moneys by way of issue of Debt instruments and they were applied for the purpose of which they were raised. The Company does not have any term loans.

x) During the year, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported, during the course of our audit.

xi) The company has paid or provided for Managerial Remuneration during the year in accordance with requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
xii) The Company is not a Nidhi Company, accordingly this clause is not applicable.
xiii) All the related party transactions are in compliance with the Section 177 & 188 of the Act, and the details have been disclosed in the Financial Statement as required by the applicable accounting standards -Refer Note no.40 (Page 151-159) of standalone Ind AS financial statements.
xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
xv) The Company has not entered into any non-cash transactions with directors or person connected with him requiring compliance of Section 192 of the Act.
xvi) The Company is not required to be registered under 45-IA of the Reserve Bank of India Act, 1934.

**For N. M. RAIJI & CO.**
Chartered Accountants
Firm Registration No: 108296W

**CA. Y. N. THAKKAR**
Partner, Membership No: 33329
Place : Mumbai, Date : 26th May,2017

## ATTACHMENTS TO THE ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE

**Statement A**

**The title deeds of the following immovable properties are not held in the name of the Company :**

| No. | Particulars of Property | Details |
|---|---|---|
| 1. | Office premises bearing Nos. D2 and D4, Second floor, Taj Building, 210, Dr. D. N. Road, Mumbai - 400001 | Title Deeds of the property in the name of Bruel Investments Private Limited. Bruel Investments Private Limited has been amalgamated with Lakme Limited. Lakme Limited has changed its name to Trent Limited. |
| 2. | Flat no. 21/D, Second floor, Mamta-D, Plot no. 926, T.P.S. no. IV, Appasaheb Marathe Road, Prabhadevi, Mumbai-400025. | Title Deeds of the property in the name of Lakme Limited. Lakme Limited has changed its name to Trent Limited. |
| 3. | Shop No: G – 50 on the Ground Floor of the Building known as Spencer Plaza alongwith 6320 / 1500000 undivided share in all that piece and parcel of land admeasuring 30745.37 Sq.mts (3,30,820.18 Sq.ft) situated at Door No.768 and 769, Anna Salai, Chennai – 600002 and comprised in Survey No.26/2 (part), 26/3 (part) and 27/2 (part) in Block No.4, Mount Road, Nungambakkam Village Division No.105 in the Sub-Registration District of Thousand Lights and Registration District of Chennai Central | Title Deeds of the property in the name of Lakme Exports Limited. By an order dated 29 September 1998 passed by the Hon'ble Bombay High Court, With effect from 1st January 1998, Lakme Exports Limited was amalgamated with Littlewoods International India Private Limited and the merged entity was named as Trent Limited. Trent Limited was later amalgamated with Lakme Limited, with effect from 1st July 1998 and the name of Lakme Limited was changed to Trent Limited. |
| 4. | Shop No: S – 40 on the Second Floor of the Building known as Spencer Plaza alongwith 7292 / 1500000 undivided share in all that piece and parcel of land admeasuring 30745.37 Sq.mts (3,30,820.18 Sq.ft), situated at Door No.768 and 769, Anna Salai, Chennai – 600002 and comprised in Survey No.26/2 (part), 26/3 (part) and 27/2 (part) in Block No.4, Mount Road, Nungambakkam Village Division No.105 in the Sub-Registration District of Thousand Lights and Registration District of Chennai Central. | Title Deeds of the property in the name of Lakme Limited. Lakme Limited has changed its name to Trent Limited. |

## Balance Sheet as at 31st March 2017

(₹ in Crores)

| | Particulars | Note No. | Page | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|---|---|---|
| **I.** | **ASSETS** | | | | | |
| | **1) Non-Current Assets** | | | | | |
| | Property, Plant and Equipment | 4 | 125 | **450.63** | 411.44 | 333.00 |
| | Capital Work-In-Progress | | | **5.48** | 53.65 | 46.18 |
| | Investment Property | 4 | 126 | **33.67** | - | - |
| | Intangible Assets | 4 | 126-127 | **5.63** | 4.55 | 4.53 |
| | Financial Assets | | | | | |
| | (i) Investments | 5 | 127-130 | **1043.45** | 1079.12 | 1023.57 |
| | (ii) Loans | 6 | 131 | **39.41** | 22.67 | 49.20 |
| | (iii) Others | 7 | 131 | **0.22** | 1.46 | 1.27 |
| | Deferred Tax Assets (Net) | 8 | 131 | **10.11** | 8.57 | 18.40 |
| | Other Non-Current Assets | 9 | 132 | **55.27** | 53.86 | 50.80 |
| | **Total Non-Current Assets (A)** | | | **1643.87** | 1635.32 | 1526.95 |
| | **2) Current Assets** | | | | | |
| | Inventories | 10 | 132 | **298.28** | 270.10 | 250.37 |
| | Financial Assets | | | | | |
| | (i) Investments | 11 | 132-133 | **69.22** | 6.60 | 24.83 |
| | (ii) Trade Receivables | 12 | 133 | **3.10** | 2.03 | 2.21 |
| | (iii) Cash and Cash Equivalents | 13 | 134 | **25.78** | 20.33 | 23.27 |
| | (iv) Bank Balances other than (iii) above | 14 | 134 | **5.78** | 4.84 | 4.07 |
| | (v) Loans | 15 | 134 | **98.88** | 111.31 | 100.17 |
| | (vi) Others | 16 | 135 | **4.53** | 4.21 | 3.14 |
| | Current Tax Assets (Net) | | | **8.64** | 8.87 | 1.28 |
| | Other Current Assets | 17 | 135 | **24.49** | 19.27 | 31.29 |
| | **Total Current Assets (B)** | | | **538.70** | 447.56 | 440.63 |
| | **Total Assets (A+B)** | | | **2182.57** | 2082.88 | 1967.58 |
| **II.** | **EQUITY AND LIABILITIES** | | | | | |
| | **Equity** | | | | | |
| | Equity Share Capital | 18 | 136-137 | **33.23** | 33.23 | 33.23 |
| | Other Equity | 18 | 138 | **1507.60** | 1400.00 | 1389.93 |
| | **Total Equity (C)** | | | **1540.83** | 1433.23 | 1423.16 |
| | **LIABILITIES** | | | | | |
| | **Non-Current Liabilities** | | | | | |
| | Financial Liabilities | | | | | |
| | (i) Borrowings | 19 | 138 | **99.82** | 95.99 | 91.38 |
| | (ii) Other Financial Liabilities | 20 | 139 | **2.07** | - | 2.17 |
| | Provisions | 21 | 139 | **13.08** | 9.50 | 9.28 |
| | Other Non-Current Liabilities | 22 | 139 | **0.28** | - | 0.20 |
| | **Total Non-Current Liabilities** | | | **115.25** | 105.49 | 103.03 |
| | **Current Liabilities** | | | | | |
| | Financial Liabilities | | | | | |
| | (i) Borrowings | 23 | 139 | **190.87** | - | - |
| | (ii) Trade Payables | 24 | 140 | **132.82** | 149.23 | 142.64 |
| | (iii) Other Financial Liabilities | 25 | 140-141 | **154.24** | 354.55 | 264.72 |
| | Other Current Liabilities | 26 | 141 | **44.70** | 36.83 | 30.30 |
| | Provisions | 27 | 141 | **3.86** | 3.55 | 3.73 |
| | **Total Current Lliabilities** | | | **526.49** | 544.16 | 441.39 |
| | **Total Liabilities (D)** | | | **641.74** | 649.65 | 544.42 |
| | **Total Equity and Liabilities (C+D)** | | | **2182.57** | 2082.88 | 1967.58 |

See accompanying notes to Financial Statements

As per our Report attached.

**For N.M.Raiji & Co,**
Chartered Accountants
Registration No.108296W

**CA Y.N.Thakkar**
*Partner*
Membership No. 33329
Mumbai, 26th May 2017

**M.M. SURTI**
*Company Secretary*

**P. VENKATESALU**
*Executive Director (Finance) and CFO*

For and on behalf of the Board,

**N. N. TATA** — Chairman

**H. BHAT, B. BHAT, B. N. VAKIL, S. SINGH, Z. S. DUBASH, A. SEN** — Directors

**PHILIP AULD** — Managing Director

## Statement of Profit and Loss for the year ended 31st March 2017

(₹ in Crores)

| Particulars | Notes | Page | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|---|---|
| **Revenues** | | | | |
| Revenue from Operations | 28 | 142 | **1738.06** | 1491.91 |
| Other Income | 29 | 142 | **58.99** | 88.75 |
| **Total Revenue (A)** | | | **1797.05** | 1580.66 |
| **Expenses** | | | | |
| Cost of Material Consumed | 30 | 143 | **0.08** | 0.62 |
| Purchases of Stock-In-Trade | | | **857.02** | 736.44 |
| Changes in Inventories of Finished Goods, Stock-In -Trade and Work-In Progress | 31 | 143 | **(29.61)** | (15.80) |
| Employee Benefits Expense | 32 | 143 | **166.05** | 132.34 |
| Finance Costs | 33 | 143-144 | **33.67** | 37.55 |
| Depreciation and Amortization Expense | 4 | 125-127 | **37.61** | 34.54 |
| Other Expenses | 34 | 144-145 | **621.89** | 545.60 |
| **Total Expenses (B)** | | | **1686.71** | 1471.29 |
| **Profit/(Loss) Before Exceptional Items and Tax (A-B)** | | | **110.34** | 109.37 |
| Exceptional Items | 35 | 145 | **24.70** | (0.11) |
| **Profit/(Loss) Before Tax (C )** | | | **135.04** | 109.26 |
| Tax Expense: | | | | |
| - Current Tax | | | **31.58** | 16.60 |
| - Deferred Tax | | | **(3.41)** | 6.11 |
| **Total Tax Expenses (D )** | | | **28.17** | 22.71 |
| **Profit (Loss) for the Period from Continuing Operations (C-D)** | | | **106.87** | 86.55 |
| Profit/(Loss) from Discontinued Operations | | | **-** | - |
| Tax Expense of Discontinued Operations | | | **-** | - |
| **Profit/(Loss) from Discontinued Operations (After Tax) (E)** | | | **-** | - |
| **Profit/(Loss) for the Period (F)** | | | **106.87** | 86.55 |
| Other Comprehensive Income | 36 | 145 | | |
| Items that will not be reclassified to Profit or Loss | | | **0.68** | (0.56) |
| Income tax relating to items that will not be reclassified to profit or loss | | | **0.05** | 0.06 |
| Items that will be reclassified to profit or loss | | | **-** | - |
| Income tax relating to items that will be reclassified to profit or loss | | | **-** | - |
| **Other Comprehensive Income for the Period, Net of Tax (G)** | | | **0.73** | (0.50) |
| **Total Comprehensive Income for the Period (F + G )** | | | **107.60** | 86.05 |
| **Earnings per Equity Share (for Continuing Operation):** | | | | |
| (1) Basic | | | **3.22** | 2.60 |
| (2) Diluted | | | **3.22** | 2.60 |
| **Earnings per Equity Share (for Discontinued Operation):** | | | | |
| (1) Basic | | | **-** | - |
| (2) Diluted | | | **-** | - |
| **Earnings per Equity Share (for Discontinued & Continuing Operations)** | | | | |
| (1) Basic | | | **3.22** | 2.60 |
| (2) Diluted | | | **3.22** | 2.60 |

See accompanying notes to Financial Statements

As per our Report attached.

**For N.M.Raiji & Co,**
Chartered Accountants
Registration No.108296W

**CA Y.N.Thakkar**
*Partner*
Membership No. 33329
Mumbai, 26th May 2017

**M.M. SURTI**
*Company Secretary*

**P. VENKATESALU**
*Executive Director (Finance) and CFO*

For and on behalf of the Board,

**N. N. TATA** — Chairman

**H. BHAT**, **B. BHAT**, **B. N. VAKIL**, **S. SINGH**, **Z. S. DUBASH**, **A. SEN** — Directors

**PHILIP AULD** — Managing Director

## Statement of Changes in Equity for the year ended 31st March, 2017

### a. Equity Share Capital

(₹ in Crores)

| Particulars | Nos. | Amount |
|---|---|---|
| As at 1st April 2015 | 33231544 | 33.23 |
| issued during the year (Full figure ₹ 1290) | 129 | 0.00 |
| As at 31st March 2016 | 33231673 | 33.23 |
| issued during the year | - | - |
| **As at 31st March 2017*** | **332316730** | **33.23** |

*During the year the Company has split its equity shares having face value of ₹ 10 each into equity shares having face value of ₹ 1 per share.

### b. Other Equity

(₹ in Crores)

| Particulars | Reserves and Surplus | | | | | Equity instruments through Other comprehensive income | Remeasurment on Defined Benefit Plan | Total |
|---|---|---|---|---|---|---|---|---|
| | Securities Premium Reserve | Debenture Redemption Reserve | Capital Redemption Reserve | General Reserve | Retained Earnings surplus in Profit and Loss Account | | | |
| **Balance as at 1st April 2015** | **976.81** | **93.00** | **7.00** | **130.19** | **182.26** | **0.67** | **-** | **1389.93** |
| Securities premium received on issue of shares during the year | 0.01 | - | - | - | - | - | - | 0.01 |
| Total Comprehensive Income for the year | - | - | - | - | 86.55 | (0.39) | (0.11) | 86.05 |
| Dividends Paid (Including Tax) | - | - | - | - | (75.99) | - | - | (75.99) |
| Transfer from surplus in Profit and loss account | - | 0.75 | - | - | (0.75) | - | - | - |
| **Balance as at 31st March 2016** | **976.82** | **93.75** | **7.00** | **130.19** | **192.07** | **0.28** | **(0.11)** | **1400.00** |
| Total Comprehensive Income for the year | - | - | - | - | 106.87 | 0.82 | (0.09) | 107.60 |
| Transfer from surplus in Profit and loss account | - | - | - | - | - | - | - | - |
| **Balance as at 31st March 2017** | **976.82** | **93.75** | **7.00** | **130.19** | **298.94** | **1.10** | **(0.20)** | **1507.60** |

**Note:**

1. The Board of Directors has recommended a dividend of ₹1 Per equity share aggregating to ₹ 40 Crores incldiung dividend distribution tax in respect of year ended 31st March 2017.
2. As approved by the Board of Directors in their meeting held on 12th March 2016 , the Company has paid an Interim Dividend of ₹ 9 per Equity Share aggregating to ₹ 36 Crores including dividend distribution tax.
3. Proposed Dividend- On Equity shares in respect of year ended 31st March, 2015 represents the dividend of ₹10 Per Equity Share aggregating to ₹ 40 Crore including Dividend distribution tax which included one time Special dividend of ₹ 2.50 Per Equity Share, the same has been approved and paid during the previous year.

## Notes to the financial statements for the year ended 31st March, 2017

(All amounts in ₹ crores, unless otherwise stated)

**Note 1**

**Company information**

Trent Limited (The Company ) is a public Limited Company domiciled in India and is incorporated under the provisions of the Indian Companies Act, 1913. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Bombay House, 24, Homi Mody Street, Mumbai, 400001. The Company is engaged in retailing of apparels, footwear, accessories,toys,games etc. It operates through 'Westside' and 'Landmark' retail formats. Westside – Trent's flagship format offers apparel, footwear and accessories for men, women and children,along with furnishings, decor and a range of home accessories. Operating with a predominantly exclusive brands model, Westside continues to demonstrate the ability to compete effectively in the market place. Landmark - a family entertainment format- offers a curated range of toys, front list books and sports merchandise.

**Note 2**

**2.1 Basis of preparation**

These separate financial statements are prepared on the accrual basis of accounting and in accordance with the Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules,2015 and referred under Section 133 of the Companies Act, 2013.

The financial statements were authorised for issue in accordance with a resolution passed by the Board of Directors on 26th May,2017.

For all periods up to and including the year ended 31st March 2016, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (IGAAP). The financial statements for the year ended 31st March 2016 have been prepared in accordance with Ind AS to give comparative figures for the financial statements for the year ended 31st March 2017 being the first year for preparation of financial statements in accordance with Ind AS. All Notes should be read in conjuction with Note no 47, (Page 173-178) which explains about how the Company adopted Ind AS.

These separate financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value or amortised cost (refer accounting policy regarding financial instruments)

These seperate financial statements are presented in Indian rupees (INR) in Crores, which is also the Company's functional currency. All values are rounded off to the nearest INR crore upto two decimals,except when otherwise indicated.

**2.2 Summary of Significant accounting policies**

**a) Foreign currencies**

Foreign currency transactions are accounted at the rates prevailing on the date of transaction. Year-end monetary assets and liabilities are translated at the exchange rate ruling on reporting date. Exchange differences on settlement/conversion are adjusted to the Statement of Profit and Loss.

Non monetary items measured at historical cost/fair value are translated using the exchange rate prevailing on the date of transaction /fair value measurement respectively.

**b) Fair value measurement**

The Company measures certain financial instrument at fair value at each reporting date. Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly

## Notes to the financial statements for the year ended 31st March, 2017

transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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(if level1 feed is not available/appropriate) — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 (if level1 and 2 feed is not available/appropriate) — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company's board/board Committee/Director approves the policies for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held as part of discontinued operations. Where seen required/appropriate external valuers are involved. The board/ board committee review the valuation results.This includes a discussion of the major assumptions used in the valuations.

**c) Revenue recognition**

**Operating revenues**

Revenue from sale of goods is recognised when goods are delivered and the significant risks and rewards of ownership have been transferred to the buyer or buyer's agents. Revenue from sale of goods is stated net of discounts, returns, applicable taxes and adjustment with respect to accrued loyalty points. Revenue is measured at fair value of the consideration received or receivable. Other operating revenues are recognised on accrual basis. Consideration received is allocated between goods sold and customer loyalty points issued, with the consideration allocated to the points equal to their fair value.The fair value of points issued is deferred and recognised as revenue when the points are redeemed.

**Income from services**

Revenue from display and sponsorship services, commission on sales, fees, etc. is recognised when the service is provided to the customer.

**Interest income**

Interest income is recognised on an accrual basis using effective interest rate (EIR) method.

## Notes to the financial statements for the year ended 31st March, 2017

**Dividends**

Dividend income is recognised when the Company's right to receive the payment is established.

**Rental income**

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms, except where escalation in rent is in line with expected general inflation.

**d) Taxes on Income**

**Current Tax**

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed and also takes into account current income tax relating to items recognised outside profit or loss (either in other comprehensive income or in equity) in accordance with the provisions of the relevant tax laws. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current tax assets and current tax liabilities are offset if a legally enforceable right exists to set off the recognised amounts."

**Deferred tax**

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in statement of profit and loss, other comprehensive income or directly in equity as applicable.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities .

**e) Property, plant and equipment**

All items of property, plant and equipment, including freehold land, are initially recorded at cost. Subsequent to initial recognition, property, plant and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land has an unlimited useful life and therefore is not depreciated. The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The cost includes the purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use, cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in note (h) below. All

## Notes to the financial statements for the year ended 31st March, 2017

other repair and maintenance costs are recognized in the statement of profit or loss as incurred. Depreciation on tangible assets is provided in accordance with Ind AS 16 'Property, Plant and Equipment' with useful life as prescribed in Schedule II of the Companies Act,2013 as below except improvements to leasehold property which are amortised over the period of lease term.

a) In respect of the assets of the retail business on "Straight Line" method.

b) In respect of all other assets on "Written Down Value" method.

| Assets | Useful life in years |
|---|---|
| Building | 60 |
| Plant & Equipment | 15 |
| Furniture and Electric Installation | 10 |
| Office Equipment | 5 |
| Computers /Computer server | 3/6 |
| Vehicles | 8 |

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss 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 Statement of profit and loss in the year the asset is de-recognized. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

**f) Intangible assets**

Intangible assets acquired are initially recorded at cost. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss. In case of finite lives, following useful economic life has been considered:

| Assets | Useful life in years |
|---|---|
| Computer software | 5 |

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

**g) Investment Property:**

Property that is held to earn rentals or for capital appreciation or both, and that is also not occupied by the company, is classified as investment property. Investment property is measured initially at cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. Depreciation is provided using the straight line method in accordance with Ind AS 40 'Investment property' with useful life as prescribed in Schedule II of the Companies Act,2013.

## Notes to the financial statements for the year ended 31st March, 2017

| Components of Investment Property | Useful life in years |
|---|---|
| Building | 60 |
| Furniture and Electrical Installations | 10 |
| Office Equipments | 5 |

A part of investment property is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss 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 Statement of profit and loss in the year it is de-recognized. All other repair and maintenance costs are expensed when incurred.

The residual values, useful lives and methods of depreciation of investment property is reviewed at the end of each reporting period and adjusted prospectively, as appropriate.

**h) Borrowing costs**

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 capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**i) 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.

A lease is classified at the inception date as a finance lease or an operating lease. Lease arrangements where the risks and rewards incident to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rents under operating leases are recognised in the Statement of Profit and Loss on straight line basis ,except where escalation in rent is in line with expected general inflation.

Lease arrangements where lessee assumes substantially all the risks and rewards of ownership are classified as finance leases.Finance leases are capitalized at the lower of the fair value of the leased assets at inception and the present value of minimum lease payments.Lease payments are apportioned between the finance charge and the outstanding liability. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the liability.

**j) Inventories**

Inventories are valued at the lower of cost on the basis of moving weighted average price or net realisable value.

The cost of inventories includes all cost of purchases,cost of conversion and other related cost incurred to bring the inventories to its present location and condition. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet.

## Notes to the financial statements for the year ended 31st March, 2017

**k) Impairment of non-financial assets**

The carrying value of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any such indication exists the Company estimates the asset's/cash generating unit's recoverable amount and impairment is recognised if the carrying amount of these assets/cash generating units exceeds their recoverable amount.The recoverable amount is the greater of the net selling price and their value in use.When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit & Loss.

**l) Provisions**

**General**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a 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. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. The reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain the amount of the receivable can be measured reliably.

**Contingencies**

A disclosure for contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**m) Employee benefits**

The Company participates in various employee benefit plans. Pensions and other post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under defined contribution plan, the Company's only obligation is to pay a fixed amount. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method.The Company has the following employee benefit plans:

**i) Contribution to Provident fund ,family pension fund, ESIC, labour welfare fund and superannuation fund:**

(a) Company's contributions during the year towards Government administered Provident Fund, Family Pension Fund, ESIC and Labour Welfare Fund are charged to the Profit and Loss statement as incurred.

(b) Company's contributions during the year towards Superannuation to the Superannuation Trust administered by a Life Insurance Company are recognized in the Profit and Loss statement as incurred.

**(ii) Gratuity**

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity fund is managed by the Life Insurance Corporation of India (LIC) and TATA AIG . The

## Notes to the financial statements for the year ended 31st March, 2017

Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. The Company recognises actuarial gains and losses immediately in other comprehensive income, net of taxes.

**(iii) Other retirement benefit**

Provision for other retirement / post retirement benefits in the forms of pensions, medical benefits and long term compensated absences (leave encashment) is made on the basis of actuarial valuation.

**n) Financial instruments**

**i)** Financial assets Initial recognition and measurement All financial assets are recognised initially at fair value (purchase value plus transaction costs that are attributable to the acquisition of the financial asset),amortised cost or at cost. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL).
- Equity instruments measured at cost

**Debt instruments at amortised cost :** 'debt instrument' is measured at the amortised 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, financial assets are subsequently measured at amortised cost using the EIR method. Amortised 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 amortisation is included in finance income in the Statement of Profit or Loss. The losses arising from impairment are recognised in the Statement of Profit or Loss.

**Debt instrument at FVTPL:** FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**Equity instruments measured at FVTOCI or FVTPL:** All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-

## Notes to the financial statements for the year ended 31st March, 2017

by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and loss statement.

**Equity instruments measured at Cost:** Equity investments in subsidiaries / joint ventures / associates are accounted at cost in accordance with Ind AS 27 - Separate financial statements.

**Derecognition:** The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets:** The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

**ii) Non-derivative financial liabilities**

Financial liabilities are classified as either "financial liabilities at fair value through profit or loss" or "other financial Liabilities.

(a) Financial liabilities are classified as "financial liabilities at fair value through profit or loss" if they are held for trading or if they are designated as financial liabilities at fair value through profit or loss. These are measured initially at fair value with subsequent changes recognized in profit or loss. Fair value is determined as per Ind AS 113 'fair value measurement'.

(b) Other financial liabilities, including loans and borrowing, are initially measured at fair value, net of directly attributable transaction costs. Subsequent to initial recognition, these are measured at amortized cost using the EIR method.

**Derecognition of financial liabilities:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**iii) Offsetting of financial instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is as intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## Notes to the financial statements for the year ended 31st March, 2017

**Note 3**

**Significant accounting judgements, estimates and assumptions**

The preparation of the company's standalone financial statements requires management to make judgements, 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. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the Company's accounting policies, management has made the following Judgements, estimates and assumptions which have significant effect on the amounts recognised in the financial statements:

**Lease of properties and equipments not in legal form of lease:** Significant judgement is required to apply lease accounting rules under Appendix C to Ind AS 17: determining whether an arrangement contains a Lease. In assessing the applicability to arrangement entered into by the Company, management has exercised judgement to evaluate the right to use the underlying assets, substance of transaction including legally enforced arrangement and other significant terms and conditions of the arrangement to conclude whether the arrangement meet the criteria under Appendix C to Ind AS 17 'Leases'.Consequently, the Company has segregated on an estimated basis the total franchisee fees paid in terms of the arrangement into the embedded lease component and the service fees component.

**Escalation in lease rentals:** For recognising the lease rentals on straight line basis, the escalation of lease rentals is considered to be in line with the expected general inflation level.

**Provision for doubtful advances and trade receivables:** The company is not significantly exposed to credit risk as most of the sales is in cash , credit cards or redeemable vouchers issued by others .Similarly advance to parties are made in normal course of business as per terms and condition of contract .Since the amount involved is not material, the Company does not calculate any credit loss for trade receivables and advances to parties as required under Ind AS 109 'Financial Instrument' however, the company provides for doubtful advances and trade receivables based on its judgement about recoverability of amount.

**Clubwest points:** The company has considered nil breakage for the purpose of calculating defer revenue related to loyalty points.

**Defined benefit plans**

The cost and present obligation of Defined benefit gratuity plan and compensated absences are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are assumed at each reporting date. (Refer Note No 41, Page 162-165)

**Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate

## Notes to the financial statements for the year ended 31st March, 2017

valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk , volatility etc. Changes in assumptions/judgements about these factors could affect the reported fair value of financial instruments.

**Taxes**

Deferred tax, subject to the consideration of prudence, is recognised on temporary differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised to the extent that there is reasonable certainty that sufficient future tax income will be available against which such deferred tax assets can be realized.

**Impairment of financial assets:** The impairment provision for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**Discounting of deposit:** The company has considered SBI Base rate of respective periods in which transaction had occurred for measuring deposit, being financial assets /Liabilities, at amortised cost.

**Note 4**

**Property, plant and equipment**

(₹ in crore)

| Particulars | Land | Buildings | Plant & Equipment | Furniture & Fixures | Office equipment | Computers | Vehicle | Total |
|---|---|---|---|---|---|---|---|---|
| **Cost:** | | | | | | | | |
| **As at 1st April 2015** | **43.30** | **201.53** | **84.85** | **111.23** | **7.03** | **33.68** | **0.28** | **481.90** |
| Additions | 11.65 | 63.18 | 13.93 | 24.99 | 2.31 | 2.99 | - | 119.05 |
| Disposals / Transfers | - | (2.74) | (5.90) | (14.12) | (0.28) | (3.24) | (0.27) | (26.55) |
| **As at 31st March 2016** | **54.95** | **261.97** | **92.88** | **122.10** | **9.06** | **33.43** | **0.01** | **574.40** |
| Additions | - | 35.65 | 15.44 | 22.39 | 4.15 | 4.54 | - | 82.17 |
| Disposals / Transfers | - | (0.86) | (4.53) | (15.38) | (0.51) | (1.37) | - | (22.65) |
| **As at 31st March 2017** | **54.95** | **296.76** | **103.79** | **129.11** | **12.70** | **36.60** | **0.01** | **633.92** |
| **Accumulated Depreciation:** | | | | | | | | |
| **As at 1st April 2015** | **-** | **33.60** | **32.34** | **50.64** | **5.26** | **24.51** | **0.13** | **146.48** |
| Depreciation charge for the year | - | 7.06 | 8.12 | 13.07 | 1.05 | 3.68 | 0.01 | 32.99 |
| Disposals / Transfers | - | (1.43) | (3.05) | (9.64) | (0.26) | (2.38) | (0.13) | (16.89) |
| **As at 31st March 2016** | **-** | **39.23** | **37.41** | **54.07** | **6.05** | **25.81** | **0.01** | **162.58** |
| Additions | - | 8.85 | 8.51 | 13.03 | 1.39 | 3.77 | - | 35.55 |
| Disposals / Transfers | - | (0.26) | (3.19) | (9.70) | (0.39) | (1.30) | - | (14.84) |
| **As at 31st March 2017** | **-** | **47.82** | **42.73** | **57.40** | **7.05** | **28.28** | **0.01** | **183.29** |
| **Impairment Provision** | | | | | | | | |
| As at 1st April 2015 | - | 0.57 | 0.59 | 0.69 | 0.03 | 0.54 | - | 2.42 |
| As at 31st March 2016 | - | 0.05 | 0.16 | 0.17 | - | - | - | 0.38 |
| As at 31st March 2017 | - | - | - | - | - | - | - | - |
| **Net Book Value** | | | | | | | | |
| As at 1st April 2015 | 43.30 | 167.36 | 51.92 | 59.90 | 1.74 | 8.63 | 0.15 | 333.00 |
| As at 31st March 2016 | 54.95 | 222.69 | 55.31 | 67.86 | 3.01 | 7.62 | - | 411.44 |
| As at 31st March 2017 | 54.95 | 248.94 | 61.06 | 71.71 | 5.65 | 8.32 | - | 450.63 |

**Notes :**

(1) Buildings include improvements to leasehold premises and owned and an amount of ₹ 250 representing value of Shares in Co-operative Housing Societies/Condominium .

(2) Buildings include Net block of ₹ 4.27 crores (Previous year ₹ 4.35 Crores) which have been given under operating leases.

## Notes to the financial statements for the year ended 31st March, 2017

**Note 4**

**Property, plant and equipment (cont.)**

**Investment Property**

(₹ in crore)

| Particulars | Amount |
|---|---|
| Cost | |
| As at 31st March 2016 | - |
| Additions | 33.89 |
| Disposals / Transfers | - |
| **As at 31st March 2017** | **33.89** |
| Accumulated Depreciation: | |
| As at 31st March 2016 | - |
| Additions | 0.22 |
| Disposals / Transfers | - |
| **As at 31st March 2017** | **0.22** |
| Net Book Value | |
| As at 31st March 2016 | - |
| **As at 31st March 2017** | **33.67** |

**Notes:**

1. Fair value of Investment Property as at 31st March 2017 is ₹ 88.00 Crores (Approx.)
2. Amount recognised in the statement of Profit and loss for the year ended 31st March, 2017

(₹ in crore)

| Particulars | Amount |
|---|---|
| Rental Income | 0.11 |
| Operating expenses from property | 0.30 |

**Intangible assets**

(₹ in crore)

| Particulars | Computer software | Brands / trademarks. | Non Compate Fees | Total |
|---|---|---|---|---|
| **Cost:** | | | | |
| **As at 1st April 2015** | **19.03** | **0.01** | **0.20** | **19.24** |
| Additions | 2.30 | - | - | 2.30 |
| Disposals / Transfers | (5.63) | - | - | (5.63) |
| **As at 31st March 2016** | **15.70** | **0.01** | **0.20** | **15.91** |
| Additions | 2.93 | - | - | 2.93 |
| Disposals / Transfers | (0.02) | - | - | (0.02) |
| **As at 31st March 2017** | **18.61** | **0.01** | **0.20** | **18.82** |

## Notes to the financial statements for the year ended 31st March, 2017

**Note 4**

**Property, plant and equipment (cont.)**

(₹ in crore)

| Particulars | Computer software | Brands / trademarks. | Non Compate Fees | Total |
|---|---|---|---|---|
| **Accumulated Amortisation:** | | | | |
| **As at 1st April 2015** | **12.76** | **0.01** | **0.20** | **12.97** |
| Amortisation charge for the year | 1.55 | - | - | 1.55 |
| Disposals / Transfers | (3.16) | - | - | (3.16) |
| **As at 31st March 2016** | **11.15** | **0.01** | **0.20** | **11.36** |
| Additions | 1.85 | - | - | 1.85 |
| Disposals / Transfers | (0.02) | - | - | (0.02) |
| **As at 31st March 2017** | **12.98** | **0.01** | **0.20** | **13.19** |
| **Impairment Provision** | | | | |
| As at 1st April 2015 | 1.74 | - | - | 1.74 |
| As at 31 March 2016 | **-** | **-** | **-** | **-** |
| As at 31st March 2017 | - | - | - | - |
| **Net Book Value** | | | | |
| As at 1st April 2015 | 4.53 | - | - | 4.53 |
| As at 31st March 2016 | 4.55 | - | - | 4.55 |
| **As at 31st March 2017** | **5.63** | **-** | **-** | **5.63** |

**Note 5**

**FINANCIAL ASSET - NON CURRENT INVESTMENTS:**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **A. Investments in equity instruments** | | | |
| **Unquoted investments, unless otherwise stated** | | | |
| Investments in subsidiaries - At Cost | | | |
| (Refer note 40, Page 151-152) | | | |
| Nahar Retail Trading services Ltd. | **28.32** | 28.32 | 28.32 |
| Trent Brands Ltd. | **30.28** | 3.25 | 3.25 |
| Fiora Hypermarket Ltd | **45.14** | 1.05 | 1.05 |
| Fiora Services Limited | **1.89** | 1.89 | - |
| Landmark E-tail Ltd. | **-** | - | 19.83 |
| Trent Global Holdings Ltd.* | **4.02** | 3.55 | 3.55 |
| Fiora Business Support Services Ltd. (Formerly known as Westland Ltd.)** | **3.31** | 3.31 | 3.01 |
| | **112.96** | 41.37 | 59.01 |

## Notes to the financial statements for the year ended 31st March, 2017

**Note 5**

**FINANCIAL ASSET - NON CURRENT INVESTMENTS (cont.) :**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Less: Provision for impairment in value of investments | **(3.55)** | (3.55) | (15.08) |
| | **109.41** | 37.82 | 43.93 |
| **Investments in Joint Ventures - At cost** | | | |
| (Refer Note 40, Page152) | | | |
| Trent Hypermarket Pvt. Ltd. | **405.00** | 405.00 | 405.00 |
| Other Equity Investment in Trent Hypermarket Pvt. Ltd | **1.39** | 1.39 | 1.39 |
| | **406.39** | 406.39 | 406.39 |
| **Investments in Associates - At cost** | | | |
| (Refer Note 40, Page 152) | | | |
| Inditex Trent Retail India Pvt Ltd | **31.75** | 31.75 | 31.75 |
| Massimo Dutti India Pvt Ltd. | **11.03** | 11.03 | 0.25 |
| | **42.78** | 42.78 | 32.00 |
| **In Other Companies- At fair Value through Other Comprehensive Income** | | | |
| Tata Unistore Limited | **36.03** | 18.66 | - |
| Retailers Association of India | **0.01** | 0.01 | 0.01 |
| Retailers Association's Skill Council of India | **0.01** | 0.01 | 0.01 |
| IDBI Ltd. (Quoted) | **0.14** | 0.13 | 0.13 |
| Tata Investment Corporation Ltd. (Quoted) | **2.45** | 1.82 | 2.21 |
| The Associated Building Company Ltd. (full figure ₹ 45,000) | **0.00** | 0.00 | 0.00 |
| Tata Services Ltd.(full figure ₹ 45,000) | **0.00** | 0.00 | 0.00 |
| | **38.64** | 20.63 | 2.36 |
| **Total Investments in Equity shares [A]** | **597.22** | 507.62 | 484.68 |
| **B. Investments in Debentures/Bonds** | | | |
| **Quoted investments** | | | |
| **Investments in Other Companies- At Fair value through Profit and Loss** | | | |
| 11.50%Tata Steel Perpetual Bond | **9.47** | 9.45 | 9.26 |
| 11.80%Tata Steel Perpetual Bond | **10.84** | 10.81 | 10.96 |
| 9.30% Tata International Ltd Perpetual NCD | **50.09** | - | - |
| 11.40% The Tata Power Co. Ltd. perpetual NCD | **53.56** | 53.06 | 53.37 |
| **Total Investments in Debentures/Bonds [B]** | **123.96** | 73.32 | 73.59 |
| **C. Investment In Preference Shares** | | | |
| **Unquoted investments** | | | |
| **Investment in Subsidiaries at cost** | | | |
| Fiora Hypermarket Ltd-10% Non Cumulative Optionally Convertible Preference Shares | **-** | 43.99 | 43.99 |

## Notes to the financial statements for the year ended 31st March, 2017

**Note 5**

**FINANCIAL ASSET - NON CURRENT INVESTMENTS (cont.) :**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Landmark Etail Ltd.-10% Non Cumulative Redeemable Preference Shares | - | - | 4.56 |
| Fiora Business Support Services Ltd. -10% Non Cumulative Redeemable Preference shares** | - | - | 13.00 |
| Fiora Business Support Services Ltd.-10% Non Cumulative Optionally Convertible Preference Shares** | - | - | 4.93 |
| Fiora Business Support Services Ltd. 0.001% Compulsorily Convertible Preference Shares - Series B 2016** | **17.93** | 17.93 | - |
| Fiora Business Support Services Ltd. 0.001% Compulsorily Convertible Preference Shares - Series A 2016** | **8.44** | - | - |
| Trent Brands Ltd. 10% Non Cumulative Optionally Convertible Preference Shares | - | 29.90 | 29.90 |
| | **26.37** | 91.82 | 96.38 |
| **Investments in Other Companies- At Fair value through Profit and Loss** | | | |
| **Unquoted investments** | | | |
| Tata Sons Ltd. 7.50%-Cum. Red. Preference Shares | **14.02** | 14.02 | 15.07 |
| Tata Capital Ltd. 8.33% -Cum. Red. Preference shares | **10.00** | 10.00 | |
| **Total Investments in Preference shares [C]** | **50.39** | 115.84 | 111.45 |
| **D. Investment in Mutual Funds At Fair value through profit and loss** | | | |
| **Unquoted investments** | | | |
| HDFC Floating Rate Inc. Fund LT pl Dir Gr. | **7.05** | 16.29 | 15.04 |
| ICICI Pru FMP srs 73 378 days plan N Dir Gr | - | - | 5.48 |
| HDFC Short Term Opportunities Funds-Dir Gr | - | 12.66 | 18.91 |
| Birla Sunlife FT Plan Srs KW (374) Days | - | - | 5.47 |
| IDFC Dynamic Bond Fund Dir. Gr. | **22.22** | 31.40 | 22.10 |
| IDFC Super Saver Inc. Fund ST Plan Dir. Gr. | - | 4.13 | 13.57 |
| Tata Short Term Bond Fund-Gr.-Dir. | **47.18** | 70.46 | 40.25 |
| Birla Sunlife Treasury Optim. Plan Dir Gr. | **20.65** | 20.63 | 23.72 |
| Birla Sunlife Short term Fund Dir. Gr. | **15.94** | 16.53 | 19.97 |
| UTI Short Term Income Fund Inst. Dir. Gr. | **9.67** | 22.68 | 30.20 |
| SBI Dynamic Bond Fund-Dir Gr. | **15.24** | 20.40 | 14.22 |
| Tata Fixed Maturity Plan Srs 47 Sch.C Dr.Gr. | - | - | 5.47 |

## Notes to the financial statements for the year ended 31st March, 2017

**Note 5**

**FINANCIAL ASSET - NON CURRENT INVESTMENTS (cont.) :**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| HDFC FMP-378D March 2014(1)Srs 29 Dir Gr. | **-** | - | 5.47 |
| ICICI Prudential Ultra Short Term Dir. Gr. | **-** | - | 5.48 |
| L&T FMP Series X-Plan-S (380 D) Dir Gr. | **-** | - | 2.73 |
| Birla Sunlife Income plus-growth | **20.40** | 25.80 | 16.94 |
| DSP Blackrock Stra Bond Fund Dir plan Gr. | **3.82** | 5.93 | 5.56 |
| ICICI Pru Income Plan-Dir.Gr. | **10.85** | 18.08 | 16.93 |
| ICICI Pru Short Term -Dir.Gr. | **8.52** | 22.00 | 29.77 |
| HDFC Income Fund-Dir. Gr. | **20.77** | 20.65 | 16.87 |
| Kotak Bond Scheme plan A Dir Gr. | **22.82** | 23.02 | 16.68 |
| Kotak Bond (Short Term) Dir Gr. | **1.45** | 3.79 | 10.74 |
| HDFC High Interest fund Dynamic plan-Dir.Gr. | **10.13** | 11.36 | 5.64 |
| ICICI Pru Dynamic Bond Fund -Dir.Gr. | **6.74** | 6.03 | 5.54 |
| ICICI Pru Constant maturity Gilt Fund Dir.Gr | **1.34** | 1.19 | 1.10 |
| Units-HDFC Gilt Fund-Long term Plan Dir.Gr | **3.00** | 2.68 | - |
| Units-ICICI Pru Long term Dir Plan Growth | **9.21** | 8.05 | - |
| Units-ICICI Pru Gilt Fund Investment Plan PF Opp.Dir | **3.04** | 2.67 | - |
| Units-Birla Sunlife Govt. Sec. LT Dir.Gr | **-** | 2.66 | - |
| Units-IDFC Govt Sec. Fund- Investment Plan Dir. Gr | **-** | 2.64 | - |
| Units- Tata Dynamic bond fund | **11.84** | 10.61 | - |
| **Total Investments in Mutual Funds [D]** | **271.88** | 382.34 | 353.85 |
| **Total** | **1,043.45** | 1,079.12 | 1,023.57 |
| Aggregate amount of | | | |
| Quoted Investment | **126.55** | 75.26 | 75.93 |
| Unquoted Investment | **916.90** | 1003.86 | 947.64 |
| | **1043.45** | 1079.12 | 1023.57 |

* As at 31.03.2017 USD 8,70,000, As At 31.03.2016 USD 8,00,000, As At 01.04.2015 USD 8,00,000

** The name of Westland Ltd has been changed to Fiora Business Support Services Ltd in April, 2017

## Notes to the financial statements for the year ended 31st March, 2017

**Note 6**

**FINANCIAL ASSET - LONG TERM LOANS**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Unsecured and Considered good | | | |
| **Security Deposits** | | | |
| For Premises | **29.86** | 12.37 | 38.21 |
| Others | **2.89** | 2.16 | 2.62 |
| **Loans to related parties (Refer Note 40, Page 157)** | **5.20** | 6.65 | 6.65 |
| **Other Loans** | | | |
| Loans to Others | **-** | - | 0.25 |
| Loans to Employees | **1.46** | 1.49 | 1.47 |
| | **39.41** | 22.67 | 49.20 |

**Note 7**

**FINANCIAL ASSET - OTHER NONCURRENT ASSET**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Margin Money Deposits with Banks with more than 12 months maturity | **0.22** | 1.46 | 1.27 |
| | **0.22** | 1.46 | 1.27 |

**Note 8**

**DEFERRED TAX**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **Deferred Tax Liabilities arising due to temporary difference pertaining to :** | | | |
| (a) Amortisation of Debentures | **-** | 0.58 | 0.84 |
| (b) Fair Valuation of Investments | **3.56** | 8.36 | 2.72 |
| (c) Depreciation | **11.60** | 10.65 | 10.33 |
| (d) Others (Full Figure ₹ 38000) | **0.00** | 0.01 | 0.01 |
| | **15.16** | 19.60 | 13.90 |
| **Deferred Tax Assets arising due to temporary difference pertaining to :** | | | |
| (a) Retirement Benefits | **5.18** | 4.19 | 3.54 |
| (b) MAT Credit | **14.12** | 16.04 | 19.82 |
| (c) Others | **5.97** | 7.94 | 8.94 |
| | **25.27** | 28.17 | 32.30 |
| **Net Deferred Tax Assets** | **10.11** | 8.57 | 18.40 |

## Notes to the financial statements for the year ended 31st March, 2017

**Note 9**

**OTHER NON- CURRENT ASSETS**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Capital Advances | **5.41** | 3.71 | 0.04 |
| Other Receivable: | | | |
| Pre-paid Lease Rentals | **48.06** | 48.79 | 49.51 |
| Deferred Lease expense | **1.80** | 1.36 | 1.25 |
| Pre-paid Expenses (Full figure ₹ 25920) | **0.00** | - | - |
| | **55.27** | 53.86 | 50.80 |

**Note 10**

**INVENTORIES**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Raw Materials | **0.15** | 0.23 | 0.32 |
| Stock-In-Trade | **292.40** | 262.79 | 246.99 |
| Stock In Trade (In Transit) | **2.69** | 4.30 | 0.66 |
| Packing Material | **1.50** | 1.90 | 1.80 |
| Stores and Spares | **1.54** | 0.88 | 0.60 |
| | **298.28** | 270.10 | 250.37 |

**Note 11**

**FINANCIAL ASSET - CURRENT INVESTMENTS**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **A. Investment in Mutual Funds** | | | |
| **Unquoted investments - At Fair value through profit and loss** | | | |
| HDFC Cash Mgnt Fund-Savings Regular Plan-Growth | **10.01** | 0.48 | 0.46 |
| UTI Liquid Cash Plan Instt-Growth | **1.38** | 0.17 | 0.21 |
| Kotak Liquid Regular Plan Growth | **5.01** | 0.17 | 0.13 |
| ICICI Prudential Liquid Fund Growth | **10.01** | 0.48 | 0.64 |
| Tata Liquid Fund Regular Plan Growth | **23.26** | 4.07 | 18.02 |

## Notes to the financial statements for the year ended 31st March, 2017

**Note 11**

**FINANCIAL ASSET - CURRENT INVESTMENTS (cont.)**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Birla Sunlife Cash plus - Growth Regular Plan | **6.61** | 0.24 | 0.52 |
| DSP Blackrock Liquidity Fund Inst.Growth | **0.26** | 0.11 | 0.61 |
| SBI Premier Liquid Fund Regular plan Growth | **0.26** | 0.11 | 0.56 |
| Axis Liquid Fund Inst.Growth | **0.14** | - | 0.56 |
| Tata Floater Fund Growth | **1.01** | - | - |
| Birla Sunlife Cash plus Growth Direct Plan | **5.00** | - | - |
| Reliance Liquid Fund-Treasury Plan-Inst-Growth | **0.26** | 0.11 | 0.56 |
| DWS Insta Cash Plus Fund - Super IP Growth | **0.12** | 0.11 | 0.63 |
| Sundaram Money Fund Regular-Growth | **0.23** | 0.11 | 0.41 |
| Invesco India Liquid Fund-Growth. | **0.26** | 0.11 | 0.53 |
| L&T Liquid Fund-Growth | **0.26** | 0.11 | 0.53 |
| IDFC Cash Fund Growth | **5.02** | 0.11 | 0.46 |
| Axis Liquid Fund Inst. Dir Growth | **0.12** | 0.11 | - |
| | **69.22** | 6.60 | 24.83 |
| Aggregate amount of | | | |
| Quoted Investment | **-** | - | - |
| Non Quoted Investment | **69.22** | 6.60 | 24.83 |
| | **69.22** | 6.60 | 24.83 |

**Note 12**

**FINANCIAL ASSET - TRADE AND OTHER RECEIVABLES**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **Unsecured** | | | |
| Considered Good | **3.10** | 2.03 | 2.21 |
| Considered Doubtful | **0.98** | 1.96 | 2.69 |
| Less: Allowance for Doubtful Debts | **(0.98)** | (1.96) | (2.69) |
| | **-** | - | - |
| | **3.10** | 2.03 | 2.21 |

## Notes to the financial statements for the year ended 31st March, 2017

### Note 13
### FINANCIAL ASSET - CASH AND CASH EQUIVALENTS

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Balances with Banks in : | | | |
| - Current Accounts | **22.96** | 18.24 | 21.09 |
| - Deposit Accounts | **0.07** | 0.01 | 0.01 |
| Cash in hand | **2.75** | 2.08 | 2.17 |
| | **25.78** | 20.33 | 23.27 |

### Note 14
### FINANCIAL ASSET - OTHER BANK BALANCES

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Credit Card slips on hand | 3.18 | 1.46 | 1.44 |
| Margin Money Deposits with Banks with less than 12 months maturity | 1.46 | 1.60 | 1.69 |
| Unclaimed Application money on Securities | 0.01 | 0.01 | 0.01 |
| Earmarked Balances with Banks: | | | |
| Unpaid Dividends | 1.04 | 1.67 | 0.82 |
| Unclaimed Debenture Interest | 0.07 | 0.08 | 0.09 |
| Other Unclaimed Amount | 0.02 | 0.02 | 0.02 |
| | **5.78** | **4.84** | **4.07** |

### Note 15
### FINANCIAL ASSET - SHORT TERM LOANS

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **Secured Considered Good** | | | |
| Inter Corporate Deposits Given | **25.00** | 25.00 | 25.00 |
| **Unsecured Considered Good** | | | |
| Security Deposits | | | |
| Deposits for Premises- | **73.07** | 84.51 | 74.43 |
| Deposit for Others | **-** | 0.67 | - |
| Loans to Staff | **0.81** | 1.13 | 0.74 |
| | **73.88** | 86.31 | 75.17 |
| **Unsecured,Considered Doubtful** | | | |
| Security Deposits | **2.63** | 2.63 | 2.00 |
| Loans to Staff | **0.04** | 0.04 | 0.04 |
| Bills Of Exchange | **1.14** | 1.14 | 1.14 |
| | **3.81** | 3.81 | 3.18 |
| Less - Provision for Doubtful Loans | **(3.81)** | (3.81) | (3.18) |
| | **-** | - | - |
| | **98.88** | 111.31 | 100.17 |

## Notes to the financial statements for the year ended 31st March, 2017

**Note 16**

**FINANCIAL ASSETS - OTHER CURRENT ASSETS**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **Unsecured Considered Good** | | | |
| Other Receivable | **0.91** | 0.98 | - |
| Interest Accrued | | | |
| Bank Deposits | **0.09** | 0.29 | 0.19 |
| Others | **3.53** | 2.94 | 2.95 |
| | **4.53** | 4.21 | 3.14 |
| **Unsecured,Considered Doubtful** | | | |
| Interest Accrued (Other than Bank Deposits) | **0.19** | 0.19 | 0.19 |
| Other Receivable | **0.88** | 0.88 | 0.88 |
| | **1.07** | 1.07 | 1.07 |
| Less - Provision for Doubtful Receivables | **(1.07)** | (1.07) | (1.07) |
| | **-** | - | - |
| | **4.53** | 4.21 | 3.14 |

**Note 17**

**OTHER CURRENT ASSETS**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **Unsecured Considered Good** | | | |
| Advances other than Capital Advances | | | |
| Advances Payment to Creditors | **2.47** | 1.13 | 13.67 |
| Balance Recoverable from Government Authorities | **9.92** | 8.61 | 7.13 |
| Deferred Lease Expense | **3.49** | 1.63 | 1.16 |
| Pre-paid Lease Rentals (Net) | **0.72** | 0.72 | 0.72 |
| Pre-paid Expenses | **5.87** | 5.21 | 7.88 |
| Other Receivables | **2.02** | 1.97 | 0.73 |
| | **24.49** | 19.27 | 31.29 |
| **Unsecured Considered Doubtful** | | | |
| Other Receivables | **3.14** | 1.89 | 1.57 |
| Advances Payment to Creditors | **0.13** | 0.11 | 0.06 |
| Balance Recoverable from Government Authorities (Taxes Recoverable) | **0.04** | 0.04 | 0.04 |
| | **3.31** | 2.04 | 1.67 |
| Less - Provision for Doubtful Receivables | **(3.31)** | (2.04) | (1.67) |
| | **-** | - | - |
| | **24.49** | 19.27 | 31.29 |

## Notes to the financial statements for the year ended 31st March, 2017

**Note 18**

**EQUITY**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **EQUITY SHARE CAPITAL** | | | |
| **Authorised:** | | | |
| 47,25,00,000 Equity Shares of ₹1/- each | **47.25** | 47.25 | 47.25 |
| (2015-16: 4,72,50,000 Equity Shares of ₹10/- each) | | | |
| (As at 01.04.2015: 4,72,50,000 Equity Shares of Rs.10/- each) | | | |
| 30,00,000 Unclassified Shares of ₹10/- each | **3.00** | 3.00 | 3.00 |
| (2015-16:30,00,000 Unclassified Shares of ₹10/- each) | | | |
| (As At 01.04.2015: 30,00,000 Unclassified Shares of ₹10/- each) | | | |
| 16,30,000 Preference shares of ₹ 100/-each | **16.30** | 16.30 | 16.30 |
| (2015-16:16,30,000 Preference shares of ₹ 100/-each) | | | |
| (As at 01.04.2015:16,30,000 Preference shares of ₹ 100/-each) | | | |
| 70,000 Preference Shares of ₹ 1000/- each | **7.00** | 7.00 | 7.00 |
| (2015-16: 70,000 Preference Shares of ₹ 1000/- each) | | | |
| (As at 01.04.2015:70,000 Preference Shares of ₹ 1000/- each) | | | |
| 1,20,00,000 Cumulative Convertible Preference shares of ₹ 10/- each. | **12.00** | 12.00 | 12.00 |
| (2015-16:1,20,00,000 Cumulative Convertible Preference shares of ₹ 10/-each) | | | |
| (As at 01.04.2015:1,20,00,000 Cumulative Convertible Preference shares of ₹10/-each) | | | |
| | **85.55** | 85.55 | 85.55 |
| **Ordinary Shares** | | | |
| **Issued,Subscribed and paid-up:** | | | |
| 33,23,16,730 Equity Shares of ₹ 1/- each fully paid-up* | **33.23** | 33.23 | 33.23 |
| (2015-16: 3,32,31,673 Equity Shares of ₹ 10/- each fully paid-up) | | | |
| (As at 01.04.2015: 3,32,31,544 Equity Shares of ₹ 10/- each fully paid-up) | | | |
| | **33.23** | 33.23 | 33.23 |

*During the year 2016-17 the Company has split its equity shares having face value of ₹ 10 each into equity shares having face value of ₹ 1 Per share.

## Notes to the financial statements for the year ended 31st March, 2017

**Note 18**
**EQUITY (cont.)**

**Terms/rights attached to equity shares**

The Company has equity shares having par value of ₹ 1 per share. Each holder of Equity Shares is entitled to one vote per share.The shareholders have the right to receive interim dividends declared by the Board of Directors and final dividends proposed by the Board of Directors and approved by the shareholders. In the event of liquidation of the Company,the holders of Equity shares will be entitled to receive any of the remaining assets of the company,after distribution of Preferential amounts.The distribution will be in proportion to the number of equity shares held by the shareholders.The equity shareholders have all other rights as available to the equity shareholders as per the provisions of Companies Act, 2013 read together with the Memorandum of Association and Articles of Association of the company as applicable.

**Reconciliation of Share Capital**

**₹ In crore**

| Particulars | As at 31.03.2017 | | As at 31.03.2016 | | As at 01.04.2015 | |
|---|---|---|---|---|---|---|
| | Nos. | Amount | Nos. | Amount | Nos. | Amount |
| **Equity shares** | | | | | | |
| Number of shares at the beginning | **3,32,31,673** | **33.23** | 3,32,31,544 | 33.23 | 3,32,31,544 | 33.23 |
| Add - Issued during the year (Full Figure for the Year 2015-16 ₹1290)* | | | 129 | 0.00 | - | - |
| Number of shares at the end** | **33,23,16,730** | **33.23** | 3,32,31,673 | 33.23 | 3,32,31,544 | 33.23 |

* Shares issued during the year 2015-16 is related to shares held in abeyance for 2007 and 2010 right issues.

** During the year the Company has split its equity shares having face value of ₹ 10 each into equity shares having face value of ₹ 1 Per shares

**The details of shareholders holding more than 5 % shares are as under:**

| Name of the shareholders | As at 31.03.2017 | | As at 31.03.2016 | | As at 01.04.2015 | |
|---|---|---|---|---|---|---|
| | Nos.* | % to total shares | Nos. | % to total shares | Nos. | % to total shares |
| Equity shares | | | | | | |
| Tata Sons Ltd | **9,21,69,610** | **27.74** | 87,44,247 | 26.31 | 87,44,247 | 26.31 |
| Arisag Partners (Asia) Pte Ltd. A/c Arisaig India Fund Limited | **3,28,50,000** | **9.89** | 32,85,000 | 9.89 | 32,85,000 | 9.89 |
| Reliance Capital Trustee Co Ltd A/c Reliance Equity Opportunities Fund | **Not Applicable** | | 26,37,327 | 7.94 | 26,37,327 | 7.94 |
| Dodona Holdings Limited | **1,78,17,560** | **5.36** | 17,81,756 | 5.36 | 17,81,756 | 5.36 |

* During the year the Company has split its equity shares having face value of ₹ 10 each into equity shares having face value of ₹1 Per shares

## Notes to the financial statements for the year ended 31st March, 2017

**Note 18**
**EQUITY (cont.)**

The above details are as certified by the Registrar and Share transfer Agents .

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **OTHER EQUITY** | | | |
| Other Reserves | | | |
| Capital Redemption Reserve | **7.00** | 7.00 | 7.00 |
| Securities Premium Account | **976.82** | 976.82 | 976.81 |
| Debenture Redemption Reserve | **93.75** | 93.75 | 93.00 |
| General Reserve | **130.19** | 130.19 | 130.19 |
| | **1207.76** | 1207.76 | 1207.00 |
| Retained Earnings | **298.94** | 192.07 | 182.26 |
| Equity Instruments through Other Comprehensive Income | **1.10** | 0.28 | 0.67 |
| Remeasurements of the net Defined Benefit Plans | **(0.25)** | (0.17) | - |
| Income Tax on Defined Benefit Plan | **0.05** | 0.06 | - |
| | **1507.60** | 1400.00 | 1389.93 |

**Note 19**
**FINANCIAL LIABILITIES - LONG TERM BORROWINGS**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **Unsecured** | | | |
| Non Convertible Debentures - June 10 Series 1 (Refer note 1 & 3 Below) | **-** | 45.00 | 45.00 |
| Non Convertible Debentures - June 10 Series 2 (Refer note 1 & 3 Below) | **-** | 50.99 | 46.38 |
| Non Convertible Debenture - Sept. 2016 Series 1 (Refer note 2 & 3 Below) | **99.82** | - | - |
| | **99.82** | 95.99 | 91.38 |

**Note:-**

(1) During the year 2010-11, the Company issued 450 Redeemable Non Convertible Debentures June 2010 Series 1 of ₹ 10 lakhs each and 300 Redeemable Non Convertible Debentures June 2010 Series 2 of ₹ 10 lakhs each on private placement basis. Series I Debentures will carry an interest @ 9.75%p.a and are redeemable at par on 30th June 2017 and series 2 Debentures are free of Interest and will be redeemed at premium of ₹ 9.13 Lakhs on 30th June 2017 .

(2) During the year, the Company issued 1000 Redeemable Non Convertible Debentures September 2016 Series 1 of ₹ 10 lakhs each on private placement basis. These Debentures will carry an interest @ 7.84 % p.a and are redeemable at par on 10th September 2019 .

(3) In accordance with Ind AS 109, these debentures are measured at amortised cost inclusive of issue expenses and redemption premium.

## Notes to the financial statements for the year ended 31st March, 2017

**Note 20**
**FINANCIAL LIABILITIES - OTHER NONCURRENT FINANCIAL LIABILITIES**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Deposits | **2.07** | - | 2.17 |
| | **2.07** | - | 2.17 |

**Note 21**
**LONG TERM PROVISIONS**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Provision for Employee Benefits (Refer Note 41, Page 160-165) | **13.08** | 9.50 | 9.28 |
| | **13.08** | 9.50 | 9.28 |

**Note 22**
**OTHER NON- CURRENT LIABILITIES**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Deferred Lease Income | **0.28** | - | 0.20 |
| | **0.28** | - | 0.20 |

**Note 23**
**FINANCIAL LIABILITIES - SHORT TERM BORROWINGS**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **Unsecured** | | | |
| Commercial Paper Sept 2016 Series I | **96.80** | - | - |
| Commercial Paper Feb 2017 Series I | **94.07** | - | - |
| | **190.87** | - | - |

**Notes:**
During the year the Company has issued commercial papers on following terms:

(₹ in crore)

| Particulars | Principal Amount | Rate of Interest | Date of Redemption |
|---|---|---|---|
| Commercial Paper Sept 2016 Series I | 92.92 | 7.70% | 11.09.2017 |
| Commercial Paper Sept 2016 Series II (Refer note below) | 48.30 | 7.15% | 14.03.2017 |
| Commercial Paper Feb 2017 Series I | 93.48 | 7.09% | 22.02.2018 |

Commercial Paper Sept 2016 Series II was redeemed on due date.

## Notes to the financial statements for the year ended 31st March, 2017

**Note 24**
**FINANCIAL LIABILITIES - TRADE AND OTHER PAYABLES**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Trade Payable | | | |
| (i) Payable to Micro and Small Enterprises (Refer Note 39 (c), Page 149) | **0.84** | 1.55 | - |
| (ii) Payable to others | **131.98** | 147.68 | 142.64 |
| | **132.82** | 149.23 | 142.64 |

**Note 25**
**FINANCIAL LIABILITIES - OTHER CURRENT FINANCIAL LIABILITIES**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Current Portion of Long term Borrowing (Refer Note 1 below, Refer Note 2 & 3, Page 141) | **101.05** | 299.83 | 224.64 |
| Interest Accrued and not due on borrowings | **7.56** | 16.41 | 5.63 |
| Interest accrued on unpaid matured debentures | **0.07** | 0.08 | 0.09 |
| Unpaid Dividend | **1.03** | 1.66 | 0.85 |
| Application money received for allotment of securities and due for refund and interest accrued thereon(Full figure ₹13,200) (Refer Note 4, Page 141) | **0.00** | 0.00 | 0.00 |
| Employee Dues | **23.62** | 19.75 | 15.16 |
| Security Deposits | **10.37** | 9.65 | 3.42 |
| Creditors for Capital Expenditure | **9.45** | 7.07 | 12.59 |
| Option Liability | **-** | - | 2.00 |
| Financial Guarantee Liability | **-** | 0.07 | 0.32 |
| Others | **1.09** | 0.03 | 0.02 |
| | **154.24** | 354.55 | 264.72 |

**Notes:**

(1) During the year 2010-11, the Company issued 450 Redeemable Non Convertible Debentures June 2010 Series 1 of ₹ 10 lakhs each and 300 Redeemable Non Convertible Debentures June 2010 Series 2 of ₹ 10 lakhs each on private placement basis. Series I Debentures will carry an interest @ 9.75% p.a and are redeemable at par on 30th June 2017 and series 2 Debentures are free of Interest and will be redeemed at premium of ₹ 9.13 Lakhs on 30th June 2017.

## Notes to the financial statements for the year ended 31st March, 2017

**Note 25**
**FINANCIAL LIABILITIES - OTHER CURRENT FINANCIAL LIABILITIES (cont.)**

(2) During the previous year, the Company issued 3000 Redeemable Non Convertible Debentures April 15 Series I of ₹ 10 lakhs each on private placement basis. These Debentures carry a coupon rate of 8.98% p.a of interest and were redeemed at par on 20th Septemeber 2016.

(3) In accordance with Ind AS 109, these debentures are measured at amortised cost inclusive of issue expenses and redemption premium.

(4) Share Application Money received and due for refund represents the cheques issued but not encashed by the payees.

**Note 26**
**OTHER CURRENT LIABILITIES**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Statutory Dues and Withholding Taxes | **16.21** | 14.10 | 12.25 |
| Deferred Sales Liabilities | **14.51** | 11.63 | 9.54 |
| Deferred Lease income | **0.20** | 0.20 | 0.22 |
| Other Current Liabilities | **13.78** | 10.90 | 8.29 |
| | **44.70** | 36.83 | 30.30 |

**Note 27**
**SHORT TERM PROVISIONS**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Provision for Employee Benefits (Refer Note 41, Page 160-165) | **1.81** | 1.50 | 1.39 |
| Provision for Contingencies (Refer Note 37 (f), Page 148) | **2.05** | 2.05 | 2.34 |
| | **3.86** | 3.55 | 3.73 |

## Notes to the financial statements for the year ended 31st March, 2017

**Note 28**
**REVENUE FROM OPERATIONS**

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| Sale of Products (Gross) | **1798.24** | 1543.83 |
| Less: VAT/Sales Tax | **(109.26)** | (91.11) |
| Sale of Products (Net) | **1688.98** | 1452.72 |
| **Other Operating Revenues** | | |
| Discounts & Fees | **21.48** | 17.18 |
| Rent | **8.12** | 6.13 |
| Display & Sponsorship Income | **0.22** | 0.39 |
| Exchange Fluctuation Income (Net) | **0.62** | 0.41 |
| Others | **18.64** | 15.08 |
| | **49.08** | 39.19 |
| | **1738.06** | 1491.91 |

**Note 29**
**OTHER INCOME**

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| **Interest Income** | | |
| - Interest Income on: | | |
| - Loans and Advances | **13.42** | 15.11 |
| - Deposits with Bank | **1.76** | 0.63 |
| - On Security Deposit measured at Amortised Cost | **2.47** | 1.62 |
| **Dividend Income** | | |
| - Subsidiaries | **0.13** | 0.13 |
| - Others | **1.95** | 34.81 |
| **Other Non-Operating Income** | | |
| - Provisions/Liabilities no longer required written back | **1.21** | 2.88 |
| - Gain on sale of Current Investments (Net) | **2.42** | 3.24 |
| - Gain on sale of Non Current Investments (Net) | **7.70** | 2.74 |
| -Financial Guarantee Income | **0.07** | 0.26 |
| - Miscellaneous Income | **0.33** | 0.10 |
| - Changes in the Fair value of Investments | **27.53** | 27.23 |
| | **58.99** | 88.75 |

## Notes to the financial statements for the year ended 31st March, 2017

**Note 30**
**COST OF RAW MATERIALS CONSUMED**

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| Opening Stock of Raw Material | **0.23** | 0.32 |
| Add:Purchases | **-** | 0.53 |
| Less:Closing Stock | **(0.15)** | (0.23) |
| **Cost of Raw Materials Consumed** | **0.08** | 0.62 |

**Note 31**
**CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS**

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| Opening Stock | **262.79** | 246.99 |
| Less: Closing Stock | **292.40** | 262.79 |
| **(INCREASE)/ DECREASE** | **(29.61)** | (15.80) |

**Note 32**
**EMPLOYEE BENEFITS EXPENSE**

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| Salaries and Wages | **148.92** | 118.67 |
| Contribution to Provident and Other Funds | **9.58** | 7.14 |
| Staff Welfare | **7.55** | 6.53 |
| | **166.05** | 132.34 |

**Note 33**
**FINANCE COST**

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| **Interest Expenses:** | | |
| Interest on Debentures | **21.30** | 31.14 |
| Interest on Commercial Papers | **6.17** | - |
| Interest on measuring NCD at Amortised Cost | **5.26** | 5.83 |
| Interest on measuring Security Deposit at Amortised Cost | **0.32** | 0.22 |

## Notes to the financial statements for the year ended 31st March, 2017

**Note 33**
**FINANCE COST (cont.)**

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| Interest Others | **0.49** | 0.36 |
| **Other Borrowing Costs** | **0.13** | - |
| | **33.67** | 37.55 |

**Note 34**
**OTHER EXPENSES**

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| Processing Charges | **0.07** | 0.69 |
| Consumable Stores | **4.09** | 3.13 |
| Packing Materials Consumed | **3.64** | 2.97 |
| Power and Fuel | **47.97** | 45.34 |
| Repairs to Building | **48.91** | 47.50 |
| Repairs to Machinery | **11.07** | 9.09 |
| Repairs Others | **10.91** | 9.96 |
| Rent (including embedded lease component) (Refer Note 3, Page 123) | **227.84** | 187.39 |
| Franchisee Fees (Excluding embedded lease components) (Refer Note 3, Page 123) | **25.98** | 26.71 |
| Rates and Taxes | **18.28** | 16.66 |
| Insurance | **2.27** | 1.42 |
| Advertisement and Sales Promotion | **46.11** | 42.42 |
| Travelling Expenses | **9.83** | 7.92 |
| Professional and Legal Charges | **23.18** | 16.79 |
| Printing and Stationery | **2.34** | 1.73 |
| Bank Charges | **11.19** | 9.67 |
| Postage, Telegrams and Telephones | **5.26** | 5.17 |
| Outsourcing Fees | **30.53** | 34.27 |
| General Expenses (Refer Note (39 (a), Page 149) | **45.76** | 37.03 |
| Directors' Fees | **0.93** | 0.64 |
| Commission to Non Whole-time Directors | **0.96** | 1.00 |

## Notes to the financial statements for the year ended 31st March, 2017

**Note 34**
**OTHER EXPENSES (cont.)**

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| Loss on Sale of Fixed Assets Sold/Discarded (Net) | **5.41** | 4.14 |
| Impairment Loss on Fixed assets | **(0.06)** | (0.01) |
| Freight and Forwarding Charges | **38.60** | 33.00 |
| Exchange Fluctuation Expense | **-** | 0.38 |
| Corporate Social Responsibility (Refer Note 39 (b), Page 149) | **0.82** | 0.59 |
| | **621.89** | 545.60 |

**Note 35**
**EXCEPTIONAL ITEMS INCOME/(EXPENSES)**

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| **Income** | | |
| Profit on sale of Investment in Trent Brands Ltd.(Subsidiary Company) | **24.70** | - |
| Excess provision for contingencies not required written back | **-** | (0.29) |
| **Expenses** | | |
| Loss on Sale of Investment in Landmark E-tail Ltd.(Subsidiary company) (Refer Note 1 Below) | **-** | 0.10 |
| Provision For Impairment In Value of Investment In Trent Global Holding Ltd. (Subsidiary Company) | **-** | 0.30 |
| | **24.70** | 0.11 |

**Note**

(1) Loss on sale of Investment in Landmark E-tail Ltd. ₹ 0.10 Crores is net of provision for Impairment of ₹ 11.83 Crores made in earlier years.

**Note 36**
**OTHER COMPREHENSIVE INCOME**

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| Items that will not be reclassified to Profit or Loss | | |
| (i) Equity Instruments through Other Comprehensive Income | **0.82** | (0.39) |
| (ii) Remeasurement of Defined Benefit Plan | **(0.14)** | (0.17) |
| (iii) Income tax on Defined Benefit Plan | **0.05** | 0.06 |
| | **0.73** | (0.50) |

## Notes to the financial statements for the year ended 31st March, 2017

**Note 37**

**Commitments and contingencies**

**(a) Operating lease commitments**

**Company as lessee**

The company has entered into certain arrangements in the form of operating lease to operate retail business. As per terms of the arrangements, the company has obligation of regular payment for use of property.Some of the arrangements include minimum lock in period clause for regular payment of lease rent or payments of similar nature. Certain arrangements also include renewal and escalation clause for the mutually agreed period between the parties.

The company has paid ₹ 227.82 Crores (including embedded lease components of contractual arrangements) during the year (Previous year ₹ 187.39 Crores) towards lease payment. Future minimum rentals payable under non-cancellable operating leases as at 31 March 2017 are, as follows:

| | 31 March 2017 ₹ in Crores | 31 March 2016 ₹ in Crores | 1 April 2015 ₹ in Crores |
|---|---|---|---|
| Within one year | **55.63** | 35.72 | 26.78 |
| After one year but not more than five years | **51.94** | 35.95 | 28.41 |
| More than five years | **Nil** | Nil | Nil |
| | **107.57** | 71.67 | 55.19 |

**Company as lessor**

The company has entered into certain arrangements in the form of operating lease in respect of some of its properties. As per terms of the arrangements, the company has right to receive regular payment for use of property. Some of the arrangements include minimum lock in period clause for regular receipts of lease rent or receipts of similar nature. Certain arrangements also include renewal and escalation clause for the mutually agreed period between the parties.

Future minimum rentals receipt under non-cancellable operating leases as at 31 March 2017 are, as follows:

| | 31 March 2017 ₹ in Crores | 31 March 2016 ₹ in Crores | 1 April 2015 ₹ in Crores |
|---|---|---|---|
| Within one year | **4.55** | 2.61 | 2.61 |
| After one year but not more than five years | **14.66** | 0.65 | 3.26 |
| More than five years | **Nil** | Nil | Nil |
| | **19.21** | 3.26 | 5.87 |

**(b) Capital Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 10.99 crores (2015-16: ₹11.14 crores)(As at 01st April 2015: ₹5.12 crores)

## Notes to the financial statements for the year ended 31st March, 2017

**Note 37**

**Commitments and contingencies (cont.)**

**(c) Other Commitments**

The Finance Act, 2007 introduced service tax on "Renting on Immovable Property" with effect from 01st June, 2007.The Company had entered into several agreements with Landlords and Mall owners prior to the introduction of service tax on rent.The Delhi High court through its judgement dated 19th April, 2009 had set aside the operation of service tax on rent as ultra vires. In the meanwhile, the Finance Act, 2010 has amended the Finance Act retrospectively with effect from 1st June,2007 levying service tax on "Renting of Immovable Property". This retrospective amendment and applicability on service tax on rent was challenged by Retailers Association of India of which the company is a member. The case is presently before the Supreme court pending final disposal.

The company has paid and/or adequately provided for service tax on rent upto the period 31st March,2017 under rent/lease agreements in which it had explicitly assumed the liability of service tax on rent.As per the directions of the Supreme court dated 14th October 2011 the company had deposited ₹4.66 crores being 50% of the liability under such agreements.During the year 2015-16,residual service tax of ₹3.34 crores has been deposited with the Service tax Department after adjusting amounts already paid by the developers/lessors.Pending the final Supreme Court Judgement interest/penalty if any as may be payable is not presently ascertainable or quantifiable.

Export Obligation of ₹3.45 Crores against EPCG Licence of Landmark Limited since merged with company w.e.f. 01-04-2013.

**(d) Certain Key arrangements of the Company**

The Company has agreements in respect of the following and the parties inter-se have certain rights and obligations,also covering certain affirmative and shareholding related provisions, commensurate with arrangements of this nature:

1. Association with Inditex Group for Zara & Massimo Dutti stores in India.
2. Joint venture with Tesco PLC UK,with respect to Trent Hypermarket Private Limited.

**(e ) Contingent liabilities**

(i) Contingent Liability in respect of Sales tax, Excise , Customs and other indirect tax matters: ₹0.29 crores (2015-16: ₹1.63 crores)(As at 01.04.2015 ₹1.26 crores) - net of tax ₹0.19 crores (2015-16: ₹1.08 crores) (As at 01.04.2015 ₹0.83 crores).

(ii) Contingent Liability in respect of Income-tax matters : ₹ 8.88 crores (2015-16: ₹13.43 crores) (As at 01.04.2015 ₹ 2.07 crores).

(iii) Contingent Liability in respect of Claims filed against the Company ₹ 7.26 crores (2015-16: ₹ 7.04 crores) (As at 01.04.2015 ₹ 6.81 crores).

(iv) Contingent Liability in respect of Provident Fund matter : ₹1.15 crores (2015-16: ₹1.11crores) (As at 01.04.2015 ₹1.11 crores).

(v) Claims made against the Company not acknowledged as debts ₹ 1.05 crores (2015-16 : ₹ 0.95 crores) (As at 01.04.2015 ₹1.74 crores).

(vi) Amount of outstanding corporate guarantee given on behalf of Trent hypermarket Pvt. Ltd (a joint venture of company) is ₹43.83 crores (2015-16: ₹117.22 Crores) (As at 01.04.2015 ₹150.90 crores).

## Notes to the financial statements for the year ended 31st March, 2017

**Note 37**

**Commitments and contingencies (cont.)**

**(f) Provision for Contingencies**

₹ In Crores

| Particulars | As at 31.03.2016 | Provisions made during the year | Amount adjusted / reversed during the year | As at 31.03.2017 |
|---|---|---|---|---|
| Provision made as a matter of abundant caution against items (i), (ii) , (iii ) and (v) above, which are disputed by the Company. | 2.05 | - | - | 2.05 |
| Provision for disputed expenses | - | - | - | - |
| **Total** | 2.05 | - | - | 2.05 |

₹ In Crores

| Particulars | As at 01.04.2015 | Provisions made during the year | Amount adjusted / reversed during the year | As at 31.03.2016 |
|---|---|---|---|---|
| Provision made as a matter of abundant caution against items (i), (ii) , (iii ) and (v) above, which are disputed by the Company. | 2.05 | - | - | 2.05 |
| Provision for disputed expenses | 0.29 | - | 0.29 | - |
| **Total** | 2.34 | - | 0.29 | 2.05 |

**38 (a) Remuneration to Managing Director/ Executive Director:** The company has paid/ provided for the remuneration of Mr. Philip Auld & Mr. P.Venkatesalu as per approved limits by the Central Government.

**38 (b) Commission to the Non-Executive Directors -** The Board of Directors have approved commission upto 1% of eligible profits for FY 2016-17 , computed as per the provisions of the Companies Act,2013.

## Notes to the financial statements for the year ended 31st March, 2017

**39 (a) General Expenses include :**

| | 31 March 2017 ₹ In Crores | 31 March 2016 ₹ In Crores |
|---|---|---|
| **Auditors' Remuneration (inclusive of service tax)-** | **0.35** | 0.29 |
| Audit Fees | **0.04** | 0.02 |
| Fees for Taxation matters | **0.44** | 0.08 |
| Other Services | **0.01** | 0.02 |
| Reimbursement of out-of-pocket expenses | | |
| **Provision/ Write Off (+) - Write back (-) for doubtful debts/advances (net)** | **2.38** | 1.23 |

**39 (b) Corporate Social Responsibility Expenditure :**

(i) Gross amount required to be spent by the company during the year is ₹ 0.79 crores (2015-16: ₹0.61 crores)

(ii) Amount spent during the year on:

| | in cash (₹ In crores) | yet to be paid in cash | Total (₹ In crores) |
|---|---|---|---|
| (i) Construction/acquisition of any asset | - | - | - |
| (ii) on purpose other than (i) above | **0.82** | **-** | **0.82** |
| | (0.59) | | (0.59) |

(Figures in bracket indicates 2015-16 figures)

**39 (c)** There are no Micro and Small Enterprises , to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2017. This information as required to be disclosed under the Micro,Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

**39 (d)** There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at 31st March, 2017 except ₹0.07 crores (2015-16: 0.06 crores) (As at 01st April 2015. ₹ 0.06 crores) which is held in abeyance due to legal cases pending.

**39 (e)** Entire proceeds of the issue of Commercial Paper and Non-Convertible Debentures (NCD) of ₹334.70 crores in 2016-17 have been utilised towards objects of the issue.

**39 (f) During the year the company has deposited SBN as below:**

**(₹ In crores)**

| | SBNS | Other Denomination Notes | Total |
|---|---|---|---|
| Closing Cash in hand as on 08.11.2016 | 1.94 | 0.24 | 2.18 |
| (+) Permitted Receipts | - | 46.85 | 46.85 |
| (-) Permitted Payments | - | (1.80) | (1.80) |
| (-) Amount Deposited in Banks | (1.94) | (43.18) | (45.12) |
| Closing Cash in hand as on 30.12.2016 | - | 2.11 | 2.11 |

## Notes to the financial statements for the year ended 31st March, 2017

### 39 (g) Disclosure as required by Ind AS 36: Provision for Impairment

(₹ In crores)

| Particulars | As at 31.03.2016 | Provisions made during the year | Amount adjusted / reversed during the year | As at 31.03.2017 |
|---|---|---|---|---|
| Impairment of Fixed Asset | **0.38** | **-** | **0.38** | **-** |
| | (4.16) | - | (3.78) | (0.38) |

(Figures in bracket indicates 2015-16 figures)

**39 (g)** Disclosure in terms of Schedule V of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 regarding loans & advances in the nature of loans to subsidiaries.

i) Details of loans and advances in the nature of loans

(₹ in Crore)

| Name of Company | | Balance as at 31.03.2017 | Maximum Amount Outstanding during the year | Balance as at 31.03.2016 | Maximum Amount Outstanding during the Previous year | Balance as at 01.04.2015 |
|---|---|---|---|---|---|---|
| Nahar Retail Trading Services Limited | Subsidiary | 5.20 | 6.65 | 6.65 | 6.65 | 6.65 |
| Trent Brands Limited | Subsidiary | - | | - | 2.50 | - |

Note: Loan to Nahar Retail Trading Services Limited is repayable after three years from the date of disbursement/renewal.

ii) Details of Investments made by the loanee in the shares of the parent Company and subsidiary company, when the company has made a loan or advance in the nature of loan are as under:

(₹ in Crore)

| Investor company | Invested In | As at 31st March 2017 | As at 31st March 2016 | As at 01st April 2015 |
|---|---|---|---|---|
| Trent Brands Limited | Fiora Services Limited | - | 8.55 | 8.55 |

**39 (h)** Details on derivatives instruments and unhedged foreign currency exposures

(i) There are no forward exchange contract outstanding as at 31 st March,2017.

## Notes to the financial statements for the year ended 31st March, 2017

(ii) The unhedged foreign currency exposure as at 31st March 2017 is as under:

| Particulars | As at 31st March, 2017 | | As at 31st March, 2016 | | As at 1st April, 2015 | |
|---|---|---|---|---|---|---|
| | Amount in Foreign currency | ₹ In Crores | Amount in Foreign currency | ₹ In Crores | Amount in Foreign currency | ₹ In Crores |
| Payable GBP | **27682** | **0.22** | 98,049 | 0.93 | 51,954 | 0.48 |
| Payable EURO | **56192** | **0.39** | 19,217 | 0.14 | 10,500 | 0.07 |
| Payable USD | **305334** | **1.98** | 5,20,762 | 3.45 | 8,55,230 | 5.35 |
| Payable AUD | **-** | **-** | 49,259 | 0.25 | - | - |
| Payable CNY | **208970** | **0.20** | - | - | - | - |

**39 (i) SEGMENT REPORTING**

The company's board/board committee considers retailing as the main business of the entity and all other activities are incidental to the main business . Accordingly, there are no other separate reportable segments in terms of Ind AS 108 on "Operating Segment s" and thus no further disclosure are made.

**(40) Related party transactions**

**Parties where control exists**

Fiora Business Support Services Limited(Formerly known as Westland Limited) - Subsidiary Company
(100% Equity Share capital is held by Trent Limited as at 31st March 2017)
(100% Preference Share Capital is held by Trent Limited as at 31st March 2017)
(99.99% Equity Share capital is held by Trent Limited as at 31st March 2016)
(65.36% Preference Share Capital is held by Trent Limited as at 31st March 2016)
Trent Brands Limited - Subsidiary Company.
(47.99% Equity Share Capital is held by Westland Limited as at 31st March, 2017)
(52.01% Equity Share Capital is held by Trent Limited as at 31st March 2017)
(100% Equity Share Capital is held by Trent Limited as at 31st March, 2016)
(100% Preference Share Capital is held by Trent Limited as at 31st March, 2016)
Fiora Services Limited - Subsidiary Company of Trent Brands Limited
(89.88% Equity Share Capital is held by Trent Brands Limited and 6.91% Equity Share Capital is held by Trent Limited as at 31st March, 2017)
Nahar Retail Trading Services Limited - Subsidiary Company
(100% Equity Share Capital is held by Trent Limited as at 31st March, 2017)
Landmark E-Tail Limited - Subsidiary Company
(Subsidiary of Trent Limited upto 11th June 2015)
Trent Global Holdings Limited-Subsidiary Company
(100% Equity Share Capital is held by Trent Limited as at 31st March, 2017)
Fiora HyperMarket Limited-Subsidiary Company
(100% Equity Share Capital is held by Trent Limited as at 31st March , 2017)
(100% Preference Share Capital is held by Trent Limited as at 31st March, 2016)

## Notes to the financial statements for the year ended 31st March, 2017

**(40) Related party transactions (cont.)**

Westland Publications Limited - Subsidiary Company of Westland Limited(incorporated on 30th March 2016)
(Subsidiary of Westland Limited till 22nd November 2016)
(99.99% Equity Share Capital is held by Westland Limited as at 31st March 2016)

**Other Related Parties with whom transactions have taken place during the year:**
**Associates:**

Tata Sons Limited (Investing Party)
(Holds more than 20% of the Share Capital of Trent Limited as on 31st March 2017)
Inditex Trent Retail India Private Limited (Inditex)
(49% Equity Share Capital is held by Trent Limited as at 31st March, 2017)
Massimo Dutti India Private Limited
(49% Equity Share Capital is held by Trent Limited as at 31st March,2017)

**Joint Ventures**

Trent Hypermarket Private Limited(Formerly known as Trent Hypermarket Limited)
(50% Equity Share Capital is held by Trent Limited as at 31st March 2017)
Virtuous Shopping Centres Limited-(Subsidiary Company of Trent Hypermarket Private Limited)
Commonwealth Developers Limited-Subsidiary Company of Virtuous Shopping Centres Limited
(During previous year,Virtuous Shopping Centres Limited has been merged with Trent Hypermarket Private Limited .The appointed date of merger is 1st February 2015 w.e.f 9th December 2015)
THPL Support Services Limited-(Subsidiary Company of Trent Hypermarket Private Limited w.e.f 28th March 2016)
(The name of Trent Retail Services Limited has changed to THPL Support Services Limited on 03rd January 2017)

**Others:**

Tata Consultancy Services Limited
Tata AIG General Insurance Company Limited
Tata AIA Life Insurance Company Limited
Infiniti Retail Limited
Tata Capital Limited
Tata Capital Forex Limited (Formerly TT Holdings & Services Ltd)
Tata Cleantech Capital Limited
Tata Capital Housing Finance Limited
Tata Unistore Limited(Formerly Tata Industrial Services Limited)
Tata Autocomp Systems Limited
Tata International Limited
Tata South East Asia Limited
Calsea Footwear Private Limited
TATA Capital Financial Services Limited.
Tata Housing Development Co. Limited
Tata Asset Management Limited
Drive India Enterprise Solutions Limited (ceased w.e.f. 01.09.2015)
Tata Business Support services Limited
C-Edge Technologies Limited

## Notes to the financial statements for the year ended 31st March, 2017

**(40) Related party transactions (cont.)**

Trent Gratuity Trust Account
Tata Investment corporation Limited
THPL Support services Limited
Taj Air Limited
Tata Sky Limited
Tata International WestAsia DMCC(w.e.f. 18.11.2014)
Ewart Investment Limited
Jaguar Services Private Limited
Lantern Trading and Investment Private Limited
Lorimar Consultancy services Private Limited

**Key Managerial Personnel of the Company**

| | |
|---|---|
| Non Executive Directors | Mr. N.N. Tata<br>Mr. A.D. Cooper (Retired as a Director w.e.f 23rd August 2015)<br>Mr. Z.S. Dubash<br>Mr. B. Bhat<br>Mr. S. Susman<br>Mr. B.N. Vakil<br>Mr. H.R. Bhat<br>Ms.S.Singh<br>Mr. A Sen (Appointed w.e.f 27th May 2015) |
| Executive Director | Mr. P. Venkatesalu-Executive Director(Finance) & CFO w.e.f 1st June 2015 |
| Chief Executive Officer & Manager | Mr. Philip N. Auld |

| | 2016-17 (₹ in crores) | 2015-2016 (₹ in crores) |
|---|---|---|
| **Sales to and Other recoveries from related parties** | | |
| **a) Subsidiaries** | | |
| Fiora Services Limited | **0.58** | 0.57 |
| Nahar Retail Trading Services Limited | **0.04** | 0.13 |
| Landmark E-Tail Limited(Full figure of ₹1440) | **-** | 0.00 |
| Fiora Hyper-market Limited | **-** | 1.45 |
| **b) Associates** | | |
| Tata Sons Limited ( Full figures of ₹ 45000) | **0.00** | 0.07 |
| **c) Joint Venture** | | |
| Trent Hypermarket Private Limited | **0.14** | 13.60 |
| **d) Others** | | |
| Tata Consultancy Services Limited | **0.46** | 0.51 |

## Notes to the financial statements for the year ended 31st March, 2017

**(40) Related party transactions (cont.)**

| | 2016-17 (₹ in crores) | 2015-2016 (₹ in crores) |
|---|---|---|
| Tata International Limited | **7.42** | 3.44 |
| Tata Housing Development Co. Limited | **0.01** | 0.07 |
| Tata Capital Housing finance Limited | **0.03** | 0.01 |
| Tata Unistore Limited (formerly Tata Industrial Services Limited) | **-** | 0.03 |
| Calsea Footwear Private Limited | **0.16** | 0.09 |
| Tata AIG General Insurance Company Limited | **0.11** | 0.37 |
| Tata Sky Limited | **0.10** | - |
| THPL Support Services Limited | **14.82** | - |
| | | |
| **Purchase/other services from related parties** | | |
| **a) Subsidiaries** | | |
| Fiora Services Limited | **44.57** | 45.97 |
| Nahar Retail Trading Services Limited | **5.24** | 4.10 |
| Fiora Business Support Services Limited (Formerly known as Westland Limited) | **0.11** | 0.24 |
| Fiora Hypermarket Limited | **0.76** | 0.91 |
| **b) Associates** | | |
| Tata Sons Limited | **13.02** | 12.47 |
| **c) Joint Venture** | | |
| Trent Hypermarket Private Limited | **6.09** | 1.04 |
| **d) Others** | | |
| Infiniti retail Limited | **0.02** | 0.07 |
| Tata Consultancy Services Limited | **8.77** | 7.34 |
| Tata International Limited | **0.30** | 0.08 |
| Tata Autocomp System Limited (Full figure of ₹ 6240) | **-** | 0.00 |
| Tata South East Asia Limited | **1.15** | 1.91 |
| C-Edge Technologies Limited | **-** | 0.03 |
| Drive India Enterprise Solutions Limited (ceased w.e.f. 01.09.2015) | **-** | 0.17 |
| Tata AIA Life Insurance Company Limited | **0.01** | 0.01 |
| Tata Capital Forex Limited (formerly TT Holdings & Services Limited) | **1.10** | 1.33 |
| Tata Cleantech Capital Limited | **0.06** | 0.23 |
| Tata Unistore Limited | **1.75** | - |
| Trent Gratuity Trust Account | **0.32** | 1.00 |
| Calsea Footwear Private Limited | **-** | 0.80 |
| Tata AIG General Insurance Company Limited | **2.31** | 1.52 |
| Tata International West Asia DMDC | **2.91** | - |
| Taj Air Limited | **0.15** | - |

## Notes to the financial statements for the year ended 31st March, 2017

**(40) Related party transactions (cont.)**

| | 2016-17 (₹ in crores) | 2015-2016 (₹ in crores) |
|---|---|---|
| **Remuneration to Directors / Key Managerial person*** | | |
| Salary and short-term employee benefits | **7.17** | 6.45 |
| Contribution to provident fund | **0.10** | 0.09 |
| Directors-sitting fees | **0.82** | 0.57 |
| Directors-commission | **0.83** | - |
| | | |
| **Interest/Dividend received from related parties** | | |
| **a) Subsidiaries** | | |
| Fiora Services Limited | **0.13** | 0.13 |
| Nahar Retail Trading Services Limited | **0.63** | 0.67 |
| Trent Brands Limited | **-** | 0.17 |
| **b) Associates** | | |
| Tata Sons Limited | **1.05** | 2.10 |
| Inditex Trent Retail India Private Limited | **-** | 31.79 |
| **c) Others** | | |
| Tata Capital Limited(Full figure of ₹ 29764) | **0.83** | 0.00 |
| Tata Investment Corporation Limited | **-** | 0.13 |
| | | |
| **Interest/Dividend paid to related parties** | | |
| **a) Associates** | | |
| Tata Sons Limited | **-** | 16.78 |
| **b) Directors** | **-** | 0.17 |
| **c) others** | | |
| Tata Investment Corporation Limited | **-** | 2.89 |
| Ewart Investments Limited | **-** | 0.19 |
| Jaguar Services Private Limited | **-** | 0.32 |
| Lantern Trading and Investment Private Limited | **-** | 0.07 |
| Lorimar Consultancy services Private Limited | **-** | 0.61 |
| **Bad-debts written off** | | |
| **(a) Others** | | |
| Tata International Limited | **0.10** | - |

* The above does not include Gratuity and Leave encashment benefits since the same is computed actuarially for all employees and the amount attributable to the managerial person cannot be ascertained seperately.

## Notes to the financial statements for the year ended 31st March, 2017

**(40) Related party transactions (cont.)**

| | 2016-17 (₹ in crores) | 2015-2016 (₹ in crores) |
|---|---|---|
| **Subscription to Equity Share Capital/Preference Share Capital/Non Convertible Debentures** | | |
| **(a) Subsidiaries** | | |
| Landmark E-Tail Limited | **-** | 0.43 |
| Fiora Business Support Services Limited(Formerly known as Westland Limited) | **-** | 17.93 |
| Trent Brands Limited | **30.28** | - |
| Trent Global Holdings Limited | **0.48** | - |
| Fiora Hyper-market Limited | **44.09** | - |
| **(b) Associates** | | |
| Massimo Dutti India Private Limited | **-** | 10.78 |
| **c) Others** | | |
| Tata Capital Limited | **-** | 10.00 |
| Tata Unistore Limited | **17.20** | 18.66 |
| Tata International Limited | **50.00** | |
| **Purchase of investment** | | |
| **a) Others** | | |
| Tata Asset Management Limited | **441.75** | 307.11 |
| Tata Investment corporation | | 1.89 |
| **Sale of Investment** | | |
| **a) Subsidiaries** | | |
| Fiora Business Support Services Limited(Formerly known as Westland Limited) | **27.95** | |
| **b) others** | | |
| Tata Asset Management Limited | **451.23** | 292.98 |

| | 2016-2017 ₹ in crores | 2015-2016 ₹ in crores | As At 01.04.2015 ₹ in crores |
|---|---|---|---|
| **Security deposit Repaid by** | | | |
| **a) Subsidiaries** | | | |
| Trent Brands Limited | **-** | 2.50 | - |
| **Redemption of Preference Shares by** | | | |
| **a) Subsidiaries** | | | |
| Fiora Business Support Services Limited (Formerly known as Westland Limited) | **-** | 17.93 | - |
| Trent Brands Limited | **29.90** | | |
| Fiora Hypermarket Limited | **43.99** | - | - |

## Notes to the financial statements for the year ended 31st March, 2017

**(40) Related party transactions (cont.)**

| | 2016-2017 ₹ in crores | 2015-2016 ₹ in crores | As At 01.04.2015 ₹ in crores |
|---|---|---|---|
| **Security deposit received from** | | | |
| **Others** | | | |
| a) Tata International Limited | **1.32** | | |
| **Security deposit receivable as on 31.03.2017** | | | |
| **a) Subsidiaries** | | | |
| Trent Brands Limited | **-** | - | 2.50 |
| b) Associates | | | |
| Tata Sons Limited | **0.36** | 0.36 | 0.36 |
| **Guarantee given as on 31.03.2017** | | | |
| **a) Joint Venture** | | | |
| Trent Hypermarket Private Limited | **28.83** | 117.22 | 150.90 |
| **Loan repaid during the year** | | | |
| **a) Subsidiaries** | | | |
| Nahar Retail Trading Services Limited | **1.45** | - | - |
| **Loan outstanding as on 31.03.2017** | | | |
| **Subsidiaries** | | | |
| Nahar Retail Trading Services Limited | **5.20** | 6.65 | 6.65 |
| **Security deposit payable** | | | |
| a) Tata International Limited | **2.68** | 1.36 | 1.36 |
| **Outstanding Receivables as on 31.03.2017** | | | |
| **a) Subsidiaries** | | | |
| Fiora Services Limited | **0.12** | - | - |
| Nahar Retail Trading Services Limited | **0.02** | 0.06 | 0.06 |
| Landmark E-Tail Limited | **-** | - | 0.01 |
| Fiora Business Support Services Limited(Formerly known as Westland Limited) | **0.01** | - | 0.09 |
| Fiora Hypermarket Limited | **-** | 0.03 | - |
| Trent Brands Limited | **0.02** | 0.03 | 0.11 |
| **b) Joint Ventures** | | | |
| Trent Hypermarket Private Limited | **-** | 1.29 | 0.13 |
| **c) Others** | | | |
| Tata AIA Life Insurance Company Limited (Full Figure Of ₹15230) | **0.00** | - | - |
| Tata AIG General Insurance Company Limited | **0.05** | 0.05 | 0.11 |

## Notes to the financial statements for the year ended 31st March, 2017

**(40) Related party transactions (cont.)**

| | 2016-2017 ₹ in crores | 2015-2016 ₹ in crores | As At 01.04.2015 ₹ in crores |
|---|---|---|---|
| Tata Consultancy services Limited | **0.06** | 0.12 | 0.15 |
| Tata International Limited | **0.21** | 0.31 | 0.17 |
| Tata Housing Development Co. Ltd (Full figure for 2015-16: ₹20250 & As at 01st April 2015: ₹ 22000) | **0.01** | 0.00 | 0.00 |
| Tata Business Support services Limited (Full figure of ₹10379) | **-** | - | 0.00 |
| Tata Unistore Limited (Full figure of ₹10000) | **0.00** | 0.01 | - |
| **Outstanding Payables as on 31.03.2017** | | | |
| **a) Subsidiaries** | | | |
| Fiora Services Limited | **-** | 0.60 | 3.92 |
| Fiora Business Support Services Limited(Formerly known as Westland Limited) | **-** | 0.03 | - |
| Fiora Hyper-market Ltd | **0.07** | - | 0.05 |
| **b) Associates** | | | |
| Tata Sons Limited | **2.81** | 3.16 | 2.48 |
| **c) Joint Ventures** | | | |
| Trent Hypermarket Limited | **1.23** | - | - |
| **d) others** | | | |
| Tata Consultancy Services Limited | **0.70** | 1.81 | 1.45 |
| Tata International Limited | **0.04** | 0.06 | 1.21 |
| Tata International Wolverine Brands Ltd | **-** | 0.01 | 0.18 |
| Tata Capital Limited(Full figure of 2016-17: ₹ 2700 & 2015-16: ₹ 2700) | **0.00** | 0.00 | - |
| Tata South east Asia Limited | **-** | 0.10 | - |
| C Edge Technologies Limited | **-** | 0.01 | 0.03 |
| Taj Air Limited | **0.01** | - | |
| Infiniti retail Ltd | | | 0.07 |
| Tata Capital Housing finance Ltd(Full figure of 2016-17: ₹36570;2015-16: ₹900 & As at 01st April 2015: ₹900) | **0.00** | 0.00 | 0.00 |
| Tata International West Asia DMCC | **2.91** | | |
| Tata Capital Forex Ltd(Full figure of As at 01st April 2015: ₹12238) | **0.02** | 0.06 | 0.00 |
| Calsea Footwear Private Limited | **0.50** | 0.96 | - |

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances on account of trade receivable, trade payable, other receivable, other payable and interest receivable on loan at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received in respect of outstanding receivables or payables from/to any related party. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related paty operates.

## Notes to the financial statements for the year ended 31st March, 2017

**(40) Related party transactions (cont.)**

**Details of Investees- Subsidiaries, Joint Venture & Associates**

| | Name of Investee | Principal place of business | Proportionate ownership interest as on 31-03-2017 | Proportionate ownership interest as on 31-03-2016 | Proportionate ownership interest as on 01-04-2015 |
|---|---|---|---|---|---|
| **(a)** | **Particulars of Subsidiaries** | | | | |
| 1 | Trent Brands Limited* | India | 52.01% | 100.00 % | 100.00 % |
| 2 | Fiora Services Limited(**) | India | 6.91% | 6.91% | N.A |
| 3 | Nahar Retail Trading Services Limited | India | 100.00 % | 100.00 % | 100.00 % |
| 4 | Fiora Business Support Services Limited(Formerly known as Westland Limited) | India | 100.00% | 99.99% | 96.64% |
| 5 | Landmark E -Tail Limited (Subsidiary upto 11th June 2015) | India | N.A | N.A | 100.00% |
| 6 | Trent Global Holdings Limited | Mauritius | 100.00 % | 100.00 % | 100.00 % |
| 7 | Fiora Hypermarket Limited | India | 100.00% | 100.00% | 100.00% |
| **(b)** | **Interest in Joint Venture** | | | | |
| | Trent Hypermarket Private Limited (along with its subsidiaries) | India | 50.00% | 50.00% | 50.00% |
| **(c)** | **Interest in Associates** | | | | |
| 1 | Massimo Dutti India Private Limited (Massimo Dutti) | India | 49.00% | 49.00% | 49.00% |
| 2 | Inditex Trent Retail India Pvt Ltd (Inditex) | India | 49.00% | 49.00% | 49.00% |

*47.99% equity share capital is held by Fiora Business Support Services Limited(Formerly known as Westland Limited)

**89.88% Equity share capital is held by Trent Brands Limited

## Notes to the financial statements for the year ended 31st March, 2017

### (41) Employee Benefit Plans

#### (I) Defined Benefit Plan

#### (a) Gratuity benefit (As per Actuarial valuation as on 31st March 2017)

| | 31-Mar-17 (₹ In Crores) Gratuity (Fully funded) | | 31-Mar-16 (₹ In Crores) Gratuity (Fully funded) | |
|---|---|---|---|---|
| | LIC Administered Trust | TATA AIG Administered Trust | LIC Administered Trust | TATA AIG Administered Trust |
| **Defined benefit obligation as at beginning of year** | **5.90** | **0.13** | 5.03 | 0.20 |
| Service cost | **1.31** | **0.00**** | 1.14 | 0.00* |
| Interest on Defined Benefit Obligation | **0.47** | **-** | 0.40 | 0.01 |
| Benefits paid | **(0.59)** | **-** | (0.57) | (0.08) |
| Actuarial changes arising from changes in demographic assumptions | **-** | **-** | - | - |
| Actuarial changes arising from changes in financial assumptions | **0.52** | **-** | - | - |
| Actuarial Loss/(Gain) arising on account of experience changes | **(0.03)** | **0.02** | (0.17) | 0.17 |
| Liabilities assumed / (settled) | **0.23** | **-** | 0.07 | (0.17) |
| **Defined benefit obligation at the end of the year** | **7.81** | **0.15** | 5.90 | 0.13 |
| **Fair value of plan assets at the beginning of the year** | **5.20** | **0.15** | 4.19 | 0.38 |
| Interest on Plan Asset | **0.43** | **0.01** | 0.36 | 0.03 |
| Benefits paid | **(0.59)** | **-** | (0.57) | (0.08) |
| Actual return on Plan Assets less Interest on Plan Assets | **0.02** | **0.00#** | 0.07 | (0.01) |
| Assets acquired /(settled) | **0.20** | **-** | 0.17 | (0.14) |
| Contributions by employer | **0.28** | **-** | 0.98 | (0.03) |
| **Fair value of plan assets at the end of the year** | **5.54** | **0.16** | 5.20 | 0.15 |
| **Net Assets and Liabilities recognised in Balance sheet** | | | | |
| Present value of Funded Defined Benfit Obligation | **7.81** | **0.15** | 5.90 | 0.13 |
| Fair value of Plan assets | **5.54** | **0.16** | 5.20 | 0.15 |
| Amount not recognised due to asset limit | **-** | **0.00***** | - | 0.00***** |
| **Net Assets and (Liabilities)recognised in Balance sheet** | **(2.27)** | **0.01** | (0.70) | 0.02 |
| **Expenses recognised in Statement of Profit and Loss** | | | | |
| Service cost | **1.31** | **-** | 1.14 | - |
| Interest on Net Defined Benefit Liability / (Asset) | **0.04** | **(0.00)##** | 0.04 | (0.00) |
| **Expenses recognised in Statement of Profit and Loss** | **1.35** | **(0.00)###** | 1.18 | (0.00) |
| **Expenses recognised in Other comprehensive income** | | | | |
| Opening amount recognised in OCI | **(0.25)** | **0.08** | - | - |
| Actual return on Plan Assets less Interest on Plan Assets | **(0.02)** | **(0.01)** | (0.07) | 0.01 |
| Remeasurements -changes in financial assumptions | **0.52** | **-** | - | - |
| Impact of liability assumed or settled | **-** | **-** | - | (0.03) |

## Notes to the financial statements for the year ended 31st March, 2017

### (41) Employee Benefit Plans

#### (a) Gratuity benefit (As per Actuarial valuation as on 31st March 2017) (Cont.)

| | 31-Mar-17 (₹ In Crores) Gratuity (Fully funded) | | 31-Mar-16 (₹ In Crores) Gratuity (Fully funded) | |
|---|---|---|---|---|
| | **LIC Administered Trust** | **TATA AIG Administered Trust** | **LIC Administered Trust** | **TATA AIG Administered Trust** |
| adjustment to recognised the effect of asset ceiling | **-** | **(0.00)####** | - | (0.06) |
| Experience adjustments | **(0.03)** | **0.02** | (0.17) | 0.16 |
| **Expenses recognised in Other comprehensive income** | **0.22** | **0.09** | (0.24) | 0.08 |
| **The major categories of plan assets as a percentage of total plan** | | | | |
| Government of India Securities | **N.A.** | **N.A.** | N.A. | N.A. |
| Corporate Bonds | **N.A.** | **N.A.** | N.A. | N.A. |
| Special Deposit Scheme | **N.A.** | **N.A.** | N.A. | N.A. |
| Equity Shares of Listed Companies | **N.A.** | **N.A.** | N.A. | N.A. |
| Property | **N.A.** | **N.A.** | N.A. | N.A. |
| Insurer Managed Funds | **100%** | **100%** | 100% | 100% |
| Others | **N.A.** | **N.A.** | N.A. | N.A. |
| Total | **100%** | **100%** | 100% | 100% |
| **Expected Employers Contribution Next Year** | **0.50** | **-** | 0.50 | - |
| **Method of valuation** | **Projected Unit Credit Method** | | Projected Unit Credit Method | |
| **Actuarial Assumptions** | | | | |
| Discount Rate | **7.65%** | **7.65%** | 8.05% | 8.05% |
| Expected rate of return on plan assets | **7.65%** | **7.65%** | 8.00% | 8.00% |
| Future salary Increase | **7.00%** | **7.00%** | 7.00% | 7.00% |
| Mortality Table | **Indian Assured Lives Mortality (2006-08) Ult Table** | | Indian Assured Lives Mortality (2006-08) Ult Table | |
| Retirement Age | **58 Years / 60 years** | **60 Years** | 58 Years / 60 years | 60 Years |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Towards Gratuity,during the year the discount rate had changed from 8.05% to 7.65 % in both LIC administered Trust and Tata AIG administered trust & Expected rate of return on plan asset had changed from 8.00% to 7.65% in both LIC administered Trust and Tata AIG administered trust.

* Full Figure ₹ 44,475
** Full Figure ₹ 49,478
*** Full Figure ₹ 25,157
**** Full Figure ₹ 49,160
# Full Figure ₹ 54,420
## Full Figure ₹ (11,643)
### Full Figure ₹ (7,686)
#### Full Figure ₹ (27,960)

## Notes to the financial statements for the year ended 31st March, 2017

### (41) Employee Benefit Plans

#### (a) Gratuity benefit (As per Actuarial valuation as on 31st March 2017) (Cont.)

**Leaving service:** Rates of leaving service at specimen ages are for 21- 44 years is 2% and for 45 years and above is 1%. Leaving service due to disability is included in the provision made for all causes of leaving service.

**Nature of benefits:** The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company.

**Governance of the plan:** The Company has setup an income tax approved irrevocable trust fund to finance the plan liability. The trustees of the trust fund are responsible for the overall governance of the plan.

**Inherent risks:** The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

**Funding arrangements and policy:** The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively. There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of under funding of the plan.

**Maturity profile of defined benefit obligation**

**₹ in Crores**

| | **FY 16-17** | | **FY 15-16** | |
|---|---|---|---|---|
| | **LIC Administered Trust** | **TATA AIG Administered Trust** | **LIC Administered Trust** | **TATA AIG Administered Trust** |
| Within 1 year | **0.18** | **0.15** | 0.15 | 0.14 |
| 1-2 year | **0.20** | **-** | 0.16 | - |
| 2-3 year | **0.25** | **-** | 0.18 | - |
| 3-4 year | **0.29** | **-** | 0.22 | - |
| 4-5 year | **0.27** | **-** | 0.25 | - |
| 5-9 year | **1.47** | **-** | 1.08 | - |
| 10 and above 10 year | **36.68** | **-** | 30.40 | - |
| The weighted average duration to the payment of these cash flows is | **17.29 years** | | 17.15 years | 0.93 years |

## Notes to the financial statements for the year ended 31st March, 2017

### (41) Employee Benefit Plans

**(a) Gratuity benefit (As per Actuarial valuation as on 31st March 2017) (Cont.)**

**Sensivity analysis:**

Sensivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit oblgation by one percentage, keeping all other actuarial assumptions constant. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

| | For the period ended on march'17 | | For the period ended on march'16 | |
|---|---|---|---|---|
| | LIC Administered Trust | TATA AIG Administered Trust | LIC Administered Trust | TATA AIG Administered Trust |
| | **Discount Rate** | | Discount Rate | |
| Impact of increase in 50 bps on DBO | **(8.17%)** | - | (8.11%) | (0.46%) |
| Impact of decrease in 50 bps on DBO | **9.16%** | - | 9.09% | 0.46% |
| | **Salary escalation rate** | | Salary escalation rate | |
| Impact of increase in 50 bps on DBO | **7.76%** | - | 7.73% | 0.47% |
| Impact of decrease in 50 bps on DBO | **(7.13%)** | - | (7.07%) | (0.47%) |

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

**(b) Defined Pension and medical benefit (As per Actuarial valuation as on 31st March,2017)**

**₹ In Crores**

| | As on 31st March,2017 | As on 31st March,2016 |
|---|---|---|
| **Change in Defined Benefit Obligation during the year ended** | | |
| Present value of obligations as at beginning of year | **2.16** | 2.27 |
| Interest cost | **0.16** | 0.17 |
| Actuarial (gain)/loss | **0.08** | (0.04) |
| Benefits Paid | **(0.24)** | (0.24) |

## Notes to the financial statements for the year ended 31st March, 2017

**(41) Employee Benefit Plans (cont.)**

**(I) Defined Benefit Plan**

**(b) Defined Pension and medical benefit (As per Actuarial valuation as on 31st March,2017)**

**₹ In Crores**

| | As on 31st March,2017 | As on 31st March,2016 |
|---|---|---|
| **Present value of Defined Benefit Obligation at the end of the year** | **2.16** | 2.16 |
| **Change in Fair Value of Assets during the Year ended** | | |
| Contributions by Employer | **0.24** | 0.24 |
| Benefit paid | **(0.24)** | (0.24) |
| **Plan Assets at the end of the year** | **-** | - |
| **Net Asset/(Liability) recognised in the Balance Sheet** | | |
| Present Value of Unfunded Obligations | **2.16** | 2.16 |
| **Net Assets /(Liability)** | **(2.16)** | (2.16) |
| **Expenses recognized in the statement of Profit and Loss** | | |
| Interest on Defined Benefit Obligation | **0.16** | 0.17 |
| Net Actuarial (Gains)/Losses Recognised in year | **0.08** | (0.04) |
| **Expenses recognised in statement of Profit and Loss** | **0.24** | 0.13 |
| **The major categories of plan assets as a percentage of total plan** | | |
| Government of India Securities | **N.A.** | N.A. |
| Corporate Bonds | **N.A.** | N.A. |
| Special Deposit Scheme | **N.A.** | N.A. |
| Equity Shares of Listed Companies | **N.A.** | N.A. |
| Property | **N.A.** | N.A. |
| Insurer Managed Funds | **N.A.** | N.A. |
| Others | **N.A.** | N.A. |
| Total | **N.A.** | N.A. |
| **Method of valuation** | Projected Unit Credit Method | |
| **Expected Employers Contribution Next Year** | **0.28** | 0.28 |
| **Actuarial Assumptions** | | |
| Discount Rate | **7.65%** | 8.05% |
| Expected rate of return on plan assets | **N.A.** | N.A. |
| Mortality Table | **P A (90)** | P A (90) |
| Retirement Age | **N.A.** | N.A. |

Towards Pension and Medical Benefits,during the year the discount rate had changed from 8.05 % to 7.65%.

## Notes to the financial statements for the year ended 31st March, 2017

**(41) Employee Benefit Plans (cont.)**

**(I) Defined Benefit Plan**

(c) Compensated Absence liability recognised as Expense for the year is ₹ 2.78 Crores. (2015-16: Expense of ₹ 1.16 Crores). The above is based on the acturial valuation report. The report considers assumptions with respect to discount rates, salary escalation, retirement age, mortality, rates of leaving service, leave availment pattern, disability and other relevant factors. The method used is Projected Unit Credit Method.

**ii) Defined Contribution Plans**

| Company's Contributions to defined Contribution Plans recognised as expense for the year as under: | **2016-2017 ₹ in Crores)** | **2015-2016 ₹ in Crores)** |
|---|---|---|
| Towards Superannuation Fund | **0.01** | 0.01 |
| Towards Government Administered Provident Fund / Family Pension Fund | **5.30** | 4.48 |
| Towards Employees State Insurance / Labour Welfare Fund | **2.41** | 1.64 |

**42. Income Taxes**

**The major components of income tax expense for the years ended 31 March 2017 are:**

Components of tax expenses /(Income) includes the following:

| | **31 March 2017 (₹ in Crores)** | **31 March 2016 (₹ in Crores)** |
|---|---|---|
| Current Income Tax: | | |
| Current Income Tax Charge | **31.58** | 16.60 |
| Deferred Tax: | | |
| Relating to origination and reversal of temporary differences | **(3.41)** | 6.11 |
| **Income tax expense reported in the statement of Profit or Loss** | **28.17** | 22.71 |

**Income tax relating to Other Comprehensive Income**

| | **31 March 2017 (₹ in Crores)** | **31 March 2016 (₹ in Crores)** |
|---|---|---|
| Net loss/(gain) on remeasurements of defined benefit plans | **0.05** | 0.06 |
| **Income tax expense charged to OCI** | **0.05** | 0.06 |

## Notes to the financial statements for the year ended 31st March, 2017

**Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2017 :**

| | 31 March 2017 (₹ in Crores) | 31 March 2016 (₹ in Crores) |
|---|---|---|
| Accounting profit before income tax | **135.04** | 109.26 |
| India's statutory income tax rate | **34.61%** | 34.61% |
| Computed tax Expenses | **46.73** | 37.81 |
| Impact of Income tax on exempt Income | **0.72** | (12.09) |
| Other adjustment as per tax applicable tax provisions | **0.24** | (0.60) |
| Non-deductible expenses for tax purposes | **1.11** | 1.59 |
| Adjustment of taxes for gains on investments | **(20.63)** | (4.00) |
| **At the effective income tax rate of** | **20.86%** | 20.78% |
| **Income tax expense reported in the statement of Profit and Loss** | **28.17** | 22.71 |

**Deferred tax:**

Deferred tax relates to the following:

| | Balance Sheet | | | Profit & Loss | |
|---|---|---|---|---|---|
| | 31 March 2017 | 31 March 2016 | 1st April 2015 | 31 March 2017 | 31 March 2016 |
| | ₹ in Crores | ₹ in Crores | ₹ in Crores | ₹ in Crores | ₹ in Crores |
| **Deferred Tax Liabilities** | | | | | |
| Amortisation of Debentures | **-** | 0.58 | 0.84 | **(0.58)** | (0.26) |
| Fair valuation of Investments | **3.56** | 8.36 | 2.72 | **(4.79)** | 5.64 |
| Depreciation | **11.60** | 10.65 | 10.33 | **0.95** | 0.32 |
| Amortisation of security deposits received | **0.00*** | 0.01 | 0.01 | **(0.00)**** | (0.00)*** |
| **Deferred Tax Assets** | | | | | |
| Retirement Benefits | **5.18** | 4.19 | 3.54 | **(0.95)** | (0.59) |
| Other Provisions | **5.97** | 7.94 | 8.94 | **1.96** | 1.00 |
| MAT credit entitlement | **14.12** | 16.04 | 19.82 | | |
| **Deferred tax expense/(income)** | | | | **(3.41)** | 6.11 |
| **Net Deferred Tax Assets/ (Liabilities)** | **10.11** | 8.57 | 18.40 | | |

* Full Figure ₹ 38,000
** Full Figure ₹ 32,000
*** Full Figure ₹ 2,627

## Notes to the financial statements for the year ended 31st March, 2017

### 42. Income Taxes (cont.)

Reflected in the balance sheet as follows:

| | 31 March 2017 ₹ in Crores | 31 March 2016 ₹ in Crores | 1st April 2015 ₹ in Crores |
|---|---|---|---|
| Deferred Tax Assets | **25.27** | 28.17 | 32.30 |
| Deferred Tax Liabilities | **(15.16)** | (19.60) | (13.90) |
| Deferred Tax Assets (Net) | **10.11** | 8.57 | 18.40 |

### 43. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit 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 attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) 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.

| | 31 March 2017 | 31 March 2016 |
|---|---|---|
| Profit attributable to Equity Shareholders (₹ In Crores) | **106.87** | 86.55 |
| Weighted average number of Equity shares * | | |
| (i) For Basic Earning per share | **332316730** | 332315640 |
| (ii) For diluted Earning per share (after adjustments for all dilutive potential equity shares) | **332316730** | 332315640 |
| Earnings per share(₹) | **3.22** | 2.60 |

* During the year, the Company has split its equity shares having face value of ₹ 10 each into equity shares having face value of ₹ 1 each. Earning per share for past periods has been adjusted accordingly.

## Note 44
## Fair value hierarchy
## Quantitative disclosures for carrying value / fair value measurement hierarchy for assets and liabilities:

(₹ in Crores)

| | As at 31.03.2017 | | | | As at 31.03.2016 | | | | As at 01.04.2015 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Date of valuation | Total | Quoted prices in active markets | Signifi-cant observable inputs | Date of valuation | Total | Quoted prices in active markets | Signifi-cant observable inputs | Date of valuation | Total | Quoted prices in active markets | Signifi-cant observable inputs |
| | | | (Level 1) | (Level 2) | | | (Level 1) | (Level 2) | | | (Level 1) | (Level 2) |
| **Financial Assets measured at fair value through Profit and Loss:** | | | | | | | | | | | | |
| Non Current: | | | | | | | | | | | | |
| Investment in Mutual fund | 31.03.2017 | **271.88** | **271.88** | - | 31.03.2016 | 382.34 | 382.34 | - | 01.04.2015 | 353.84 | 353.84 | - |
| Investment in Bond/debenture | 31.03.2017 | **123.96** | **123.96** | - | 31.03.2016 | 73.32 | 73.32 | - | 01.04.2015 | 73.59 | 73.59 | - |
| Investment in Preference shares of other companies | 31.03.2017 | **24.02** | - | **24.02** | 31.03.2016 | 24.02 | - | 24.02 | 01.04.2015 | 15.07 | - | 15.07 |
| **Current:** | | | | | | | | | | | | |
| Investment in Mutual fund | 31.03.2017 | **69.22** | **69.22** | - | 31.03.2016 | 6.60 | 6.60 | - | 01.04.2015 | 24.83 | 24.83 | - |
| **Financial Assets measured at fair value through other comrehensive income** | | | | | | | | | | | | |
| **Non Current:** | | | | | | | | | | | | |
| Investment in Unquoted Equity Instrument | 31.03.2017 | **36.03** | - | **36.03** | 31.03.2016 | 18.68 | - | 18.68 | 01.04.2015 | 0.02 | - | 0.02 |
| Investment in Quoted Equity Instrument | 31.03.2017 | **2.59** | **2.59** | - | 31.03.2016 | 1.95 | 1.95 | - | 01.04.2015 | 2.34 | 2.34 | - |
| **Financial assets at amortised cost** | | | | | | | | | | | | |
| **Non-current** | | | | | | | | | | | | |
| Security deposit given | 31.03.2017 | **32.75** | | | 31.03.2016 | 14.53 | | | 01.04.2015 | 40.83 | | |
| Loan to related party | 31.03.2017 | **5.2** | | | 31.03.2016 | 6.65 | | | 01.04.2015 | 6.65 | | |
| Loan to employees | 31.03.2017 | **1.46** | | | 31.03.2016 | 1.49 | | | 01.04.2015 | 1.72 | | |
| Others | 31.03.2017 | **0.22** | | | 31.03.2016 | 1.46 | | | 01.04.2015 | 1.27 | | |
| **Current** | | | | | | | | | | | | |
| Trade receivable (net of provision) | 31.03.2017 | **3.1** | | | 31.03.2016 | 2.03 | | | 01.04.2015 | 2.21 | | |
| Cash and Cash Equivalent | 31.03.2017 | **25.78** | | | 31.03.2016 | 20.33 | | | 01.04.2015 | 23.27 | | |
| Bank Balances | 31.03.2017 | **5.78** | | | 31.03.2016 | 4.84 | | | 01.04.2015 | 4.07 | | |
| Loan (net of provision): | 31.03.2017 | **98.88** | | | 31.03.2016 | 111.31 | | | 01.04.2015 | 100.17 | | |
| Other Current financial assets | 31.03.2017 | **4.53** | | | 31.03.2016 | 4.21 | | | 01.04.2015 | 3.14 | | |
| **Financial liabilities at amortised cost:** | | | | | | | | | | | | |
| **Non current:** | | | | | | | | | | | | |
| Borrowings | 31.03.2017 | **99.82** | | | 31.03.2016 | 95.99 | | | 01.04.2015 | 91.38 | | |
| Deposits | 31.03.2017 | **2.07** | | | 31.03.2016 | - | | | 01.04.2015 | 2.17 | | |
| Current: | | | | | | | | | | | | |
| Trade payables | 31.03.2017 | **132.82** | | | 31.03.2016 | 149.23 | | | 01.04.2015 | 142.64 | | |
| Other current financial liabilites | 31.03.2017 | **154.24** | | | 31.03.2016 | 354.48 | | | 01.04.2015 | 264.40 | | |
| Borrowings | 31.03.2017 | **190.87** | | | | | | | | | | |
| **Financial Liabilities at fair value through profit and loss** | | | | | | | | | | | | |
| Premium on financial guarantee contract | 31.03.2017 | **0.00** | | | 31.03.2016 | 0.07 | | | 01.04.2015 | 0.32 | | |

## Notes to the financial statements for the year ended 31st March, 2017

**Note 44**

**Fair value hierarchy**

**Quantitative disclosures for carrying value / fair value measurement hierarchy for assets and liabilities (cont.) :**

Net Gain / (Losses) recognised in Profit and Loss on account of :

₹ in Crores

| | 2016-17 | 2015-16 |
|---|---|---|
| Financial Assets at Fair Value | **27.53** | 27.23 |
| Financial Assets at Amortised Cost | **(0.02)** | (0.03) |
| Financial Liabilities at Amortised Cost | **(5.27)** | (5.83) |
| Financial Liabilities at Fair Value | **0.07** | 0.26 |

**Note 45**

**Financial risk management objectives and policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's risk management policy is approved by the board/board'scommitee.

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations in select instances. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations and Investment.

The Company is exposed to market risk, credit risk , liquidity risk etc. The Company's senior management oversees the management of these risks. The Company's senior management is overseen by the audit committee with respect to risks and facilitates appropriate financial risk governance framework for the Company. Financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist persons that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing key risks, which are summarised below.

**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 three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

The Company manages market risk through a treasury department,which evaluate and exercises control over the entire process of market risk management.The treasury department recommends risk management objectives and policies ,which are approved by senior management and the Audit/ Investment committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currecy exposure, borrowing strategies, and ensuring compliance with market risk limit and policies.

The sensitivity analyses in the following sections relate to the position as at 31st March 2017.

## Notes to the financial statements for the year ended 31st March, 2017

**Note 45**

**Financial risk management objectives and policies (cont.)**

**Interest rate risk:** Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate change does not affects significantly short term borrowing and current investment therefore the Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt and Non current investment.

If interest rates were to change by 100 bps from March 31, 2017, changes in interest expense on long term borrowing would amount to approximately ₹ 1.75 Crores.Further given the portfolio of investments in mutual funds etc. the Company is also exposed to interest rate risk with respect to returns realised. It is estimated that a 25bps change in 10 year Govt. bond yield would result in a Profit and Loss impact of approximately ₹ 0.86 Crores .This estimate is based key assumption including with respect to seamless transition of rates across debt instrument in the market and also basis the duration of debt instruments in turn held by mutual funds that the Company has invested in.

**Foreign currency risk**: The Company's is exposed to foreign currency risk through its purchases of merchandise /receipt of services from overseas parties in various foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currecny transactions and the Company follows established risk mangment policies,including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

**Foreign currency sensitivity**: The following tables demonstrates the sensitivity to a 5% increase/decrease in foreign currencies exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

| Particulars | As at 31st March, 2017 | | As at 31st March, 2016 | | As at 1st April, 2015 | |
|---|---|---|---|---|---|---|
| | Amount in Foreign currecny | ₹ In Crores | Amount in Foreign currecny | ₹ In Crores | Amount in Foreign currecny | ₹ In Crores |
| Payable GBP | **27,682** | **0.22** | 98,049 | 0.93 | 51,954 | 0.48 |
| Payable EURO | **56,192** | **0.39** | 19,217 | 0.14 | 10,500 | 0.07 |
| Payable USD | **3,05,334** | **1.98** | 5,20,762 | 3.45 | 8,55,230 | 5.35 |
| Payable AUD | **-** | **-** | 49,259 | 0.25 | | |
| Payable CNY | **2,08,970** | **0.20** | | | | |

5% increase or decrease in foreign exchange rate will have the following impact on profit before tax

**₹ In crores**

| | As at 31st March, 2017 | | As at 31st March, 2016 | | As at 1st April, 2015 | |
|---|---|---|---|---|---|---|
| | 5% Increase | 5% decrease | 5% Increase | 5% decrease | 5% Increase | 5% decrease |
| Payable GBP | **(0.01)** | **0.01** | (0.05) | 0.05 | (0.02) | 0.02 |
| Payable EURO | **(0.02)** | **0.02** | (0.01) | 0.01 | (0.00) | 0.00 |
| Payable USD | **(0.10)** | **0.10** | (0.17) | 0.17 | (0.27) | 0.27 |
| Payable AUD | **0.00** | **0.00** | (0.01) | 0.01 | | |
| Payable CNY | **(0.01)** | **0.01** | | | | |

## Notes to the financial statements for the year ended 31st March, 2017

**Note 45**

**Financial risk management objectives and policies (cont.)**

**Equity price risk**: The Company has very limited equity investment other than investment in subsidiaries', Joint ventures' and associates' equity instrument therefore related exposure is not material for Company.

**Credit risk**: Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities and from its financing activities, including deposits with banks , financial institutions and other parties, foreign exchange transactions and other financial instruments.

The Company is not exposed to significant concentrations of credit risk as policies are in place to cover retail sales where Collections are primarily made in cash or through credit card payments.The Company adopts prudent criteria in its investment policy, the main objectives of which are to reduce the credit risk associated with investment products and the counterparty risk associated with financial institutions. The Company considers the solvency, liquidity, asset quality and management prudence of the counter parties, as well as the performance potential of the counter parties in stressed conditions .In relation to credit risk arising from commercial transactions, impairment losses are recognized for trade receivables when objective evidence exists that the Company will be unable to recover all the outstanding amounts in accordance with the original contractual conditions of the receivables.

**Liquidity risk**: The Company's treasury department is responsible for liquidity,funding as well settlement management.In addition,the related policies and processes are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

| | <1 year | 1 to 5 years | > 5 years | Total |
|---|---|---|---|---|
| **As at 31.03.2017** | | | | - |
| **Borrowings (other than convertible preference shares):** | | | | |
| Non Convertible Debentures - June 10 Series 1 | 45.00 | | | 45.00 |
| Non Convertible Debentures - June 10 Series 2 | 56.05 | | | 56.05 |
| Non Convertible Debentures - April 15 Series 1 | - | 99.82 | | 99.82 |
| Commercial Paper Sept 2016 Series 1 | 96.80 | | | 96.80 |
| Commercial Paper Feb 2017 Series 1 | 94.07 | | | 94.07 |
| Other Financial Liabilities | 52.70 | 2.56 | - | 55.26 |
| Trade and Other Payables | 132.82 | - | - | 132.82 |
| | **477.44** | **102.38** | **-** | **579.82** |

| | <1 year | 1 to 5 years | > 5 years | Total |
|---|---|---|---|---|
| As at 31.03.2016 | | | | |
| Borrowings (other than convertible preference shares): | | | | |
| Non Convertible Debentures - June 10 Series 1 | - | 45.00 | | 45.00 |
| Non Convertible Debentures - June 10 Series 2 | - | 50.99 | | 50.99 |
| Non Convertible Debentures - April 15 Series 1 | 299.83 | | | 299.83 |
| Other Financial Liabilities | 55.72 | - | - | 55.72 |
| Trade and Other Payables | 149.23 | - | - | 149.23 |
| | 504.78 | 95.99 | - | 600.77 |

## Notes to the financial statements for the year ended 31st March, 2017

**Note 45**

**Financial risk management objectives and policies (cont.)**

| | <1 year | 1 to 5 years | > 5 years | Total |
|---|---|---|---|---|
| As at 01.04.2015 | | | | |
| Borrowings (other than convertible preference shares): | | | | |
| Non Convertible Debentures - June 10 Series 1 | - | 45.00 | | 45.00 |
| Non Convertible Debentures - June 10 Series 2 | - | 46.38 | | 46.38 |
| Non Convertible Debentures - April 10 Series 1 | 160.48 | | | 160.48 |
| Non Convertible Debentures - April 10 Series 2 | 64.16 | | | 64.16 |
| Other Financial Liabilities | 42.25 | | | 42.25 |
| Trade and Other Payables | 142.64 | | | 142.64 |
| | 409.53 | 91.38 | - | 500.91 |

**Excessive risk concentration**

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or given set of counter parties.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a reasonably diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

**Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objectives of the Company's capital management is to maximise the shareholder value while providing stable capital structure that facilitate considered risk taking and pursued of business growth.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and business opportunities. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, raise/ pay down debt or issue new shares. The Company monitors capital structure using a debt equity ratio, which is debt divided by equity. The Company's policy is to keep the gearing ratio between 20% and 40%.

(₹ **In Crores**)

| | 31-Mar-17 | 31-Mar-16 | 01-Apr-15 |
|---|---|---|---|
| Borrowing | **391.74** | 395.82 | 316.02 |
| Total Capital | **1,540.83** | 1,433.23 | 1,423.16 |
| Debt Equity Ratio | **25%** | 28% | 22% |

## Notes to the financial statements for the year ended 31st March, 2017

**Note 46 - Standards issued but not yet effective**

The standards issued, but not yet effective upto the date of issuance of the Group's financial statements is disclosed below. The Group intends to adopt this standard when it becomes effective.

**Ind AS 115 Revenue from Contracts with Customers**

Ind AS 115 was issued in February 2015 and establishes a five-step model to account for revenue arising from contracts with customer. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. The Group is in the process of analysing the impact of the proposed standard. This standard will come into force from accounting period commencing on or after 1st April 2018. The Group will adopt the new standard on the required effective date.

**Note 47**

**First time adoption of Indian Accounting Standards**

The Company has prepared separate financial statements which comply with Ind AS applicable for the period ending as on 31st March 2016 for comparative purpose for the period ending 31st March 2017. In preparing these financial statements, the Company's opening balance sheet has been prepared as at 1st April 2015, i.e the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its IGAAP financial statements, including the balance sheet as at 1st April 2015 and the financial statements for the year ended 31st March 2016.

**Exemption availed under IND AS 101 'First time adoption of Indian Accounting Standards'**

**Investments in subsidiaries, associates & joint ventures:** Company has availed the option to continue recording of Investments(in each of these cases) at cost as per Indian GAAP as on transition date amongst available options of fair valuation or cost as per Ind AS 27 'separate financial statement'.

**Business Combination:** Company has availed the exemption available under Ind AS 101 for not restating the past business combinations at fair value.

**Leases:** Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease in substance or legal form .In accordance with Ind AS 17,this assessment should be carried out at the inception of the contract or arrangement. However, the Company has done the assessment of lease in contracts based on conditions in prevailing as at the date of transition as per transition provision of Ind AS 101.

## Notes to the financial statements for the year ended 31st March, 2017

### Note 47

### First time adoption of Indian Accounting Standards (cont.)

Trent Limited - **Reconciliation of Equity as at 1st April, 2015**

(₹ In crore)

| ASSETS | Indian GAAP | Adjustments | Ind-AS as at 1st April, 2015 |
|---|---|---|---|
| **Non-current assets** | | | |
| Property, Plant and Equipment | 383.24 | (50.24) | 333.00 |
| Capital Work-In-Progress | 46.18 | - | 46.18 |
| Other Intangible Assets | 4.53 | - | 4.53 |
| Financial Assets | | | |
| (i) Investments | 1012.81 | 10.76 | 1023.57 |
| (ii) Loans | 71.60 | (22.40) | 49.20 |
| (iii) Others | - | 1.27 | 1.27 |
| Deferred Tax Assets | 3.96 | 14.44 | 18.40 |
| Other Non-Current Assets | - | 50.80 | 50.80 |
| **Total Non-Current Assets (A)** | **1522.32** | **4.63** | **1526.95** |
| **Current Assets** | | | |
| Inventories | 250.37 | - | 250.37 |
| Financial Assets | | | |
| (i) Investments | 24.64 | 0.19 | 24.83 |
| (ii) Trade Receivables | 2.21 | - | 2.21 |
| (iii) Cash and Cash Equivalents | 28.62 | (5.35) | 23.27 |
| (iv) Bank Balances other than (iii) above | - | 4.07 | 4.07 |
| (v) Loans | 133.15 | (32.98) | 100.17 |
| (vi) Others | - | 3.14 | 3.14 |
| Current Tax Assets (net) | - | 1.28 | 1.28 |
| Other Current Assets | 0.84 | 30.45 | 31.29 |
| **Total Current Assets (B)** | **439.83** | **0.80** | **440.63** |
| **Total Assets (A+B)** | **1962.15** | **5.43** | **1967.58** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| a) Equity Share Capital | 33.23 | - | 33.23 |
| b) Other Equity | 1338.69 | 51.24 | 1389.93 |
| Total Equity (C) | **1371.92** | **51.24** | **1423.16** |
| **Non-Current Liabilities** | | | |
| Financial Liabilities | | | |
| (i) Long-Term Borrowings | 75.00 | 16.38 | 91.38 |
| (ii) Other Financial Liabilities | - | 2.17 | 2.17 |
| Long-Term Provisions | 36.73 | 27.45 | 9.28 |
| Other Non-Current Liabilities | 2.61 | (2.41) | 0.20 |
| **Total Non-Current Liabilities** | **114.34** | **(11.31)** | **103.03** |
| **Current Liabilities** | | | |
| Financial Liabilities | | | |
| (i) Trade and Other Payables | 142.64 | - | 142.64 |
| (ii) Other Financial Liabilities | - | 264.72 | 264.72 |
| Other Current Liabilities | 213.95 | (183.65) | 30.30 |
| Short-Term Provisions | 119.30 | (115.57) | 3.73 |
| **Total Current Liabilities** | **475.89** | **(34.50)** | **441.39** |
| **Total Liabilities (D)** | **590.23** | **(45.81)** | **544.42** |
| **Total Equity and Liabilities (C+D)** | **1962.15** | **5.43** | **1967.58** |

## Notes to the financial statements for the year ended 31st March, 2017

### Note 47
### First time adoption of Indian Accounting Standards (cont.)

**Reconciliation of equity as at 31st March, 2016**

₹ In crore

| ASSETS | Indian GAAP | Adjustments | Ind-AS as at 31st March, 2016 |
|---|---|---|---|
| **Non-Current Assets** | | | |
| Property, Plant and Equipment | 460.96 | (49.52) | 411.44 |
| Capital Work-In-Progress | 53.65 | - | 53.65 |
| Other Intangible Assets | 4.55 | - | 4.55 |
| Financial Assets | | | |
| (i) Investments | 1052.50 | 26.62 | 1,079.12 |
| (ii) Loans | 45.13 | (22.46) | 22.67 |
| Other Non-Current Assets | 1.49 | 62.40 | 63.89 |
| **Total Non-Current Assets (A)** | **1618.28** | **17.04** | **1635.32** |
| Current Assets | | | |
| Inventories | 270.10 | - | 270.10 |
| Financial Assets | | | |
| (i) Investments | 6.55 | 0.05 | 6.60 |
| (ii) Trade Receivables | 2.03 | - | 2.03 |
| (iii) Cash and Cash Equivalents | 26.63 | (6.30) | 20.33 |
| (iv) Bank Balances other than (iii) above | - | 4.84 | 4.84 |
| (v) Short-Term Loans and Advances | 139.94 | (28.63) | 111.31 |
| (vi) Other Currrent Assets | - | 4.21 | 4.21 |
| Current Tax Assets (Net) | - | 8.87 | 8.87 |
| Other Current Assets | 1.81 | 17.46 | 19.27 |
| **Total Current Assets (B)** | **447.06** | **0.50** | **447.56** |
| **Total Assets (A+B)** | **2065.34** | **17.54** | **2082.88** |
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| a) Equity Share Capital | 33.23 | - | 33.23 |
| b) Other Equity | 1380.55 | 19.45 | 1400.00 |
| **Total Equity (D)** | **1413.78** | **19.45** | **1433.23** |
| **Non-Current Liabilities** | | | |
| Financial Liabilities | | | |
| Long-Term Borrowings | 75.00 | 20.99 | 95.99 |
| Long-Term Provisions | 37.08 | (27.58) | 9.50 |
| **Total Non-Current Liabilities** | **112.08** | **(6.59)** | **105.49** |
| Current Liabilities | | | |
| Financial Liabilities | | | |
| (i) Short Term Borrowings | | | |
| (ii) Trade and Other Payables | 149.31 | (0.08) | 149.23 |
| (iii) Other Financial Liabilities | 300.00 | 54.55 | 354.55 |
| Other Current Liabilities | 86.53 | (49.70) | 36.83 |
| Short-Term Provisions | 3.64 | (0.09) | 3.55 |
| **Total Current Liabilities** | **539.48** | **4.68** | **544.16** |
| **Total Liabilities (D)** | **651.56** | **(1.91)** | **649.65** |
| **Total Equity and Liabilities (C+D)** | **2065.34** | **17.54** | **2082.88** |

## Notes to the financial statements for the year ended 31st March, 2017

### Note 47

### First time adoption of Indian Accounting Standards (cont.)

**Reconciliation of Total Comprehensive Income for the year ended 31st March, 2016**

₹ In crore

| | Indian GAAP | Adjustments | Ind-AS for the year ended 31st March 2016 |
|---|---|---|---|
| **Revenues** | | | |
| Revenue From Operations | 1500.55 | (8.64) | 1491.91 |
| Other Income | 70.77 | 17.98 | 88.75 |
| **Total Revenue (A)** | **1571.32** | **9.34** | **1580.66** |
| Expenses | | | |
| Cost of Material Consumed | 0.62 | - | 0.62 |
| Purchases of Stock-In-Trade | 736.44 | - | 736.44 |
| Changes in Inventories of finished goods, Stock-in -Trade and work-in progress | (15.80) | - | (15.80) |
| Employee Benefits Expense | 132.50 | (0.16) | 132.34 |
| Finance Costs | 31.99 | 5.56 | 37.55 |
| Depreciation and Amortization Expense | 35.26 | (0.72) | 34.54 |
| Other Expenses | 553.28 | (7.68) | 545.60 |
| **Total Expenses (B)** | **1474.29** | **(3.00)** | **1471.29** |
| Profit/Loss before exceptional items and tax (A+B) | 97.03 | 12.34 | 109.37 |
| Exchange Gain / (Loss) | | | |
| Exceptional Items | 0.11 | - | 0.11 |
| **Profit/(Loss) Before Tax** | **96.92** | **12.34** | **109.26** |
| Income Taxes | | | |
| - Current Tax | 16.60 | - | 16.60 |
| - Deferred Tax | 2.47 | 3.64 | 6.11 |
| **Profit (Loss) for the period from continuing operations (C)** | **77.85** | **8.70** | **86.55** |
| Profit/(Loss) from discontinued operations | | | |
| Tax Expense of discontinued operations | | | |
| **Profit/(Loss) from Discontinued operations (after tax) (D)** | **-** | **-** | **-** |
| **Profit/(Loss) for the period (E = C+D)** | **77.85** | **8.70** | **86.55** |
| **Other Comprehensive Income / (Loss)** | | | |
| Items that will not be reclassified to profit or loss | - | (0.56) | (0.56) |
| Income tax relating to items that will not be reclassified to profit or loss | - | - | - |
| Items that will be reclassified to profit or loss | - | - | - |
| Income tax relating to items that will be reclassified to profit or loss | - | 0.06 | 0.06 |
| **Other comprehensive Income/(Loss) for the period, net of tax (F)** | **-** | **(0.50)** | **(0.50)** |
| **Total Comprehensive Income for the period (E + F )** | **77.85** | **8.20** | **86.05** |

Major adjustment carried out while transition from IGAAP to IND AS

**Reclassification of Lease hold buildling:** Under the Previous IGAPP Leasehold land was covered under fixed assets. Under Ind AS lease hold land is treated as operating lease and Premium paid is considered as advance lease rental. Accordingly while transition from IGAAP to Ind AS Company has reclassified the unamortised portion of Leasehold land of ₹ 50.24 Crores (net of amortisation) from fixed assets to other non-current assets as prepaid lease rentals which will be amortised as operating lease over the remaining period of the agreement. During the year ended March 16, under Ind AS, Company has reversed depreciation expenses of ₹ 0.72 Cr which was earlier charged off as per IGAAP & recognised as lease rental of ₹ 0.72 Cr as per Ind AS

**Accounting of Investment in accordance with IND AS 109:** The group has measured investments (other than investment in joint ventures,associates & subsidairies) at fair value in accordance with IND AS 109. Accordingly value of investment has been adjusted as follows while transition from IGAAP to Ind AS for 1st April 2015 .

## Notes to the financial statements for the year ended 31st March, 2017

**Note 47**

**First time adoption of Indian Accounting Standards (cont.)**

(₹ **In crore)**

| | Carrying amount under IGAAP | IND AS 109 Adjsutment | Carrying amount under IND AS |
|---|---|---|---|
| Non current Investment | 1012.81 | 10.76 | 1023.57 |
| Current Investment | 24.64 | 0.19 | 24.83 |

For the year ended March 16, Value of investment has been adjusted as follows.

(₹ **In crore)**

| | Carrying amount under IGAAP | IND AS 109 Adjsutment | Carrying amount under IND AS |
|---|---|---|---|
| Non current Investment | 1052.50 | 26.62 | 1079.12 |
| Current Investment | 6.55 | 0.05 | 6.60 |

The increase in retained earning at the time of transition is of ₹ 10.29 crores and for financial year 2015-16 Increase in profit and loss is of ₹ 16.36 crores.

Further the amount recognised in other comprehensive income at the time of transition is ₹ 0.67 Cores and for the year ended on 31st Mar' 16 amount debited for in other comprehesive income is ₹ 0.39 Crores

**Measurement of outstanding debentures at amortised cost:** The outstanding debentures has been measured at amortised cost as per Ind AS 109. Accordingly redemption premium of ₹11.91 Crores for the unexpired period as on 01st April 2015 provided under IGAAP has been reversed against retained earning. Due to valuation of debentures at amortised cost the long term borrowings as on 01st April 2015 has been increased by ₹ 16.37 Crores .During the year ended 31st March 16, additional interest cost on amortisation of ₹ 5.34 Crores has been recognised on measuring debentures at amortised cost.

**Accounting for clubwest points:** Under the IGAAP company was providing for variable cost attributable to unredeemed loyalty points where as under Ind AS Company is require to defere the revenue pertaining to unredeemed points. Consequently provision for ₹ 5.65 Crores for accrued points on date of transition has been reversed and liability of ₹ 9.54 Crores has been recognised for the revenue being deferred. The impact of both has been adjusted against retained earnings. For the year ended 31st March 2016, Company has reversed provision for accrued points of ₹ 7.86 crores which has been adjusted against advertisement and sales promotion expenses. Further liability on account of deferred revenue amounting to ₹ 8.86 crores has been recognised and adjusted against revenue from sale of goods.

**Proposed Dividend:** Under the IGAAP, Proposed dividend including dividend distribution tax (DDT),are recognised as liability in the period to which they relate,irrespective of when dividend is declared. Under Ind AS, Proposed dividend is recognised as a liability for the period in which it is declared by the company,usually when approved by shareholder in general meeting or paid.Therefore, the dividend liability (proposed dividend) including dividend distribution tax liability amounting to ₹ 40 crores has been derecognised in retained earnings as on the date of transition.

**Amortisation of Security deposit:** Under Ind AS security deposit is measured at amorstised cost accordingly company has adjusted ₹ 0.11 Crores against retained earnings on transtiton date. During the financial year 2015-16 the company has recognised net expense of ₹ 0.04 Crores for measuring security deposit at amortised cost.

## Notes to the financial statements for the year ended 31st March, 2017

### Note 47

**First time adoption of Indian Accounting Standards (cont.)**

**Employee Benefits:** Under Ind AS, employee benefit expenses of ₹ 0.11 crores (net of deferred tax) pertaining to remeasurement of acturial gains and losses has been transferred to other comprehensive income from profit and loss statement of 2015-16.

**Deferred Tax:** Under Ind AS deferred tax is calculated on temporary differences between the carrying amount of an asset or liability and its tax base. On transition date, net increase in deferred tax liability is of ₹ 5.38 crores and net decrease for year ended 31st March 2016 is of ₹ 3.53 Crores.

**Corporate Guarantee:** As per Ind AS 32, the company has recognised a liability and investment of ₹1.39 Crore as on transition date. During the year 2015-16 the company has recognised an income of ₹ 0.26 Crores as a premium for the year.

All other adjustments are mainly related to classification of assets and liabilites in financial and non financial nature.

### Note 48

Previous year's figures have been regrouped / reclassified wherever necessary.

As per our Report attached.

**For N.M.Raiji & Co,**
Chartered Accountants
Registration No.108296W

**CA Y.N.Thakkar**
*Partner*
Membership No. 33329
Mumbai, 26th May 2017

**M.M. SURTI**
*Company Secretary*

**P. VENKATESALU**
*Executive Director (Finance) and CFO*

For and on behalf of the Board,

**N. N. TATA** — Chairman

**H. BHAT**, **B. N. VAKIL**, **Z. S. DUBASH**, **B. BHAT**, **S. SINGH**, **A. SEN** — Directors

**PHILIP AULD** — Managing Director

## Cash Flow Statement For the year ended on 31st March, 2017

| Sl No | PARTICULARS | For Year ended on March'17 ₹ in Crores | ₹ in Crores | For Year ended on March'16 ₹ in Crores |
|---|---|---|---|---|
| A | **CASH FLOW FROM OPERATING ACTIVITIES** | | | |
| | Net Profit before Taxes and Exceptional Items | | **110.34** | 109.37 |
| | Adjustments for : | | | |
| | Depreciation | **37.61** | | 34.54 |
| | Amortisation of Leasehold Land | **0.72** | | 0.72 |
| | Impairment Loss | **(0.06)** | | (0.01) |
| | Provision for doubtful debts & bad debts written off | **1.69** | | 0.93 |
| | Finance Income and Cost (Net) | **12.83** | | 16.00 |
| | (Profit)/Loss on Fixed Assets sold/discarded (Net) | **5.41** | | 4.14 |
| | (Profit)/Loss on sale of Investments(Net) | **(10.12)** | | (5.88) |
| | Income from Investments (net) | **(2.08)** | | (34.94) |
| | Unrealised Foreign Exchange Loss | **(0.08)** | | (0.04) |
| | Excess Provisions / Liabilities no longer required written back | **(1.49)** | | (2.88) |
| | Investment on account of fair value | **(27.53)** | | (27.24) |
| | Amortised cost of Non Convertible debentures | **3.12** | | 3.51 |
| | Amotisation of deferred lease Expenses/ (Income) net | **2.16** | | 1.87 |
| | Reclassification of Actuarial gain Loss | **(0.14)** | | (0.17) |
| | Expired Gift Vouchers and Credit Notes Written back | **(3.27)** | | (0.95) |
| | | | **18.77** | (10.40) |
| | Operating Profit Before Working Capital Changes | | **129.11** | 98.97 |
| | Adjustments for : | | | |
| | (Increase)/Decrease in Inventories | **(28.19)** | | (19.73) |
| | (Increase)/Decrease in Trade Receivables & Other Current Assets | **5.36** | | (2.43) |
| | (Increase)/Decrease in Loans and Other Non Current Assets | **(18.25)** | | 25.92 |
| | Increase/(Decrease) in Trade Payable & Other Current Liabilities | **1.55** | | 26.47 |
| | Increase/(Decrease) in Non Current Liabilities | **5.92** | | (2.26) |
| | | | **(33.61)** | 27.97 |
| | Cash generated from operations | | **95.50** | 126.94 |
| | Direct Taxes Paid | **(31.33)** | | (18.85) |
| | | | **(31.33)** | (18.85) |
| | Net Cash from Operating Activities | | **64.17** | 108.09 |
| B | **CASH FLOW FROM INVESTING ACTIVITIES** | | | |
| | Purchase of Property,Plant and Equipments & Investment Property | **(69.54)** | | (138.48) |
| | Sale of Property,Plant and Equipments & Investment Property | **2.03** | | 4.25 |
| | Purchase of Investments | **(921.72)** | | (989.06) |
| | Sale of Investments | **939.28** | | 982.39 |
| | Disposal of Investment in Subsidiaries | **-** | | 12.89 |
| | Repayment of Loans given | **1.45** | | 0.25 |
| | Interest received | **17.21** | | 14.83 |
| | Income From Investments (net) | **1.95** | | 3.02 |
| | Purchase of / Subscription to Investments in susbsidiaries, Joint ventures and Associates | **(83.17)** | | (29.14) |
| | Sales/redemption of investments in subsidiaries,Joint venture and assoiciates | **101.84** | | 17.93 |
| | Dividend from Investments in susbsidiaries,Joint ventures and Associates | **0.13** | | 31.92 |
| | Net cash used in Investing Activities | | **(10.54)** | (89.20) |
| C | **CASH FLOW FROM FINANCING ACTIVITIES** | | | |
| | Issue of securities | **100.00** | | 300.01 |
| | Redemption of Securities (Including Premium) | **(300.00)** | | (225.54) |
| | Unclaimed Securities application money (transferred to IEPF) | **-** | | (0.01) |
| | Short term borrowing | **234.70** | | - |
| | Repayment of short Term borrowing | **(48.30)** | | - |
| | Finance Cost | **(33.00)** | | (20.36) |
| | Dividend Paid(Including Dividend Distribution Tax) | **(0.64)** | | (75.17) |
| | Net cash from Financing Activities | | **(47.24)** | (21.07) |
| | NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C) | | **6.39** | (2.18) |
| | CASH AND CASH EQUIVALENTS AS AT OPENING | | **25.17** | 27.35 |
| | CASH AND CASH EQUIVALENTS AS AT CLOSING | | **31.56** | 25.17 |

Notes:
I) All figures in brackets are outflows.
II) Cash and Cash equivalents consists of cash on hand and balances with banks as detailed in Note 13 and 14 to the Balance Sheet.
III) During Current year company has spent ₹ 0.82 Crores (Previous year ₹ 0.59 Crores) towards Corporate Social Responsibility (Refer Note No 39 (b), Page 149).
IV) Previous year's figures have been regrouped wherever necessary.

As per our Report attached.

**For N.M.Raiji & Co,**
Chartered Accountants
Registration No.108296W

**CA Y.N.Thakkar**
*Partner*
Membership No. 33329
Mumbai, 26th May 2017

**M.M. SURTI**
*Company Secretary*

**P. VENKATESALU**
*Executive Director (Finance) and CFO*

For and on behalf of the Board,

**N. N. TATA** Chairman

**H. BHAT** **B. BHAT**
**B. N. VAKIL** **S. SINGH**
**Z. S. DUBASH** **A. SEN**
Directors

**PHILIP AULD** Managing Director

# Consolidated Financial Statements

## INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF TRENT LIMITED**

**Report on the Consolidated Ind AS Financial Statements**

We have audited the accompanying consolidated Ind AS financial statements of Trent Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate companies & jointly controlled entity, comprising of the consolidated balance sheet as at 31st March 2017, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flow statement and the consolidated statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

**Management's Responsibility for the Consolidated Ind AS Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and the consolidated changes in equity of the Group including its associate companies & jointly controlled entity in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS financial statements by the directors of the Holding company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting principles generally accepted in India including the Ind AS, of the consolidated state of affairs of the Group and associate companies & jointly controlled entity as at 31st March, 2017, and their consolidated financial performance including other comprehensive income, their consolidated cash flows and consolidated statements of changes in equity for the year ended on that date.

**Other Matters**

We did not audit the financial statements of Fiora Business Support Services Limited (formerly known as Westland Limited), Trent Brands Limited and Trent Global Holdings Limited (subsidiaries), whose financial statements reflect total assets of ₹ 69.42 crores and net assets of ₹ 67.25 crores as at 31st March, 2017, total revenues of ₹17.15 crores and net cash inflows amounting to ₹ 0.49 crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. The Consolidated financial statements also include the Group's share of net loss of ₹ 8.97 crores and other comprehensive loss of ₹ 0.05 crores for the year ended 31st March, 2017 as considered in consolidated financial statements, in respect of Inditex Trent Retail India Private Limited, Massimo Dutti India Private Limited (Associates) and Trent Hypermarket Private Limited (jointly controlled entity) and its subsidiaries whose financial statements have not been audited us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates and jointly controlled entity, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates and jointly controlled entity and subsidiary of associates, is based solely on the reports of the other audito`

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements.
   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as appears from our examination of those books and the report of the other auditors.
   (c) The consolidated balance sheet, consolidated statement of profit and loss (including other comprehensive income), consolidated cash flow statement and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
   (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified under section 133 of the Act.
   (e) On the basis of written representations received from the directors of the holding company as on 31st March, 2017, taken on record by the Board of Directors of the holding company and the reports of the statutory auditors of its subsidiary companies and associate companies and its jointly controlled entity, none of the directors of Group companies and associates companies and jointly controlled

company incorporated in India is disqualified as on 31st March 2017 from being appointed as a director in terms of sub-section (2) of section 164 of the Act.

(f) In our opinion, based on the comments in the auditor's reports of the holding company, subsidiary companies, associate companies and jointly controlled entity incorporated in India, the Group has generally adequate internal financial controls system in place and the same are generally operating effectively.

(g) 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, in our opinion and to the best of our information and according to the explanations given to us:

(i) The consolidated Ind AS financial statements disclosed the impact of pending litigations on its consolidated financial position of the Group and its associate companies and jointly controlled entity – Refer note no. 36 (c) & (e) (Page 217) forming part of consolidated Ind AS financial statements.

(ii) The Group and its associate companies & jointly controlled entity did not have any material foreseeable losses on long-term contracts including derivative contracts.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies, associates & jointly controlled companies incorporated in India.

(iv) The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer note no. 38 (b) (Page 220) forming part of consolidated Ind AS financial statements.

For **N. M. RAIJI & CO.**
Chartered Accountants
Firm Registration No: 108296W

**CA. Y. N. THAKKAR**
Partner
Membership No: 33329
Place : Mumbai
Date : 26th May, 2017

## Consolidated Balance Sheet as at 31st March 2017

(₹ In Crores)

| | Particulars | Notes | Page | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|---|---|---|
| **I.** | **ASSETS** | | | | | |
| | **1) Non-Current Assets** | | | | | |
| | Property, Plant and Equipment | 4 | 198 | **479.92** | 444.16 | 370.67 |
| | Capital Work-In-Progress | | | **5.48** | 53.65 | 46.18 |
| | Investment Property | 4 | 199 | **33.67** | - | - |
| | Goodwill on Consolidation | | | **26.15** | 26.08 | 26.23 |
| | Other Intangible Assets | 4 | 199-200 | **8.97** | 6.55 | 7.56 |
| | Intangible Assets under Development | | | **-** | 1.21 | 1.08 |
| | Financial Assets | | | | | |
| | (i) Investments | 5 | 200 | **987.98** | 1042.14 | 1006.40 |
| | (ii) Loans | 6 | 201 | **34.98** | 16.67 | 43.98 |
| | (iii) Others | 7 | 201 | **0.22** | 1.46 | 1.27 |
| | Deferred Tax Assets (Net) | 8 | 201-202 | **-** | 2.62 | 17.08 |
| | Other Non-Current Assets | 9 | 202 | **55.52** | 53.89 | 50.97 |
| | **Total Non-Current Assets (A)** | | | **1632.89** | 1648.43 | 1571.42 |
| | **2) Current Assets** | | | | | |
| | Inventories | 10 | 202 | **305.36** | 279.19 | 260.48 |
| | Financial Assets | | | | | |
| | (i) Investments | 11 | 203 | **91.98** | 24.83 | 31.09 |
| | (ii) Trade Receivables | 12 | 203 | **5.92** | 12.99 | 11.36 |
| | (iii) Cash and Cash Equivalents | 13 | 203 | **28.34** | 22.00 | 25.07 |
| | (iv) Bank Balances other than (iii) above | 14 | 203-204 | **5.94** | 4.90 | 4.14 |
| | (v) Loans | 15 | 204 | **102.26** | 114.62 | 101.16 |
| | (vi) Others | 16 | 204-205 | **4.53** | 4.22 | 7.64 |
| | Current Tax Assets (Net) | | | **12.02** | 13.35 | 5.30 |
| | Other Current Assets | 17 | 205 | **27.18** | 32.06 | 41.91 |
| | Assets held for sale | | | **0.03** | - | - |
| | **Total Current Assets (B)** | | | **583.56** | 508.16 | 488.15 |
| | **Total Assets (A+B)** | | | **2216.45** | 2156.59 | 2059.57 |
| **II.** | **EQUITY AND LIABILITIES** | | | | | |
| | Equity | | | | | |
| | Equity Share Capital | 18 | 206-207 | **33.23** | 33.23 | 33.23 |
| | Other Equity | 18 | 208 | **1514.46** | 1431.16 | 1453.42 |
| | Non Controlling Interest | | | **0.75** | 10.34 | 2.64 |
| | **Total Equity (C)** | | | **1548.44** | 1474.73 | 1489.29 |
| | **LIABILITIES** | | | | | |
| | **Non-Current Liabilities** | | | | | |
| | Financial Liabilities | | | | | |
| | (i) Borrowings | 19 | 208 | **99.82** | 95.98 | 91.38 |
| | (ii) Other Financial Liabilities | 20 | 209 | **2.07** | - | 2.17 |
| | Provisions | 21 | 209 | **15.24** | 12.25 | 11.59 |
| | Deferred Tax Liabilities (Net) | 8 | 201-202 | **8.96** | - | - |
| | Other Non-Current Liabilities | 22 | 209 | **0.28** | - | 0.20 |
| | **Total Non-Current Liabilities** | | | **126.37** | 108.23 | 105.34 |
| | **Current Liabilities** | | | | | |
| | Financial Liabilities | | | | | |
| | (i) Borrowings | 23 | 209 | **190.87** | 3.99 | 4.35 |
| | (ii) Trade Payables | 24 | 210 | **142.21** | 166.22 | 153.31 |
| | (iii) Other Financial Liabilities | 25 | 210-211 | **157.62** | 358.21 | 268.85 |
| | Other Current Liabilities | 26 | 211 | **46.69** | 41.28 | 34.09 |
| | Provisions | 27 | 211 | **4.25** | 3.93 | 4.34 |
| | **Total Current Liabilities** | | | **541.64** | 573.63 | 464.94 |
| | **Total Liabilities (D)** | | | **668.01** | 681.86 | 570.28 |
| | **Total Equity and Liabilities (C+D)** | | | **2216.45** | 2156.59 | 2059.57 |

See accompanying notes to Financial Statements

As per our Report attached.

**For N.M.Raiji & Co,**
Chartered Accountants
Registration No.108296W

**CA Y.N.Thakkar**
*Partner*
Membership No. 33329
Mumbai, 26th May 2017

**M.M. SURTI**
*Company Secretary*

**P. VENKATESALU**
*Executive Director (Finance) and CFO*

For and on behalf of the Board,

**N. N. TATA** — Chairman

**H. BHAT**, **B. BHAT**, **B. N. VAKIL**, **S. SINGH**, **Z. S. DUBASH**, **A. SEN** — Directors

**PHILIP AULD** — Managing Director

## Consolidated Profit and Loss statement for the year ended 31st March 2017

(₹ In Crores)

| Particualrs | Notes | Page | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|---|---|
| **Revenues** | | | | |
| Revenue from Operations | 28 | 212 | **1833.92** | 1589.33 |
| Other Income | 29 | 212 | **60.52** | 57.30 |
| **Total Revenue (A)** | | | **1894.44** | 1646.63 |
| **Expenses** | | | | |
| Cost of Material Consumed | 30 | 213 | **0.24** | 2.12 |
| Purchases of Stock-in-Trade | | | **932.46** | 808.08 |
| Changes in Inventories of finished goods, Stock-in -Trade and work-in progress | | | **(29.86)** | (14.59) |
| Employee Benefits Expense | 31 | 213 | **192.53** | 163.83 |
| Finance Costs | 32 | 213 | **33.78** | 37.55 |
| Depreciation and Amortization Expense | 4 | 198-200 | **41.29** | 38.59 |
| Other Expenses | 33 | 214 | **612.85** | 537.11 |
| **Total Expenses (B)** | | | **1783.29** | 1572.69 |
| **Profit/(Loss) Before Exceptional Items and Tax (A-B)** | | | **111.15** | 73.94 |
| Exceptional Items | 34 | 215 | **(0.47)** | 11.30 |
| **Profit/(Loss) Before Tax After Exceptional Items (C )** | | | **110.68** | 85.24 |
| Share in Profit and Loss of Associates/Joint Venture as per Equity Method | | | **(8.97)** | 8.08 |
| **Profit/(Loss) Before Tax (D)** | | | **101.71** | 93.32 |
| Tax Expense: | | | | |
| - Current Tax | | | **33.58** | 24.75 |
| - Deferred Tax | | | **9.47** | 10.08 |
| (Excess)/Short Provision for Tax | | | **(0.00)** | (0.12) |
| **Total Tax Expenses (E )** | | | **43.05** | 34.71 |
| Pre Acquisition( Profit)/Loss | | | **-** | (0.15) |
| **Profit (Loss) for the period from Continuing Operations (F)** | | | **58.66** | 58.46 |
| **Profit (Loss) for the period from Discontinuing Operations** | | | | |
| Profit/(Loss) from Discontinued Operations | | | **(5.20)** | (3.44) |
| Profit on disposal of business on slump sale | | | **38.47** | - |
| Tax Expense of Discontinued Operations | | | **(6.98)** | - |
| **Profit/(Loss) from Discontinued Operations (After Tax) (G)** | | | **26.29** | (3.44) |
| **Profit/(Loss) for the Period (H )** | | | **84.95** | 55.02 |
| **Other Comprehensive Income** | 35 | 215 | | |
| Items that will not be reclassified to profit or loss | | | **(2.77)** | (1.14) |
| Income tax relating to items that will not be reclassified to profit or loss | | | **0.26** | 0.16 |
| Items that will be reclassified to profit or loss | | | **(0.02)** | 0.00 |
| **Other comprehensive Income for the Period, Net of Tax (I)** | | | **(2.53)** | (0.98) |
| **Total Comprehensive Income for the Period (H + I )** | | | **82.42** | 54.04 |
| Profit/ (Loss) attributable to Equity Holders of Company | | | **84.86** | 54.95 |
| Profit/ (Loss) attributable to Non Controlling Interest | | | **0.09** | 0.07 |
| Total Comprehensive Income attributable to Equity Holders of Company | | | **82.44** | 53.97 |
| Total Comprehensive Income attributable to Non Controlling Interest | | | **(0.02)** | 0.07 |
| **Earnings per Equity Share (for Continuing Operation):** | | | | |
| (1) Basic | | | **1.76** | 1.76 |
| (2) Diluted | | | **1.76** | 1.76 |
| **Earnings per Equity Share (for Discontinued Operation):** | | | | |
| (1) Basic | | | **0.79** | (0.09) |
| (2) Diluted | | | **0.79** | (0.09) |
| **Earnings per Equity Share(for Discontinued & Continuing Operations)** | | | | |
| (1) Basic | | | **2.55** | 1.65 |
| (2) Diluted | | | **2.55** | 1.65 |

As per our Report attached.

**For N.M.Raiji & Co,**
Chartered Accountants
Registration No.108296W

**CA Y.N.Thakkar**
*Partner*
Membership No. 33329
Mumbai, 26th May 2017

**M.M. SURTI**
*Company Secretary*

**P. VENKATESALU**
*Executive Director (Finance) and CFO*

For and on behalf of the Board,

**N. N. TATA** — Chairman

**H. BHAT, B. N. VAKIL, Z. S. DUBASH, B. BHAT, S. SINGH, A. SEN** — Directors

**PHILIP AULD** — Managing Director

## Statement of Changes in Equity for the year ended 31st March, 2017

### a. Equity Share Capital

(₹ In Crores)

| Particulars | Nos. | Amount |
|---|---|---|
| As at 1st April 2015 | 33231544 | 33.23 |
| issued during the year (Full figure ₹ 1290) | 129 | 0.00 |
| As at 31st March 2016 | 33231673 | 33.23 |
| issued during the year | - | - |
| **As at 31st March 2017*** | **332316730** | **33.23** |

* During the year the Company has split its equity shares having face value of ₹ 10 each into equity shares having face value of ₹1 per share

### b. Other Equity

(₹ In Crores)

| Particulars | Securities Premium Reserve | Debenture Redemption Reserve | Capital Redemption Reserve | General Reserve | Capital Reserve On Acquisition Of Subsidiary | Captial Reserve On Change in Status of Subsidiary to Joint Venture | Retained Earnings | Equity instruments through OCI | Remeasurment on Defined Benefit Plan | Exchange differences on translating the financial statements of a foreign operation | Total other equity attributable to Parent company | Non Contolling Interest | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance at 1st April 2015** | **976.81** | **93.00** | **7.00** | **10.43** | **4.10** | **347.75** | **3.58** | **10.42** | **-** | **0.33** | **1453.42** | **2.64** | **1456.06** |
| Profit /(Loss) for the year | - | - | - | - | - | - | 54.95 | - | - | - | 54.95 | 0.07 | 55.02 |
| Other Comprehensive Income for the year* | - | - | - | - | - | - | - | (0.58) | (0.40) | - | (0.98) | (0.00) | (0.98) |
| **Total Comprehensive Income for the year** | **-** | **-** | **-** | **-** | **-** | **-** | **54.95** | **(0.58)** | **(0.40)** | **-** | **53.97** | **0.07** | **54.04** |
| Dividends including Tax thereon | - | - | - | - | - | - | (75.99) | - | - | - | (75.99) | (0.07) | (76.06) |
| Adjustment on account of changes in controlling interest in susbsidiary during year | - | - | - | - | (0.25) | - | - | - | - | - | (0.25) | 7.70 | 7.45 |
| Exchanges difference during the year (Full Figure ₹16096) | - | - | - | - | - | - | - | - | | 0.00 | 0.00 | | 0.00 |
| Transfer from retained earnings | - | 0.75 | - | - | - | - | (0.75) | - | - | - | - | - | - |
| Securities premium received on issue of shares during the year | 0.01 | - | - | - | - | - | - | - | - | - | 0.01 | - | 0.01 |
| **Total transaction with the owners of the Company** | **0.01** | **0.75** | **-** | **-** | **(0.25)** | **-** | **(76.74)** | **-** | **-** | **0.00** | **(76.23)** | **7.63** | **(68.60)** |

## Statement of Changes in Equity for the year ended 31st March, 2017

### b. Other Equity (cont.)

(₹ In Crores)

| Particulars | Securities Premium Reserve | Debenture Redemption Reserve | Capital Redemption Reserve | General Reserve | Capital Reserve On Acquisition Of Subsidiary | Captial Reserve On Change in Status of Subsidiary to Joint Venture | Retained Earnings | Equity instruments through OCI | Remeasurment on Defined Benefit Plan | Exchange differences on translating the financial statements of a foreign operation | Total other equity attributable to Parent company | Non Contolling Interest | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance at 31st March 2016** | **976.82** | **93.75** | **7.00** | **10.43** | **3.85** | **347.75** | **(18.21)** | **9.84** | **(0.40)** | **0.33** | **1431.16** | **10.34** | **1441.50** |
| Profit /(Loss) for the year | - | - | - | - | - | - | 84.86 | | | | 84.86 | 0.09 | 84.95 |
| Other Comprehensive Income for the year | - | - | - | - | - | - | | (2.19) | (0.21) | (0.02) | (2.42) | (0.11) | (2.53) |
| **Total Comprehensive Income for the year** | **-** | **-** | **-** | **-** | **-** | **-** | **84.86** | **(2.19)** | **(0.21)** | **(0.02)** | **82.44** | **(0.02)** | **82.42** |
| Dividends including Tax thereon | - | - | - | - | - | - | - | - | - | - | - | (0.07) | (0.07) |
| Adjustment on account of changes in controlling interest in susbsidiary during year | - | - | - | - | 1.06 | - | - | - | - | - | 1.06 | (9.50) | (8.44) |
| Share issue expenses | - | - | - | (0.20) | - | - | - | - | - | - | (0.20) | - | (0.20) |
| **Total transaction with the owners of the Company** | **-** | **-** | **-** | **(0.20)** | **1.06** | **-** | **-** | **-** | **-** | **-** | **0.86** | **(9.57)** | **(8.71)** |
| **Balance at 31st March 2017** | **976.82** | **93.75** | **7.00** | **10.23** | **4.91** | **347.75** | **66.65** | **7.65** | **(0.61)** | **0.31** | **1514.46** | **0.75** | **1515.21** |

* Full figure for Non controlling interest for Year 15-16 ₹15197

**Note:**

1. The Board of Directors has recommended a dividend of ₹ 1 Per equity share aggregating to ₹ 40 Crores incldluing dividend distribution tax in respect of year ended 31st March 2017.
2. As approved by the Board of Directors in their meeting held on 12th March 2016 , the Company has paid an Interim Dividend of ₹ 9 per Equity Share aggregating to ₹ 36 Crores including dividend distribution tax.
3. Proposed Dividend- On Equity shares in respect of year ended 31st March,2015 represents the dividend of ₹ 10 Per Equity Share aggregating to ₹40 Crore including Dividend distribution tax which included one time Special dividend of ₹2.50 Per Equity Share,the same has been approved and paid during the previous year.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

### Note 1

### Group information

Trent Limited (The Company) is a public limited company domiciled in India and is incorporated under the provisions of the Indian Companies Act, 1913. Its shares are listed on two recognised stock exchanges in India. The registered office of the company is located at Bombay House, 24, Homi Mody Street, Mumbai, 400001.The main business of the Company and its subsidiaries(herein after referred to as the (Group) and its joint venture and associates is retailing. The Group alongwith its joint venture and associates is engaged in retailing of apparels, footwear, accessories, toys, games, food grocery etc. It operates through 'Westside','Star' ,'Landmark' and 'ZARA' retail formats. Westside – offers apparel, footwear and accessories for men, women and children,along with furnishings, decor and a range of home accessories. Operating with a predominantly exclusive brands model, Westside continues to demonstrate the ability to compete effectively in the market place. Landmark -a family entertainment format- offers a curated range of toys,front list books and sports merchandise. Star- hypermarket and convenience store chain - offers a wide choice of products, including staple foods,beverages, health and beauty products, apparel, home furnishings, vegetables, fruits, dairy and nonvegetarian products.

### Note 2

### 2.1 Basis of preparation

These consolidated financial statements are prepared on the accrual basis of accounting and in accordance with the Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules,2015 and referred under Section 133 of the Companies Act, 2013.

The financial statements were authorised for issue in accordance with a resolution passed by the Board of Directors on 26th May, 2017.

For all periods up to and including the year ended 31st March 2016, the Company prepared its Consolidated financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The financial statements for the year ended 31st March 2016 have been prepared in accordance with Ind AS to give comparative figures for the financial statements for the year ended 31st March 2017 being the first year for preparation of financial statements in accordance with Ind AS. All Notes should be read in conjuction with Note no 48 (Page 242-247), which explains about how the Group adopted Ind AS.

These Consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value or amortised cost (refer accounting policy regarding financial instruments)

The Consolidated financial statements are presented in Indian rupees (INR) in Crores, which is also the Group's functional currency. All values are rounded off to the nearest INR crore upto two decimals, except when otherwise indicated.

### 2.2 Basis of Consolidation

The company Consolidates entities which it owns or controls. Control exists when the parent has power over the entity,is exposed,or has rights,to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity.Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases. The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/loss from such

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

transactions are eliminated upon consolidation.These financial statements are prepared by applying uniform accounting policies in use at the Group in material respects.Investment in Joint venture and Associates are accounted for using the equity method of accounting.The consolidated financial statements comprise the financial statements of the company,subsidiaries, joint ventures and associates as disclosed in Note 47 (Page 240-241).

**2.3 Summary of Significant accounting policies**

**a) Foreign currencies**

Foreign currency transactions are accounted at the rates prevailing on the date of transaction. Year-end monetary assets and liabilities are translated at the exchange rate ruling on reporting date. Exchange differences on settlement/conversion are adjusted to the Statement of Profit and Loss.

Non monetary items measured at historical cost/fair value are translated using the exchange rate prevailing on the date of transaction /fair value measurement respectively.

The translation of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the balance sheet date and for revenue, expense and cash-flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in other components of equity.

**b) Fair value measurement**

The Group measures financial instrument at fair value at each reporting date. Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the entity of the group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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(if level1 feed is not available/appropriate) — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 (if level1 and 2 feed is not available/appropriate) — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The respective Company's board/board Committee/Director approves the policies for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held as part of discontinued operations. Where seen required/appropriate external valuers are involved.The board/ board committee review the valuation results . This includes a discussion of the major assumptions used in the valuations.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**c) Revenue recognition**

**Operating revenues**

Revenue from sale of goods is recognised when goods are delivered and the significant risks and rewards of ownership have been transferred to the buyer or buyer's agents. Revenue from sale of goods is stated net of discounts,returns, applicable taxes and appropriate adjustment with respect to accrued loyalty points. Revenue is measured at fair value of the consideration received or receivable. Other Operating revenues are recognised on accrual basis. Consideration received is allocated between goods sold and customer loyalty points issued, with the consideration allocated to the points equal to their fair value. The fair value of points issued is deferred and recognised as revenue when the points are redeemed.

**Income from services**

Revenue from display and sponsorship services, Commission on sales, fees, etc. is recognised when the service is provided to the customer.

**Interest income**

Interest income is recognised on an accrual basis using effective interest rate (EIR) method.

**Dividends**

Dividend income is recognised when right to receive the payment is established.

**Rental income**

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms, except where escalation in rent is in line with expected general inflation.

**d) Taxes on Income**

**Current Tax**

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed and also takes into account current income tax relating to items recognised outside profit or loss (either in other comprehensive income or in equity) in accordance with the provisions of the relevant tax laws. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current tax assets and current tax liabilities are offset if a legally enforceable right exists to set off the recognised amounts.

**Deferred tax**

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in statement of profit and loss, other comprehensive income or directly in equity as applicable.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**e) Property, plant and equipment**

All items of property, plant and equipment, including freehold land, are initially recorded at cost. Subsequent to initial recognition, property, plant and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land has an unlimited useful life and therefore is not depreciated. The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The cost includes the purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use, cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in note (h) below. All other repair and maintenance costs are recognized in the statement of profit or loss as incurred.Depreciation on tangible assets is provided in accordance with Ind AS 16 'Property, Plant and Equipment' with useful life as prescribed in Schedule II of the Companies Act,2013 as below except improvements to leasehold property which are amortised over the period of lease term.

a) In respect of the assets of the retail business on Straight Line method.

b) In respect of all other assets on Written Down Value method.

| Assets | Useful life in years |
|---|---|
| Building | 60 |
| Plant & Equipment | 15 |
| Furniture and Electric Installation | 10 |
| Office Equipment | 5 |
| Computers /Computer server | 3/6 |
| Vehicles | 8 |

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss 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 Statement of profit and loss in the year the asset is de-recognized. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

**Trent Brands Limited:** Depreciation on tangible assets is provided in accordance with Ind AS 16 'Property, Plant and Equipment' with useful life as prescribed in Schedule II of the Companies Act,2013 on written down value method.

**Fiora Business Support Services Limited**(Formerly known as Westland Limited): Depreciation on tangible assets is provided in accordance with Ind AS 16 'Property, Plant and Equipment' with useful life as prescribed in Schedule II of the Companies Act,2013 on written down value method.

**f) Intangible assets**

Intangible assets acquired are initially recorded at cost. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss. In case of finite lives, following useful economic life has been considered:

| Assets | Useful life in years |
|---|---|
| Computer software | 5 |

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

**g) Investment Property:**

Property that is not incidental to the business and is held to earn rentals or for capital appreciation or both, and that is also not occupied by the group, is classified as investment property. Investment property is measured initially at cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. Depreciation is provided using the straight line method in accordance with Ind AS 40 'Investment property' with useful life as prescribed in Schedule II of the Companies Act,2013.

| Components of Investment Property | Useful life in years |
|---|---|
| Building | 60 |
| Furniture and Electrical Installations | 10 |
| Office Equipments | 5 |

A part of investment property is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss 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 Statement of profit and loss in the year it is de-recognized. All other repair and maintenance costs are expensed when incurred. The residual values, useful lives and methods of depreciation of investment property is reviewed at the end of each reporting period and adjusted prospectively, as appropriate.

**h) Borrowing costs**

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 capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**i) 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.

A lease is classified at the inception date as a finance lease or an operating lease Lease arrangements where the risks and rewards incident to ownership of an asset substantially vest with the lessor are

recognised as operating leases. Lease rents under operating leases are recognised in the Statement of Profit and Loss on straight line basis ,except where escalation in rent is in line with expected general inflation.

Lease arrangements where lesee assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lower of the fair value of the leased assets at inception and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the outstanding liability. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the liability.

**j) Inventories**

Inventories are valued at the lower of cost on the basis of moving weighted average price or net realisable value.

The cost of inventories includes all cost of purchases,cost of conversion and other related cost incurred to bring the inventories to its present location and condition. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet.

**k) Impairment of non-financial assets**

The carrying value of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any such indication exists the entities in group estimates the asset's/cash generating unit's recoverable amount and impairment is recognised if the carrying amount of these assets/cash generating units exceeds their recoverable amount.The recoverable amount is the greater of the net selling price and their value in use.When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit & Loss.

**l) Provisions**

**General**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a 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. When the entities in the Group expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. The reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain the amount of the receivable can be measured reliably.

**Contingencies**

A disclosure for contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**m) Employee benefits**

The Group participates in various employee benefit plans. Pensions and other post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under defined contribution plan, the Groups's only obligation is to pay a fixed amount. Under a defined benefit plan, it is the Group's obligation to provide agreed benefits to the employees. The present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method. The Group has the following employee benefit plans:

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**(i) Contribution to Provident fund ,family pension fund, ESIC, labour welfare fund and superannuation fund:**

(a) Group's contributions during the year towards Government administered Provident Fund, Family Pension Fund, ESIC and Labour Welfare Fund are charged to the Profit and Loss statement as incurred.

(b) Group's contributions during the year towards Superannuation to the Superannuation Trust administered by a Life Insurance Company are recognized in the Profit and Loss statement as incurred.

**(ii) Gratuity**

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Group provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Group. The gratuity fund is managed by the Life Insurance Corporation of India (LIC) and TATA AIG . The Group's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. The Group recognises actuarial gains and losses immediately in other comprehensive income, net of taxes.

**(iii) Other retirement benefit**

Provision for other retirement / post retirement benefits in the forms of pensions, medical benefits and long term compensated absences (leave encashment) is made on the basis of actuarial valuation.

**n) Financial instruments**

**i) Financial assets**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value (purchase value plus transaction costs that are attributable to the acquisition of the financial asset),amortised cost or at cost. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL).

**Debt instruments at amortised cost** : Debt instrument is measured at the amortised 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, financial assets are subsequently measured at amortised cost using the EIR method. Amortised 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 amortisation is included in finance income in the Statement of Profit or Loss. The losses arising from impairment are recognised in the Statement of Profit or Loss.

**Debt instrument at FVTPL**: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss Statement.

**Equity instruments measured at FVTOCI or FVTPL**: All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and loss statement.

**Derecognition**: The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets** The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

**ii) Non-derivative financial liabilities**

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial Liabilities.

(a) Financial liabilities are classified as financial liabilities at fair value through profit or loss if they are held for trading or if they are designated as financial liabilities at fair value through profit or loss. These are measured initially at fair value with subsequent changes recognized in profit or loss. Fair value is determined as per Ind AS 113 'fair value measurement'.

(b) Other financial liabilities, including loans and borrowing, are initially measured at fair value, net of directly attributable transaction costs. Subsequent to initial recognition, these are measured at amortized cost using the EIR method.

**Derecognition of financial liabilities:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**iii) Offsetting of financial instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is as intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**o) Business combinations and goodwill**

In respect of business combination after transition date,the Group accounts for all business combinations by applying the acquisition method. All acquisition-related costs are expensed unless disclosed otherwise and are in accordance with applicable accounting statndards. On acquisition, the assets (including intangible assets), liabilities and contingent liabilities of an acquired entity are measured at their fair value.Non-controlling interest is stated at the non-controlling interest's proportion of the fair values of the assets and liabilities recognised.

Goodwill arising on consolidation represents the excess of the consideration transferred over the net fair value of the Group's share of the net assets, liabilitiesof the acquired subsidiary, joint venture or associate and the fair value of the non-controlling interest in the acquiree. If the consideration is less than the fair value of the Group's share of the net assets, liabilities of the acquired entity (i.e., Gain on acquisition), the difference is credited to the Group's Profit and loss Statement as other comprehensive incomein the period of acquisition.

Goodwill arising with respect to joint ventures and associates is included within the carrying value of the investment. On disposal of a subsidiary, joint venture or associate, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

**Note 3**

**Significant accounting judgements, estimates and assumptions**

The preparation of the Group's Consolidated financial statements requires management to make judgements, 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. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the Group's accounting policies, management has made the following Judgements, estimates and assumptions which have significant effect on the amounts recognised in the financial statements:

**Lease of properties and equipments not in legal form of lease:** Significant judgement is required to apply lease accounting rules under Appendix C to Ind AS 17: determining whether an arrangement contains a Lease. In assessing the applicability to arrangement entered into by the Group, management has exercised judgement to evaluate the right to use the underlying assets,substance of transaction including legally enforced arrangement and other significant terms and conditions of the arrangement to conclude whether the arrangement meet the criteria under Appendix C to Ind AS 17 'Leases'.Consequently, the Group has segregated on an estimated basis the total franchisee fees paid in terms of the arrangement into the embedded lease component and the service fees component.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Escalation in lease rentals:** For recognising the lease rentals on straight line basis, the escalation of lease rentals is considered to be in line with the expected general inflation level.

**Provision for doubtful advances and trade receivables:** The Group is not significantly exposed to credit risk as most of the sales is in cash , credit cards or redeemable vouchers issued by others .Similarly advance to parties are made in normal course of business as per terms and condition of contract .Since the amount involved is not material, the Group does not calculate any credit loss for trade receivables and advances to parties as required under Ind AS 109 'Financial Instrument' however, the Group provides for doubtful advances and trade receivables based on its judgement about recoverability of amount.

**Clubwest points:** The Group has considered nil breakage for the purpose of calculating defer revenue related to loyalty points.

**Taxes**: Deferred tax, subject to the consideration of prudence, is recognised on temporary differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised to the extent that there is reasonable certainty that sufficient future tax income will be available against which such deferred tax assets can be realized.

Discounting of deposit:The Group has considered SBI Base rate of respective periods in which transaction had occurred for measuring deposit, being financial assets /Liabilities , at amortised cost.

**Defined benefit plans**: The cost and present obligation of Defined benefit gratuity plan and compensated absences are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are assumed at each reporting date. (Refer Note No 44, Page 232-235)

**Fair value measurement of financial instruments**: When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk , volatility etc. Changes in assumptions/judgements about these factors could affect the reported fair value of financial instruments.

Impairment of financial assets:The impairment provision for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**Assessment of existance of control:** The Group has Consolidated an entity as subsidiary where it has more than 50 % substantive voting rights for all significant relevant activities of an investee. in case where the Group has invested into entities under a joint arrangement with other investors whereby they have joint control of the investee and joint rights to the net assets of the investee entity, the investment in such investee entity has been considered as joint venture for the Group.Where group has significant influence in an enitity by holding more than 20 % of voting right of investee and Investee is not a subsidiary or joint venture, then investment in such entity has been considered as investement in associate for consolidation.

**Note 4**
**Property, plant and equipment**

(₹ in crore)

| Particulars | Land | Buildings | Plant & Equipment | Furniture & Fixures | Office equipment | Computers | Vehicle | Total |
|---|---|---|---|---|---|---|---|---|
| **Cost:** | | | | | | | | |
| **As at 1st April 2015** | **46.52** | **232.10** | **98.88** | **122.50** | **8.61** | **38.10** | **1.02** | **547.73** |
| Additions | 11.65 | 63.19 | 13.08 | 24.62 | 2.37 | 3.17 | - | 118.08 |
| Disposals / Transfers | - | (4.21) | (6.48) | (15.23) | (0.29) | (3.51) | (0.25) | (29.97) |
| **As at 31st March 2016** | **58.17** | **291.08** | **105.48** | **131.89** | **10.69** | **37.76** | **0.77** | **635.84** |
| Additions | - | 35.64 | 15.63 | 22.39 | 4.24 | 4.76 | 0.30 | 82.96 |
| Disposals / Transfers | - | (1.14) | (5.43) | (15.83) | (0.67) | (2.23) | (0.17) | (25.47) |
| As at 31st March 2017 | **58.17** | **325.58** | **115.68** | **138.45** | **14.26** | **40.29** | **0.90** | **693.33** |
| **Accumulated Depreciation:** | | | | | | | | |
| **As at 1st April 2015** | **-** | **41.43** | **38.00** | **56.15** | **6.38** | **29.62** | **0.35** | **171.93** |
| Depreciation charge for the year | - | 8.30 | 9.29 | 13.86 | 1.35 | 3.93 | 0.10 | 36.83 |
| Disposals / Transfers | - | (1.53) | (3.11) | (9.85) | (0.25) | (2.60) | (0.13) | (17.47) |
| **As at 31st March 2016** | **-** | **48.20** | **44.18** | **60.16** | **7.48** | **30.95** | **0.32** | **191.29** |
| Additions | - | 10.42 | 9.59 | 13.75 | 1.54 | 3.96 | 0.11 | 39.37 |
| Disposals / Transfers | - | (0.91) | (3.50) | (10.08) | (0.51) | (2.13) | (0.12) | (17.25) |
| **As at 31st March 2017** | **-** | **57.71** | **50.27** | **63.83** | **8.51** | **32.78** | **0.31** | **213.41** |
| Impairment Provision | | | | | | | | |
| As at 1st April 2015 | - | 1.94 | 1.32 | 1.29 | 0.03 | 0.55 | - | 5.13 |
| As at 31st March 2016 | - | 0.05 | 0.16 | 0.18 | - | - | - | 0.39 |
| As at 31st March 2017 | - | - | - | - | - | - | - | - |
| | | | | | | | | |
| **Net Book Value** | | | | | | | | |
| As at 1st April 2015 | 46.52 | 188.73 | 59.56 | 65.06 | 2.20 | 7.93 | 0.67 | 370.67 |
| As at 31st March 2016 | 58.17 | 242.83 | 61.14 | 71.55 | 3.21 | 6.81 | 0.45 | 444.16 |
| **As at 31st March 2017** | **58.17** | **267.87** | **65.41** | **74.62** | **5.75** | **7.51** | **0.59** | **479.92** |

**Notes :**

(1) Buildings include improvements to leasehold premises and owned and an amount of ₹ 250 representing value of Shares in Co-operative Housing Societies/Condominium.

(2) Buildings include Net block of ₹ 4.27 crores (Previous year ₹4.35 Crores) which have been given under operating leases.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 4**

**Property, plant and equipment (cont.)**

**Investment Property**

(₹ in crore)

| Particulars | Amount |
|---|---|
| **Cost:** | |
| **As at 31st March 2016** | |
| Additions | 33.89 |
| Disposals / Transfers | - |
| **As at 31st March 2017** | **33.89** |
| **Accumulated Amortisation:** | |
| **As at 31st March 2016** | |
| Additions | 0.22 |
| Disposals / Transfers | - |
| **As at 31st March 2017** | **0.22** |
| **Net book value** | |
| As at 31st March 2016 | - |
| **As at 31st March 2017** | **33.67** |

**Notes:**

1. Fair value of Investment Property as at 31st March 2017 is ₹ 88.00 Crores (Approx.)
2. Amount recognised in the statement of Profit and loss for the year ended 31st March, 2017

(₹ in crore)

| Particulars | Amount |
|---|---|
| Rental Income | 0.11 |
| Operating expenses from property | 0.30 |

**Other Intangible assets**

| Particulars | Computer software | Brands / trademarks. | Non Compate Fees | Total |
|---|---|---|---|---|
| **Cost:** | | | | |
| **As at 1st April 2015** | **23.15** | **0.01** | **0.20** | **23.36** |
| Additions | 2.80 | - | - | 2.80 |
| Disposals / Transfers | (8.52) | 0.00 | 0.00 | (8.52) |
| **As at 31st March 2016** | **17.43** | **0.01** | **0.20** | **17.64** |
| Additions | 4.67 | - | - | 4.67 |
| Disposals / Transfers | (0.33) | 0.00 | 0.00 | (0.33) |
| **As at 31st March 2017** | **21.77** | **0.01** | **0.20** | **21.98** |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 4**
**Property, plant and equipment (cont.)**

| Particulars | Computer software | Brands / trademarks. | Non Compate Fees | Total |
|---|---|---|---|---|
| **Accumulated Amortisation:** | | | | |
| **As at 1st April 2015** | **13.84** | **0.01** | **0.20** | **14.05** |
| Amortisation charge for the year | 1.87 | - | - | 1.87 |
| Disposals / Transfers | (4.83) | - | - | (4.83) |
| **As at 31st March 2016** | **10.88** | **0.01** | **0.20** | **11.09** |
| Additions | 2.21 | - | - | 2.21 |
| Disposals / Transfers | (0.29) | - | - | (0.29) |
| **As at 31st March 2017** | **12.80** | **0.01** | **0.20** | **13.01** |
| **Impairment Provision** | | | | |
| As at 1st April 2015 | 1.75 | - | - | 1.75 |
| As At 31 March 2016 | - | - | - | - |
| As At 31 March 2017 | - | - | - | - |
| **Net Book Value** | | | | |
| As at 1st April 2015 | 7.56 | - | - | 7.56 |
| As at 31st March 2016 | 6.55 | - | - | 6.55 |
| **As at 31st March 2017** | **8.97** | **-** | **-** | **8.97** |

**Note 5**
**FINANCIAL ASSET - NON CURRENT INVESTMENTS:**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **A. Investments in Equity Instruments** | | | |
| Investments in joint ventures/ Associates as per Equity method (Refer Note 40, Page 221) | **520.44** | 529.45 | 548.99 |
| In Other Companies- at Fair Value through OCI | **47.71** | 33.02 | 14.90 |
| **B. Investments in Debentures/Bonds at Fair Value through Profit and Loss** | **123.96** | 73.31 | 73.59 |
| **C. Investments in Preference Shares of other companies at Fair Value through Profit and Loss** | **24.02** | 24.02 | 15.07 |
| **D. Investments in Mutual Funds at Fair Value through Profit and Loss** | **271.85** | 382.34 | 353.85 |
| | **987.98** | 1042.14 | 1006.40 |
| Aggregate amount of | | | |
| Quoted Investment | **127.81** | 76.20 | 77.06 |
| Unquoted Investment | **860.17** | 965.94 | 929.34 |
| | **987.98** | 1042.14 | 1006.40 |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 6**

**FINANCIAL ASSET - LONG TERM LOANS**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Unsecured and Considered good | | | |
| **Security Deposits** | | | |
| For Premises | **30.12** | 12.59 | 39.25 |
| Others | **2.89** | 2.28 | 2.62 |
| Loans to others | **-** | - | 0.25 |
| Loans to employees | **1.97** | 1.80 | 1.86 |
| | **34.98** | 16.67 | 43.98 |

**Note 7**

**FINANCIAL ASSET - OTHER NONCURRENT ASSET**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Margin Money Deposits with Banks with more than 12 months maturity | **0.22** | 1.46 | 1.27 |
| | **0.22** | 1.46 | 1.27 |

**Note 8**

**DEFERRED TAX**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **Deferred Tax Liabilities arising due to temporary difference pertaining to :** | | | |
| (a) Amortisation of Debentures | **-** | 0.58 | 0.84 |
| (b) Fair valuation of Investments | **3.82** | 8.65 | 2.94 |
| (c) Depreciation | **12.60** | 11.62 | 0.05 |
| (d) Undistributed Profit | **25.28** | 23.14 | 22.83 |
| (e) Others | **0.01** | 0.03 | 11.17 |
| | **41.71** | 44.02 | 37.83 |
| **Deferred Tax Assets arising due to temporary difference pertaining to :** | | | |
| (a) Retirement Benefits | **5.78** | 4.81 | 4.07 |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 8**

**DEFERRED TAX (cont.)**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| (b) MAT Credit | **16.03** | 18.07 | 22.54 |
| (c) Consolidated adjustment on unrealised gain/loss | **3.52** | 8.80 | 12.18 |
| (d) Carried forward of losses and Unabsorbed depreciation | **0.88** | 4.78 | 4.77 |
| (e) Other Provisions | **6.54** | 10.18 | 11.35 |
| | **32.75** | 46.64 | 54.91 |
| **Deferred tax Assets/(Liabilities) Net** | **(8.96)** | 2.62 | 17.08 |

**Note 9**

**OTHER NON- CURRENT ASSETS**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Capital Advances | **5.63** | 3.71 | 0.06 |
| Other Receivable: | | | |
| Pre-paid Lease Rentals | **48.09** | 48.82 | 49.54 |
| Deferred Lease Expense | **1.80** | 1.36 | 1.37 |
| Pre-paid Expenses (Full figure ₹ 25920) | **0.00** | - | - |
| | **55.52** | 53.89 | 50.97 |

**Note 10**

**INVENTORIES**

(₹ in crore)

| | As at 31st March2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Raw Materials | **0.15** | 0.37 | 0.51 |
| Stock-In-Trade | **299.10** | 271.39 | 256.72 |
| Stock In Trade (In Transit) | **2.92** | 4.46 | 0.65 |
| Packing Material | **1.59** | 2.06 | 1.95 |
| Stores and Spares | **1.60** | 0.91 | 0.65 |
| | **305.36** | 279.19 | 260.48 |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

### Note 11
### FINANCIAL ASSET - CURRENT INVESTMENTS

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **Unnquoted** | | | |
| Investment in Mutual Funds at Fair Value through Profit and Loss | **91.98** | 24.83 | 31.09 |
| | **91.98** | 24.83 | 31.09 |

### Note 12
### FINANCIAL ASSET - TRADE AND OTHER RECEIVABLES

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Unsecured | | | |
| Considered Good | **5.92** | 12.99 | 11.36 |
| Considered Doubtful | **1.15** | 2.54 | 3.42 |
| Less: Allowance for Doubtful Debts | **(1.15)** | (2.54) | (3.42) |
| | **-** | - | - |
| | **5.92** | 12.99 | 11.36 |

### Note 13
### FINANCIAL ASSET - CASH AND CASH EQUIVALENTS

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Balances with Banks in : | | | |
| - Current Accounts | 25.35 | 19.73 | 22.67 |
| - Deposit Accounts | 0.07 | 0.03 | 0.03 |
| Cheques, Drafts on hand; | - | 0.01 | - |
| Cash in hand | 2.92 | 2.23 | 2.37 |
| | **28.34** | **22.00** | **25.07** |

### Note 14
### FINANCIAL ASSET - OTHER BANK BALANCES

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Credit Card slips on hand | **3.34** | 1.52 | 1.51 |
| Margin Money Deposits with Banks with less than 12 months maturity | **1.46** | 1.60 | 1.69 |
| Unclaimed Application money on Securities | **0.01** | 0.01 | 0.01 |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 14**
**FINANCIAL ASSET - OTHER BANK BALANCES (cont.)**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Earmarked Balances with banks: | | | |
| Unpaid Dividends | **1.04** | 1.67 | 0.82 |
| Unclaimed Debenture Interest | **0.07** | 0.08 | 0.09 |
| Other Unclaimed Amount | **0.02** | 0.02 | 0.02 |
| | **5.94** | 4.90 | 4.14 |

**Note 15**
**FINANCIAL ASSET - SHORT TERM LOANS**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **Secured Considered good** | | | |
| Inter Corporate Deposits Given | **25.00** | 25.00 | 25.00 |
| | **25.00** | 25.00 | 25.00 |
| **Unsecured Considered good** | | | |
| Security Deposits | | | |
| Deposits for Premises- | **76.28** | 87.66 | 75.28 |
| Deposit for Others | **-** | 0.68 | 0.01 |
| Loans to Staff | **0.98** | 1.28 | 0.87 |
| | **77.26** | 89.62 | 76.16 |
| **Unsecured,Considered Doubtful** | | | |
| Security Deposits | **2.63** | 2.63 | 2.00 |
| Loans to Staff | **0.04** | 0.04 | 0.04 |
| Bills Of Exchange | **1.14** | 1.14 | 1.14 |
| | **3.81** | 3.81 | 3.18 |
| Less - Provision for Doubtful Loans | **(3.81)** | (3.81) | (3.18) |
| | **-** | - | - |
| | **102.26** | 114.62 | 101.16 |

**Note 16**
**FINANCIAL ASSETS - OTHER CURRENT ASSETS**

(₹ in crore)

| | As at 31st March2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **Unsecured Considered good** | | | |
| Other Receivable | **0.91** | 0.98 | 4.49 |
| Interest Accrued | | | |
| Bank Deposits | **0.09** | 0.30 | 0.19 |
| Others | **3.53** | 2.94 | 2.96 |
| | **4.53** | 4.22 | 7.64 |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 16**

**FINANCIAL ASSETS - OTHER CURRENT ASSETS (cont.)**

(₹ in crore)

| | As at 31st March2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **Unsecured,Considered Doubtful** | | | |
| Interest accrued (Other than Bank Deposits) | **0.19** | 0.19 | 0.19 |
| Other Receivable | **0.88** | 0.88 | 0.88 |
| | **1.07** | 1.07 | 1.07 |
| Less - Provision for Doubtful Receivables | **(1.07)** | (1.07) | (1.07) |
| | **-** | - | - |
| | **4.53** | 4.22 | 7.64 |

**Note 17**

**OTHER CURRENT ASSETS**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **Unsecured Considered good** | | | |
| Advances Other Than Capital Advances | | | |
| Advances Payment to Creditors | **4.05** | 11.11 | 22.47 |
| Balance Recoverable from Government Authorities | **9.93** | 8.70 | 7.21 |
| Other Taxes Recoverable | **0.01** | - | - |
| Deferred Lease Expense | **3.49** | 1.69 | 1.16 |
| Pre-paid Lease Rentals (Net) | **0.72** | 0.72 | 0.72 |
| Pre-paid Expenses | **6.48** | 7.68 | 8.71 |
| Other Receivables | **2.50** | 2.16 | 1.64 |
| | **27.18** | 32.06 | 41.91 |
| **Unsecured Considered Doubtful** | | | |
| Advances Payment to Creditors | **0.15** | 0.88 | 0.59 |
| Balance Recoverable from Government Authorities (taxes Recoverable) | **0.04** | 0.04 | 0.04 |
| Other Receivables | **3.13** | 1.89 | 1.56 |
| | **3.32** | 2.81 | 2.19 |
| Less - Provision for Doubtful Receivables | **(3.32)** | (2.81) | (2.19) |
| | **-** | - | - |
| | **27.18** | 32.06 | 41.91 |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 18**
**EQUITY**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **EQUITY SHARE CAPITAL** | | | |
| **Authorised:** | | | |
| 47,25,00,000 Equity Shares of ₹ 1/- each<br>(2015-16: 4,72,50,000 Equity Shares of ₹10/- each)<br>(As at 01.04.2015: 4,72,50,000 Equity Shares of ₹10/- each) | **47.25** | 47.25 | 47.25 |
| 30,00,000 Unclassified Shares of ₹ 10/- each<br>(2015-16: 30,00,000 Unclassified Shares of ₹ 10/- each)<br>(As at 01.04.2015: 30,00,000 Unclassified Shares of ₹ 10/- each) | **3.00** | 3.00 | 3.00 |
| 16,30,000 Preference shares of ₹ 100/-each<br>(2015-16: 16,30,000 Preference shares of ₹ 100/-each)<br>(As at 01.04.2015: 16,30,000 Preference shares of ₹ 100/- each) | **16.30** | 16.30 | 16.30 |
| 70,000 Preference Shares of ₹ 1000/- each<br>(2015-16: 70,000 Preference Shares of ₹ 1000/- each)<br>(As at 01.04.2015: 70,000 Preference Shares of ₹ 1000/- each) | **7.00** | 7.00 | 7.00 |
| 1,20,00,000 Cumulative Convertible Preference shares of ₹ 10/-each.<br>(2015-16:1,20,00,000 Cumulative Convertible Preference shares of ₹ 10/-each)<br>(As at 01.04.2015: 1,20,00,000 Cumulative Convertible Preference shares of ₹ 10/-each) | **12.00** | 12.00 | 12.00 |
| | **85.55** | 85.55 | 85.55 |
| **Ordinary Shares** | | | |
| **Issued, Subscribed and paid-up::** | | | |
| 33,23,16,730 Equity Shares of ₹ 1/- each fully paid-up*<br>(2015-16: 3,32,31,673 Equity Shares of ₹ 10/- each fully paid-up)<br>(As at 01.04.2015: 3,32,31,544 Equity Shares of ₹ 10/- each fully paid-up) | **33.23** | 33.23 | 33.23 |
| | **33.23** | **33.23** | **33.23** |

* During the year 2016-17 the Company has split its equity shares having face value of ₹ 10 each into equity shares having face value of ₹1 Per share

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 18**

**EQUITY (cont.)**

**Terms/rights attached to equity shares**

The Company has equity shares having par value of ₹ 1 per share.Each holder of Equity Shares is entitled to one vote per share. The shareholders have the right to receive interim dividends declared by the Board of Directors and final dividends proposed by the Board of Directors and approved by the shareholder. In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive any of the remaining assets of the company, after distribution of Preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder. The equity shareholders have all other rights as available to the equity shareholders as per the provisions of Companies Act, 2013 read together with the Memorandum of Association and Articles of Association of the company as applicable.

**Reconciliation of Share Capital**

(₹ **in crore)**

| **Particulars** | **As at 31.03.2017** | | **As at 31.03.2016** | | **As at 01.04.2015** | |
|---|---|---|---|---|---|---|
| | **Nos.** | **Amount** | **Nos.** | **Amount** | **Nos.** | **Amount** |
| Equity shares<br>Number of shares at the beginning | **3,32,31,673** | **33.23** | 3,32,31,544 | 33.23 | 3,32,31,544 | 33.23 |
| Add - Issued during the year (Full Figure for Previous Year ₹ 1290)* | - | | 129 | 0.00 | - | - |
| **Number of shares at the end**** | **33,23,16,730** | **33.23** | 3,32,31,673 | 33.23 | 3,32,31,544 | 33.23 |

* Shares issued during the year 2015-16 is related to shares held in abeyance for 2007 and 2010 right issues.

** During the year the Company has split its equity shares having face value of ₹ 10 each into equity shares having face value of ₹1 per share

**The details of shareholders holding more than 5 % shares are as under:**

| **Name of the shareholders** | **As at 31.03.2017** | | **As at 31.03.2016** | | **As at 01.04.2015** | |
|---|---|---|---|---|---|---|
| | **Nos.*** | **% to total shares** | **Nos.** | **% to total shares** | **Nos.** | **% to total shares** |
| Equity shares | | | | | | |
| Tata Sons Ltd | **9,21,69,610** | **27.74** | 87,44,247 | 26.31 | 87,44,247 | 26.31 |
| Arisag Partners (Asia) Pte Ltd. A/c Arisaig India Fund Limited | **3,28,50,000** | **9.89** | 32,85,000 | 9.89 | 32,85,000 | 9.89 |
| Reliance Capital Trustee Co Ltd A/c Reliance Equity Opportunities Fund | **Not Applicable** | | 26,37,327 | 7.94 | 26,37,327 | 7.94 |
| Dodona Holdings Limited | **1,78,17,560** | **5.36** | 17,81,756 | 5.36 | 17,81,756 | 5.36 |

* During the year the Company has split its equity shares having face value of ₹ 10 each into equity shares having face value of ₹ 1 per share

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 18**
**EQUITY (cont.)**

The above details are as certified by the Registrar and Share transfer Agents .

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **OTHER EQUITY** | | | |
| Other Reserves | | | |
| Capital Redemption Reserve | **7.00** | 7.00 | 7.00 |
| Securities Premium Account | **976.82** | 976.82 | 976.81 |
| Debenture Redemption Reserve | **93.75** | 93.75 | 93.00 |
| General Reserve | **10.23** | 10.43 | 10.43 |
| Capital Reserve On Acquisition Of Subsidiary | **4.91** | 3.85 | 4.10 |
| Captial Reserve On Change in Status of Subsidiary to Joint Venture | **347.75** | 347.75 | 347.75 |
| | **1440.46** | **1439.60** | **1439.09** |
| Retained Earnings | **66.65** | (18.21) | 3.58 |
| Equity Instruments through Other Comprehensive Income (Net of taxes) | **7.65** | 9.83 | 10.42 |
| Remeasurements of net defined benefit Plans (Net of taxes) | **(0.61)** | (0.39) | - |
| Exchange differences on translating the financial statements of a foreign operation | **0.31** | 0.33 | 0.33 |
| | **1514.46** | 1431.16 | 1453.42 |

**Note 19**
**FINANCIAL LIABILITIES - LONG TERM BORROWINGS**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **Unsecured** | | | |
| Non Convertible Debentures - June 10 Series 1 (Refer note 1 & 3 Below) | **-** | 45.00 | 45.00 |
| Non Convertible Debentures - June 10 Series 2 (Refer note 1 & 3 Below) | **-** | 50.99 | 46.38 |
| Non Convertible Debenture - Sept. 2016 Series 1 (Refer note 2 & 3 Below) | **99.82** | - | - |
| | **99.82** | 95.99 | 91.38 |

**Notes:-**

(1) During the year 2010-11, the Company issued 450 Redeemable Non Convertible Debentures June 2010 Series 1 of ₹ 10 lakhs each and 300 Redeemable Non Convertible Debentures June 2010 Series 2 of ₹ 10 lakhs each on private placement basis. Series I Debentures will carry an interest @ 9.75% p.a and are redeemable at par on 30th June 2017 and series 2 Debentures are free of Interest and will be redeemed at premium of ₹ 9.13 Lakhs on 30th June 2017 .

(2) During the year, the Company issued 1000 Redeemable Non Convertible Debentures September 2016 Series 1 of ₹ 10 lakhs each on private placement basis. These Debentures will carry an interest @ 7.84 % p.a and are redeemable at par on 10th September 2019 .

(3) In accordance with Ind AS 109, these debentures are measured at amortised cost inclusive of issue expenses and redemption premium.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 20**
**FINANCIAL LIABILITIES - OTHER NONCURRENT FINANCIAL LIABILITIES**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Deposits | **2.07** | - | 2.17 |
| | **2.07** | - | 2.17 |

**Note 21**
**LONG TERM PROVISIONS**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Provision for Employee Benefits (Refer Note 44, Page 232-235) | **15.24** | 12.25 | 11.59 |
| | **15.24** | 12.25 | 11.59 |

**Note 22**
**OTHER NON- CURRENT LIABILITIES**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Deferred Lease Income | **0.28** | - | 0.20 |
| | **0.28** | - | 0.20 |

**Note 23**
**FINANCIAL LIABILITIES - SHORT TERM BORROWINGS**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| **Unsecured** | | | |
| Cash Credit Facility | **-** | 3.99 | 4.35 |
| Commercial Paper Sept 2016 Series I | **96.80** | - | - |
| Commercial Paper Feb 2017 Series I | **94.07** | - | - |
| | **190.87** | 3.99 | 4.35 |

**Notes**
During the year company has issued commercial papers on following terms:

(₹ in crore)

| Particulars | Principal Amount | Rate of Interest | Date of Redemption |
|---|---|---|---|
| Commercial Paper Sept 2016 Series I | 92.92 | 7.70% | 11.09.2017 |
| Commercial Paper Sept 2016 Series II (Refer note below) | 48.30 | 7.15% | 14.03.2017 |
| Commercial Paper Feb 2017 Series I | 93.48 | 7.09% | 22.02.2018 |

Commercial Paper Sept 2016 Series II was redeemed on due date.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

### Note 24
### FINANCIAL LIABILITIES - TRADE AND OTHER PAYABLES

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Trade Payable | | | |
| (i) Payable to Micro and Small (Refer Note 37(b), Page 219) | **0.84** | 1.55 | - |
| (ii) Payable to others | **141.37** | 164.67 | 153.31 |
| | **142.21** | 166.22 | 153.31 |

### Note 25
### FINANCIAL LIABILITIES - OTHER CURRENT FINANCIAL LIABILITIES

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Current Portion of Long term Borrowing (Refer Note 1,2 below & Refer Note 3, Page 211) | **101.05** | 299.83 | 224.65 |
| Interest Accrued and not due on borrowings | **7.56** | 16.41 | 5.63 |
| Interest accrued on unpaid matured debentures | **0.07** | 0.08 | 0.09 |
| Unpaid Divided | **1.03** | 1.66 | 0.85 |
| Application money received for allotment of securities and due for refund and interest accrued thereon (Full figure ₹13,200) (Refer Note 4, Page 211) | **0.00** | 0.00 | 0.00 |
| Employee Dues | **26.57** | 23.17 | 17.95 |
| Security Deposits | **10.61** | 9.80 | 3.55 |
| Creditors for Capital Expenditure | **9.56** | 7.14 | 13.78 |
| Option Liability | **-** | - | 2.00 |
| Financial Guarantee Liability | **-** | 0.07 | 0.33 |
| Others | **1.17** | 0.05 | 0.02 |
| | **157.62** | 358.21 | 268.85 |

**Notes:**

(1) During the year 2010-11, the Company issued 450 Redeemable Non Convertible Debentures June 2010 Series 1 of ₹ 10 lakhs each and 300 Redeemable Non Convertible Debentures June 2010 Series 2 of ₹ 10 lakhs each on private placement basis.Series I Debentures will carry an interest @ 9.75% p.a and are redeemable at par on 30th June 2017 and series 2 Debentures are free of Interest and will be redeemed at premium of ₹ 9.13 Lakhs on 30th June 2017.

(2) During the previous year , the Company issued 3000 Redeemable Non Convertible Debentures April 15 Series I of ₹ 10 lakhs each on private placement basis.These Debentures carry a coupon rate of 8.98% p.a of interest and were redeemed at par on 20th Septemeber 2016.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 25**
**FINANCIAL LIABILITIES - OTHER CURRENT FINANCIAL LIABILITIES (Cont.)**

(3) In accordance with Ind AS 109, these debentures are measured at amortised cost inclusive of issue expenses and redemption premium.

(4) Share Application Money received and due for refund represents the cheques issued but not encashed by the payees.

**Note 26**

**OTHER CURRENT LIABILITIES**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Statutory Dues and Withholding Taxes | **17.47** | 15.08 | 13.60 |
| Deferred Sales Liabilities | **15.04** | 12.02 | 10.02 |
| Deferred Lease Income | **0.20** | 0.20 | 0.22 |
| Other Current Liabilities | **13.98** | 13.98 | 10.25 |
| | **46.69** | 41.28 | 34.09 |

**Note 27**

**SHORT TERM PROVISIONS**

(₹ in crore)

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|---|---|---|---|
| Provision for Employee Benefits (Refer Note 44, Page 232-235) | **2.20** | 1.88 | 2.00 |
| Provision for Contingencies (Refer Note 36 (e), Page 218) | **2.05** | 2.05 | 2.34 |
| | **4.25** | 3.93 | 4.34 |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

### Note 28
### REVENUE FROM OPERATIONS

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| Sale of Products (Gross including excise duty) | **1,895.10** | 1,637.74 |
| Less: VAT/Sales Tax | **(115.11)** | (96.84) |
| Sale of Products (Net) | **1,779.99** | 1,540.90 |
| **Other Operating Revenues** | | |
| Discounts & Fees | **21.48** | 17.58 |
| Rent | **8.77** | 6.13 |
| Display & Sponsorship Income | **2.06** | 2.77 |
| Commission on Sales | **0.02** | 0.03 |
| Buying Agency Commission | **0.63** | 1.26 |
| Agency Commission | **0.67** | 1.02 |
| Exchange Fluctuation Income (Net) | **0.62** | 0.41 |
| Others | **19.68** | 19.26 |
| | **53.93** | 48.46 |
| Less : Excise Duty (Full Figure ₹ 9042) | **(0.00)** | (0.03) |
| | **1,833.92** | 1,589.33 |

### Note 29
### OTHER INCOME

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| **Interest Income** | | |
| - Interest Income on: | | |
| Loans and Advances | **12.87** | 14.29 |
| Deposits with Bank | **1.79** | 0.64 |
| On Income Tax Refund | **0.16** | 0.28 |
| On Security Deposit Valued at Amortised Cost | **2.54** | 1.69 |
| **Dividend Income** | **1.99** | 3.12 |
| **Other Non-Operating Income** | | |
| - Provisions/Liabilities no longer required written back | **1.75** | 3.08 |
| - Gain on Sale of Current Investments (Net) | **3.13** | 3.30 |
| - Gain on Sale of Non Current Investments (Net) | **7.70** | 2.74 |
| - Financial Guarantee Income | **0.07** | 0.26 |
| - Miscellaneous Income | **0.19** | 0.11 |
| - Changes in the Fair Value of Investments | **28.33** | 27.79 |
| | **60.52** | 57.30 |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

### Note 30
### COST OF RAW MATERIALS CONSUMED

(₹ in crore)

| Particulars | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| Opening Stock of Raw Material | **0.37** | 0.51 |
| Add:Purchases | **0.02** | 1.98 |
| Less:Closing Stock | **(0.15)** | (0.37) |
| **Cost of Raw Materials Consumed** | **0.24** | 2.12 |

### Note 31
### EMPLOYEE BENEFITS EXPENSE

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| Salaries and Wages | **172.50** | 146.92 |
| Contribution to Provident and Other Funds | **11.10** | 8.77 |
| Staff Welfare | **8.93** | 8.14 |
| | **192.53** | 163.83 |

### Note 32
### FINANCE COST

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| **Interest Expenses:** | | |
| Interest on Debentures | **21.30** | 31.14 |
| Interest on Commercial Papers | **6.17** | 0.36 |
| Interest on measuring NCD at Amortised Cost | **5.26** | 5.83 |
| Interest on Loans | **0.11** | - |
| Interest on measuring Security Deposit at Amortised Cost | **0.32** | 0.22 |
| Interest Others | **0.49** | - |
| **Other Borrowing Costs** | **0.13** | - |
| | **33.78** | 37.55 |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 33**
**OTHER EXPENSES**

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| Processing Charges | **0.07** | 0.69 |
| Consumable Stores | **4.09** | 3.13 |
| Packing Materials Consumed | **4.25** | 3.60 |
| Power and Fuel | **51.28** | 48.92 |
| Repairs to Building | **49.49** | 48.09 |
| Repairs to Machinery | **12.20** | 10.06 |
| Repairs Others | **11.81** | 10.85 |
| Rent (including embedded lease component) (Refer Note 3, Page 196) | **231.66** | 192.37 |
| Franchisee Fees (Excluding embedded lease components) (Refer Note 3, Page 196) | **24.09** | 24.79 |
| Rates and Taxes | **19.04** | 17.54 |
| Insurance | **2.35** | 1.51 |
| Advertisement and Sales Promotion | **48.12** | 44.04 |
| Travelling Expenses | **10.65** | 9.45 |
| Professional and Legal Charges | **29.52** | 21.68 |
| Printing and Stationery | **2.63** | 2.12 |
| Bank Charges | **11.77** | 10.18 |
| Postage, Telegrams and Telephones | **6.23** | 6.34 |
| Outsourcing Fees | **5.70** | 3.77 |
| General Expenses (Refer Note 37 (a), Page 218) | **52.37** | 46.46 |
| Directors' Fees | **1.23** | 0.86 |
| Commission to Non Whole-time Directors | **0.96** | 1.00 |
| Loss on Sale of Fixed Assets Sold/Discarded (Net) | **5.50** | 4.14 |
| Impairment Loss on Fixed assets | **(0.06)** | (0.01) |
| Freight and Forwarding Charges | **27.08** | 24.56 |
| Exchange Fluctuation Expense (Net) | **-** | 0.38 |
| Corporate Social Responsibility | **0.82** | 0.59 |
| | **612.85** | 537.11 |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 34**

**EXCEPTIONAL ITEMS INCOMES/(EXPENSES)**

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| **Incomes** | | |
| Excess provision for Contingencies not required written back | - | 0.29 |
| Profit on sale of investment in subsidiaries ( net of related expenses) (Refer Note 1 Below ) | - | 10.77 |
| Provision/(reversal) for Impairement Loss (Refer Note 2 below) | - | 0.24 |
| **Expenses** | | |
| Loss on discard of assets (Refer note 3 below) | (0.47) | - |
| | **(0.47)** | **11.30** |

**Notes**

1) Profit on sale of investment in subsidiary (Net of related expenses) for the previous year represents the divestment in the subsidiary Landmark E-tail Ltd.
2) During the year 2015-16, Fiora Hypermarket Ltd, a subsidiary of the Company has completed closure activity of one of its store & the loss on fixed assets arising out of such closure has been set off against the impairment provision already created in previous year and the balance provision of impairment has been reversed.
3) During the year, Fiora Hypermarket Ltd, a subsidiary of the company has discarded assets related to bakery operations.

**Note 35**

**OTHER COMPREHENSIVE INCOME**

(₹ in crore)

| | For the year ended 31st March 2017 | For the year ended 31st March 2016 |
|---|---|---|
| **Items that will not be reclassified to profit or loss** | | |
| (i) Equity Instruments through Other Comprehensive Income | **(2.46)** | (0.58) |
| (ii) Remeasurement of Defined Benefit Plan | **(0.23)** | (0.31) |
| (iii) Income tax on Defined Benefit Plan | **0.08** | 0.08 |
| (iv) Income Tax on Equity instruments through Other comprehensive Income | **0.15** | - |
| **Items that will be reclassified to profit or loss** | | |
| (i) Exchange differences in translating the financial statements of a foreign operation (Full figure for Previous year ₹ 16096) | **(0.02)** | 0.00 |
| **Share of Joint Venture/Associates:** | | |
| Remeasurement of Defined Benefit Plan | **(0.08)** | (0.25) |
| Income tax on Defined Benefit Plan | **0.03** | 0.08 |
| | **(2.53)** | (0.98) |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 36**

**Commitments and contingencies**

**(a) Operating lease commitments**

**Group as lessee**

The various entities in Group has entered into certain arrangements in the form of operating lease to operate retail business. As per terms of the arrangements, the Group has obligation of regular payment for use of property. Some of the arrangements include minimum lock in period clause for regular payment of lease rent or payments of similar nature. Certain arrangements also include renewal and escalation clause for the mutually agreed period between the parties.

The Group has paid ₹ 234.28 Crores (including embedded lease components of contractual arrangements during the year (2015-16: ₹191.95 crores) towards lease payment. Future minimum rentals payable under non-cancellable operating leases as at 31 March 2017 are, as follows:

| | 31 March 2017 ₹ in crore | 31 March 2016 ₹ in crore |
|---|---|---|
| Within one year | **55.63** | 35.72 |
| After one year but not more than five years | **51.94** | 35.95 |
| More than five years | **Nil** | Nil |
| | **107.57** | 71.67 |

**Group as lessor**

The various entities in Group has entered into certain arrangements in the form of operating lease in respect of some of its properties. As per terms of the arrangements, the Group has right to receive regular payment for use of property. Some of the arrangements include minimum lock in period clause for regular receipts of lease rent or receipts of similar nature. Certain arrangements also include renewal and escalation clause for the mutually agreed period between the parties.

Future minimum rentals receipt under non-cancellable operating leases as at 31 March 2017 are, as follows:

| | 31st March 2017 ₹ in crore | 31st March 2016 ₹ in crore |
|---|---|---|
| Within one year | **4.55** | 2.61 |
| After one year but not more than five years | **14.66** | 0.65 |
| More than five years | **Nil** | Nil |
| | **19.21** | 3.26 |

**(b) Capital Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹11.12 Crores (2015-16: ₹11.35 Crores) (As at 01st April 2015: ₹ 5.35 crores)

Share of Joint Venture and Associates ₹23.81crores (2015-16: ₹ 4.61 Crores) (As at 01st April 2015: ₹ 4.99 crores)

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 36**

**Commitments and contingencies (cont.)**

**(c) Other Commitments**

(i) The Finance Act,2007 introduced service tax on "Renting on Immovable Property" with effect from 01st June ,2007.The Company had entered into several agreements with Landlords and Mall owners prior to the introduction of service tax on rent.The Delhi High court through its judgement dated 19th April,2009 had set aside the operation of service tax on rent as ultra vires.In the meanwhile ,the Finance Act, 2010 has amended the Finance Act retrospectively with effect from 1st June,2007 levying service tax on "Renting of Immovable Property". This retrospective amendment and applicability on service tax on rent was challenged by Retailers Association of India of which the company is a member . The case is presently before the Supreme court pending final disposal.

The Company has paid and/or adequately provided for service tax on rent upto the period 31st March, 2017 under rent/lease agreements in which it had explicitly assumed the liability of service tax on rent.As per the directions of the Supreme court dated 14th October 2011 the company had deposited ₹ 4.66 crores being 50% of the liability under such agreements.During the year 2015-16, residual service tax of ₹3.34 crores has been deposited with the Service tax Department after adjusting amounts already paid by the developers/lessor pending the final Supreme Court Judgement interest/ penalty if any as may be payable is not presently ascertainable or quantifiable.

Joint Venture and associates Share with regard to above is ₹1.02 crores.

(ii) Export Obligation of ₹3.45 Crores against EPCG Licence of Landmark Limited since merged with company w.e.f. 01-04-2013.

**(d) Certain Key arrangements of the Company**

The Company has agreements in respect of the following and the parties inter-se have certain rights and obligations,also covering certain affirmative and shareholding related provisions, commensurate with arrangements of this nature:

1. Association with Inditex Group for Zara & Massimo Dutti stores in India.
2. Joint venture with Tesco PLC UK,with respect to Trent Hyper-market Private Limited.

**(e) Contingent liabilities**

(i) Contingent Liability in respect of Sales tax, Excise and Customs and other indirect tax matters : ₹0.30 crores (2015-16: ₹1.64 Crores ) (As at 01st April 2015:₹ 1.26 crores) - net of tax ₹0.20 crores (2015-16: ₹1.09 Crores) (As at 01st April 2015: ₹ 0.83 crores). Share of Joint Venture and Associates ₹ 3.47 crores(2015-16:₹2.28 Crores)(As at 01st April 2015: ₹ 0.69 crores) net of tax ₹ 3.10 crores (2015-16: ₹ 1.52 crores)(As at 01st April 2015: ₹ 0.46 crores).

(ii) Contingent Liability in respect of Provident Fund matter : ₹ 1.15 Crores(2015-16:₹1.11 crores)(As at 01st April 2015:₹1.11 crores)

(iii) Contingent Liability in respect of Income tax matters : ₹ 56.06 crores (2015-16: ₹ 60.19 Crores)(As at 01st April 2015: ₹46.75 crores).Share of Joint Venture andAssociates ₹3.78 crores (2015-16: ₹1.41 Crores)(As at 01st April 2015: ₹0.40 crores).

(iv) Contingent Liabilities for Share of Joint Venture and Associates in respect of service-tax matters : ₹ 0.92 crores (2015-16:₹ 0.88 crores) (As at 01st April 2015: ₹0.88 crores).

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 36**

**Commitments and contingencies (cont.)**

(v) Contingent Liabilities for Share of Joint Venture and Associates in respect of other matters : ₹ Nil (2015-16: ₹ 0.14 crores)(As at 01st April 2015: ₹ 1.33 crores).

(vi) Contingent Liability in respect of claims filed against the Company ₹ 7.26 crores (2015-16: ₹ 7.04 crores) (As at 01st April 2015: ₹ 6.81 crores).

(vii) Claims made against the Company not acknowledged as debts ₹3.05 crores (2015-16: ₹3.21crores) (As at 01st April 2015:₹3.74 crores). Share of Joint Venture and Assoiciates ₹23.54 crores (2015-16: ₹23.35 Crores)(As at 01st April 2015: ₹ 23.35 crores).

(viii) Corporate Guarantee given on behalf of Joint Venture : ₹ 43.83 crores (2015-16:₹117.22 crores ) (As at 01st April 2015:₹150.9 crores)

**Disclosure as required by Ind AS : Provision for Contingencies**

**(₹ in crores)**

| **Particulars** | **31st March 2016** | **Provisions made during the year** | **Amount adjusted / reversed during the year** | **31st March 2017** |
|---|---|---|---|---|
| Provision made as a matter of abundant caution against items (i), (iii) , (vi) and (vii) above, which are disputed by the Company. | 2.05 | - | - | 2.05 |
| | (2.05) | - | - | (2.05) |
| Provision for disputed expenses | - | - | - | - |
| | (0.29) | - | (0.29) | - |
| **Total** | **2.05** | **-** | **-** | **2.05** |
| | (2.34) | - | (0.29 ) | (2.05) |

(Figures in bracket indicates 2015-16 figures)

**Note 37**

**(a) General Expenses include :**

| | **31 March 2017 ₹ in crores** | **31 March 2016 ₹ in crores** |
|---|---|---|
| **Auditors' Remuneration (inclusive of service tax)-** | | |
| Audit Fees | **0.51** | 0.40 |
| Fees for Taxation matters | **0.06** | 0.04 |
| Other Services | **0.52** | 0.10 |
| Reimbursement of out-of-pocket expenses | **0.01** | 0.02 |
| **Provision/ Write Off (+) - Write /back (-) for doubtful debts/advances (net)** | **2.38** | 1.30 |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 37 (cont.)**

**(b)** There are no Micro and Small Enterprises , to whom the Group owes dues, which are outstanding for more than 45 days as at 31st March, 2017. This information as required to be disclosed under the Micro,Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company

**(c)** There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at 31st March, 2017 except Rs 0.07 crores (2015-16: ₹0.06 crores) (As at 01st April 2015: ₹0.06 crores) which is held in abeyance due to legal cases pending.

**(d)** Entire proceeds of the issue of Commercial paper and Non-Convertible Debentures (NCD) of ₹334.70 crores in 2016-17 have been utilised towards objects of the issue.

**(e) Disclosure as required by Ind AS 36: Provision for Impairment**

**(₹ in crores)**

| Particulars | 31st March 2016 | Provisions made during the year | Amount adjusted / reversed during the year | 31st March 2017 |
|---|---|---|---|---|
| **Impairment of Fixed Asset** | **0.38** | **-** | **0.38** | **-** |
| | (4.16) | - | (3.78) | (0.38) |

(Figures in bracket indicates 2015-16 figures)

**Note 38**

**(a) Details on derivatives instruments and unhedged foreign currency exposures**

(i) There are no forward exchange contract outstanding as at 31 st March,2017.

(ii) The unhedged foreign currency exposure as at 31st March 2017 is as under:

| Particulars | 31st March, 2017 | | 31st March, 2016 | | As at 1st April, 2015 | |
|---|---|---|---|---|---|---|
| | Amount in Foreign currency | ₹ in crores | Amount in Foreign currency | ₹ in crores | Amount in Foreign currency | ₹ in crores |
| Payable GBP | **27,682** | **0.22** | 98,049 | 0.93 | 51,954 | 0.48 |
| Payable EURO | **56,192** | **0.39** | 19,217 | 0.14 | 10,500 | 0.07 |
| Payable USD | **3,05,334** | **1.98** | 5,20,762 | 3.45 | 8,55,230 | 5.35 |
| Payable AUD | **-** | **-** | 49,259 | 0.25 | - | - |
| Payable CNY | **2,08,970** | **0.20** | - | - | - | - |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 38 (cont.)**

**(b) During the year the group has deposited SBN as below:**

**(₹ in crores)**

| Particulars | SBNS | Other Denomination Notes | Total |
|---|---|---|---|
| Closing Cash in hand as on 08.11.2016 | 3.41 | 6.99 | 10.40 |
| (+) Permitted Receipts | - | 59.41 | 59.41 |
| (-) Permitted Payments | - | (14.04) | (14.04) |
| (-) Amount Deposited in Banks | (3.41) | (44.88) | (48.29) |
| **Closing Cash in hand as on 30.12.2016** | - | 7.47 | 7.47 |

**Share of Joint Venture & Associates:**

**(₹ in crores)**

| Particulars | SBNS | Other Denomination Notes | Total |
|---|---|---|---|
| Closing Cash in hand as on 08.11.2016 | 1.67 | 0.80 | 2.47 |
| (+) Permitted Receipts | - | 101.90 | 101.90 |
| (-) Permitted Payments | - | (1.35) | (1.35) |
| (-) Amount Deposited in Banks | (1.67) | (81.02) | (82.69) |
| **Closing Cash in hand as on 30.12.2016** | - | 20.33 | 20.33 |

**(c) SEGMENT REPORTING**

The company's board/board committee considers retailing as the main business of the group and all other activities are incidental to the main business . Accordingly, there are no other separate reportable segments in terms of Ind AS 108 on "Operating Segments" and thus no further disclosure are made.

**Note 39**

**Related party transactions**
**Parties where control exists**

Fiora Business Support Services Limited(Formerly known as Westland Limited) - Subsidiary Company
(100% Equity Share capital is held by Trent Limited as at 31st March 2017)
(100% Preference Share Capital is held by Trent Limited as at 31st March 2017)
(99.99% Equity Share capital is held by Trent Limited as at 31st March 2016)
(65.36% Preference Share Capital is held by Trent Limited as at 31st March 2016)

Trent Brands Limited - Subsidiary Company
(47.99% Equity Share Capital is held by Westland Limited as at 31st March, 2017)
(52.01% Equity Share Capital is held by Trent Limited as at 31st March 2017)
(100% Equity Share Capital is held by Trent Limited as at 31st March, 2016)
(100% Preference Share Capital is held by Trent Limited as at 31st March, 2016)
Fiora Services Limited - Subsidiary Company of Trent Brands Limited
(89.88% Equity Share Capital is held by Trent Brands Limited and 6.91% Equity Share Capital is held by Trent Limited as at 31st March, 2017)

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 39**

**Related party transactions (cont.)**

Nahar Retail Trading Services Limited - Subsidiary Company
(100% Equity Share Capital is held by Trent Limited as at 31st March, 2017)

Landmark E-Tail Limited - Subsidiary Company
(Subsidiary of Trent Limited upto 11th June 2015)

Trent Global Holdings Limited-Subsidiary Company
(100% Equity Share Capital is held by Trent Limited as at 31st March, 2017)

Fiora HyperMarket Limited-Subsidiary Company
(100% Equity Share Capital is held by Trent Limited as at 31st March, 2017)
(100% Preference Share Capital is held by Trent Limited as at 31st March, 2016)

Westland Publications Ltd - Subsidiary Company of Westland Limited(incorporated on 30th March 2016)
(Subsidiary of Westland Limited till 22nd November 2016)
(99.99% Equity Share Capital is held by Westland Limited as at 31st March 2016)

**Other Related Parties with whom transactions have taken place during the year:**

**Associates:**

Tata Sons Limited (Investing Party)
(Holds more than 20% of the Share Capital of Trent Limited as on 31st March 2017)

Inditex Trent Retail India Private Limited (Inditex)
(49% Equity Share Capital is held by Trent Limited as at 31st March, 2017)

Massimo Dutti India Private Limited
(49% Equity Share Capital is held by Trent Limited as at 31st March,2017)

**Joint Ventures**

Trent Hypermarket Private Limited(Formerly known as Trent Hypermarket Limited)
(50% Equity Share Capital is held by Trent Limited as at 31st March 2017)

Virtuous Shopping Centres Limited-(Subsidiary Company of Trent Hypermarket Private Limited)
Commonwealth Developers Limited-Subsidiary Company of Virtuous Shopping Centres Limited
(During the previous year,Virtuous Shopping Centres Limited has been merged with Trent Hypermarket Private Limited . The appointed date of merger is 1st February 2015 w.e.f 9th December 2015)

THPL Support Services Limited-(Subsidiary Company of Trent Hypermarket Private Limited w.e.f 28th March 2016)
(The name of Trent Retail Services Limited has changed to THPL Support Services Limited on 03rd January 2017)

**Others:**

Tata Consultancy Service Limited
Tata AIG General Insurance Company Limited
Tata AIA Life Insurance Company Limited
Infiniti Retail Limited
Tata Capital Limited
Tata Capital Forex Limited (Formerly TT Holdings & Services Ltd)

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 39**
**Related party transactions (cont.)**

Tata Capital Housing Finance Limited
Tata Autocomp Systems Limited
Tata Cleantech Capital Limited
Tata Unistore Limited(Formerly Tata Industrial Services Limited)
Tata International Limited
Tata South East Asia Ltd.
Calsea Footwear Private Limited
TATA Capital Financial Services Limited.
Tata Housing Development Co. Ltd
Tata Quality Mgmt Services Ltd
Tata Asset Management Limited
Tata Business Support services Limited
Trent Gratuity Trust Account
C-Edge Technologies Ltd
Drive India Enterprise Solutions Limited (ceased w.e.f. 01.09.2015)
Tata Investment corporation
THPL Support Services Limited
Taj Air Limited
Tata Sky
Ewart Investment Limited
Jaguar Services Private Limited
Lantern Trading and Investment Private Limited
Lorimar Consultancy services Private Limited

**Directors/Manager of the Company**

| | |
|---|---|
| Non Executive Directors | Mr. N.N. Tata |
| | Mr. A.D. Cooper (Retired as a Director w.e.f 23rd August 2015) |
| | Mr. Z.S. Dubash |
| | Mr. B. Bhat |
| | Mr. S. Susman |
| | Mr. B.N. Vakil |
| | Mr. H.R. Bhat |
| | Ms.S. Singh |
| | Mr. A Sen (Appointed w.e.f 27th May 2015) |
| Executive Director | Mr. P. Venkatesalu-Executive Director (Finance) & CFO w.e.f 1st June 2015 |
| Chief Executive Officer & Manager | Mr.Philip N. Auld |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 39**
**Related party transactions (cont.)**

| | 2016-17 ₹ in crores | 2015-2016 ₹ in crores |
|---|---|---|
| **Sales to and Other recoveries from related parties** | | |
| **a) Associates** | | |
| Tata Sons Limited ( Full figures of ₹ 45000) | **0.00** | 0.07 |
| **b) Joint Venture** | | |
| Trent Hypermarket Private Limited(THPL) | **0.14** | 13.60 |
| **c) Others** | | |
| Tata Consultancy Services Limited | **0.46** | 0.51 |
| Tata International Limited | **7.42** | 3.44 |
| Tata Housing Development Co. Limited | **0.01** | 0.07 |
| Tata Capital Housing finance Limited | **0.03** | 0.01 |
| Tata Unistore Limited (formerly Tata Industrial Services Limited) | **0.43** | 0.03 |
| Calsea Footwear Private Limited | **0.16** | 0.09 |
| Tata AIG General Insurance Company Limited | **0.11** | 0.37 |
| Taj Online India Pvt. Limited | **0.31** | 0.22 |
| Tata Sky Limited | **0.10** | - |
| THPL Support Services Limited | **14.82** | - |
| | | |
| **Purchase/other services from related parties** | | |
| **a) Associates** | | |
| Tata Sons Limited | **13.02** | 12.47 |
| **b) Joint Venture** | | |
| Trent Hypermarket Private Limited | **6.09** | 1.04 |
| **c) Others** | | |
| Infiniti retail Limited | **0.02** | 0.07 |
| Tata Consultancy Services Limited | **8.77** | 7.34 |
| Tata International Limited | **0.30** | 0.09 |
| Tata Autocomp System Limited (Full figure of ₹ 6240) | **-** | 0.00 |
| Tata South East Asia Limited | **1.15** | 1.91 |
| C-Edge Technologies Limited | **-** | 0.03 |
| Drive India Enterprise Solutions Limited (ceased w.e.f. 01.09.2015) | **-** | 0.17 |
| Tata AIA Life Insurance Company Limited | **0.01** | 0.01 |
| Tata Capital Forex Limited (formerly TT Holdings & Services Limited) | **1.12** | 1.37 |
| Tata Cleantech Capital Limited | **0.06** | 0.23 |
| Tata Unistore Limited | **1.75** | - |
| Calsea Footwear Private Limited | **0.04** | 0.80 |
| Tata International West Asia DMDC | **2.91** | - |
| Trent Gratuity Trust Account | **0.32** | 1.00 |
| Tata AIG General Insurance Company Limited | **2.39** | 1.60 |
| Taj Air Limited | **0.15** | - |
| Tata Business Support Services Limited | **0.04** | 0.02 |
| | | |
| **Remuneration to Directors / Key Managerial person** | | |
| Salary and short-term employee benefits | **7.17** | 6.45 |
| Contribution to provident fund | **0.10** | 0.09 |
| Directors-sitting fees | **0.82** | 0.57 |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 39**
**Related party transactions (cont.)**

| | 2016-17 ₹ in crores | 2015-2016 ₹ in crores |
|---|---|---|
| Directors-commission | **0.83** | - |
| The above does not include Gratuity and Leave encashment benefits since the same is computed actuarially for all employees and the amount attributable to the managerial person cannot be ascertained seperately. | | |
| **Interest/Dividend received from related parties** | | |
| **a) Associates** | | |
| Tata Sons Limited | **1.05** | 2.10 |
| Inditex Trent Retail India Private Limited | **-** | 31.79 |
| **b) Others** | | |
| Tata Capital Limited(Full figure of ₹ 29764) | **0.83** | 0.00 |
| Tata Investment Corporation | **-** | 0.13 |
| **Interest/Dividend paid to related parties** | | |
| **a) Associates** | | |
| Tata Sons Limited | **-** | 16.78 |
| **b) Directors** | **-** | 0.17 |
| **c) others** | | |
| Tata Investment Corporation | **0.11** | 2.89 |
| Ewart Investments Limited | **-** | 0.19 |
| Jaguar Services Private Limited | **-** | 0.32 |
| Lantern Trading and Investment Private Limited | **-** | 0.07 |
| Lorimar Consultancy services Private Limited | **-** | 0.61 |
| **Bad-debts written off** | | |
| **a) Others** | | |
| Tata International Limited | **0.10** | - |
| **Subscription to Equity Share Capital/Preference Share Capital/Non Convertible Debentures** | | |
| **a) Associates** | | |
| Massiomo Dutti India Private Limited | **-** | 10.78 |
| **b) Others** | | |
| Tata Capital Limited | **-** | 10.00 |
| Tata Unistore Ltd. | **17.20** | 18.66 |
| Tata International Limited | **50.00** | |
| **Purchase of investment** | | |
| **a) Others** | | |
| Tata Asset Management Limited | **464.93** | 317.22 |
| Tata Investment corporation | **-** | 1.89 |
| **Sale of Investment** | | |
| **a) others** | | |
| Tata Asset Management Limited | **476.25** | 294.00 |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 39**

**Related party transactions (cont.)**

| | 2016-17 | 2015-2016 | As at 01st April 2015 |
|---|---|---|---|
| | ₹ in crores | ₹ in crores | ₹ in crores |
| **Security deposit received from** | | | |
| a) Tata International Limited | **1.32** | | |
| Security deposit receivable as on 31.03.2017 | | | |
| **a) Associates** | | | |
| Tata Sons Limited | **0.36** | 0.36 | - |
| **Guarantee given as on 31.03.2017** | | | |
| **a) Joint Venture** | | | |
| Trent Hypermarket Private Limited | **28.83** | 117.22 | 150.90 |
| **Loan taken during the year** | | | |
| **a) Others** | | | |
| Tata Investment corporation | **3.00** | | |
| **Security Deposit payable** | | | |
| a) Tata International Limited | **2.68** | 1.36 | 1.36 |
| **Loan repaid during the year** | | | |
| a) Others | | | |
| Tata Investment corporation | **3.00** | | |
| **Outstanding Receivables as on 31.03.2017** | | | |
| **a) Joint Ventures** | | | |
| Trent Hypermarket Private Limited(THPL) | **-** | 1.29 | 0.13 |
| b) Others | | | |
| Tata AIA Life Insurance Company Ltd (Full Figure ₹ 15230) | **0.00** | - | - |
| Tata AIG General Insurance Company Limited | **0.11** | 0.13 | 0.19 |
| Tata Consultancy services Limited | **0.06** | 0.12 | 0.15 |
| Tata International Limited | **0.21** | 0.31 | 0.17 |
| Tata Housing Development Co. Ltd(Full figure for 2015-16: ₹ 20250 & As at 01st April 2015: ₹2 2000) | **0.01** | 0.00 | 0.00 |
| Tata Business Support services Ltd(Full figure of ₹ 10379) | **-** | - | 0.00 |
| Tata Unistore Limited( Full figure of ₹10000) | **0.28** | 0.01 | - |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 39**

**Related party transactions (cont.)**

| | 2016-17 | 2015-2016 | As at 01st April 2015 |
|---|---|---|---|
| | ₹ in crores | ₹ in crores | ₹ in crores |
| **Outstanding Payables as on 31.03.2017** | | | |
| **a) Associates** | | | |
| Tata Sons Limited | **2.81** | 3.16 | 2.48 |
| **b) others** | | | |
| Tata Consultancy Services Limited | **0.70** | 1.81 | 1.45 |
| Tata International Limited | **0.05** | 0.06 | 1.21 |
| Tata International Wolverine Brands Ltd | **-** | 0.01 | 0.18 |
| Tata Capital Limited(Full figure of 2016-17: ₹2700 & 2015-16: ₹2700) | **0.00** | 0.00 | - |
| Tata South east Asia Limited | **-** | 0.10 | - |
| C Edge Technologies Limited | **-** | 0.01 | 0.03 |
| Taj Air Limited | **0.01** | - | - |
| Infiniti retail Ltd | **-** | - | 0.07 |
| Tata Capital Housing finance Ltd (Full figure of 2016-17: ₹36570;2015-16: ₹ 900 & As at 01st April 2015: ₹ 900) | **0.00** | 0.00 | 0.00 |
| Tata Capital Forex Ltd(Full figure of As at 01st April 2015: ₹ 37488) | **0.02** | 0.07 | 0.00 |
| Calsea Footwear Private Limited | **0.50** | 0.96 | - |
| Tata Business support services Limited | **0.01** | 0.01 | 0.00 |
| Tata International WestAsia DMCC | **2.91** | - | - |

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances on account of trade receivable, trade payable, other receivable, other payable and interest receivable on loan at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received in respect of outstanding receivables or payables from/to any related party . This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related paty operates.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 40**

The Subsidiaries, Interest in Joint Venture and Associates considered in Consolidated Financial Statements are :

| (a) | Particulars of Subsidiaries | Country of origin | Proportionate ownership interest 31st March 2017 | Proportionate ownership interest 31st March 2016 |
|---|---|---|---|---|
| 1 | Trent Brands Limited | India | | |
| | Held by Trent Limited | | **52.01%** | 100.00 % |
| | Held by Fiora Business Support Services Limited (Formerly known as Westland Limited) | | **47.99%** | Nil |
| 2 | Fiora Services Limited | India | | |
| | Held by Trent Brands Limited (Subsidiary) | | **89.88%** | 89.88% |
| | Held by Trent Limited | | **6.91%** | 6.91% |
| 3 | Nahar Retail Trading Services Limited | India | **100.00 %** | 100.00 % |
| 4 | Fiora Business Support Services Limited(Formerly known as Westland Limited) | India | **100.00%** | 99.99% |
| 5 | Landmark E -Tail Limited (Subsidiary upto 11th June 2015) | India | **Nil** | Nil |
| 6 | Trent Global Holdings Limited | Mauritius | **100.00 %** | 100.00 % |
| 7 | Fiora Hypermarket Limited | India | **100.00%** | 100.00% |
| 8 | Westland Publication Limited(Subsidiary of Westland Limited upto 22nd November 2016) | India | **Nil** | 100.00% |
| **(b)** | **Interest in Joint Venture** | | | |
| | Trent Hypermarket Pvt. Limited (along with its subsidiaries) | India | **50.00%** | 50.00% |
| | (Joint Venture w.e.f 3rd June 2014) | | | |
| **(c)** | **Interest in Associates** | | | |
| 1 | Massimo Dutti India Pvt. Limited (Massimo Dutti) | India | **49.00%** | 49.00% |
| 2 | Inditex Trent Retail India Pvt. Ltd (Inditex) | India | **49.00%** | 49.00% |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 41**

**a) Financial Information of Joint venture and Associates**

(₹ in crores)

| | | Trent-Hypermarket Pvt.Ltd (Consolidated Financials) | Inditex | Massimo Dutti | Trent-Hypermarket Pvt.Ltd (Consolidated Financials) | Inditex | Massimo Dutti |
|---|---|---|---|---|---|---|---|
| | | 31st March, 2017 | 31st March,2017 | 31st March, 2017 | 31st March, 2016 | 31st March, 2016 | 31st March,2016 |
| | | Joint Venture | Associates | Associates | Joint Venture | Associates | Associates |
| I | **Income** | | | | | | |
| | Revenue from Operations | **834.78** | **1,011.82** | **29.09** | 783.78 | 840.14 | - |
| | Other Income | **44.46** | **0.56** | **1.15** | 46.09 | 0.38 | 0.25 |
| | Interest Income | **2.71** | **9.61** | **-** | 2.33 | 2.05 | - |
| | Foreign exchange (gain) | **0.33** | **10.41** | **-** | - | - | - |
| II | **Expenditure** | | | | | | |
| | Cost of raw material | **3.13** | **-** | **-** | 9.28 | - | - |
| | Purchases of Stock-in-Trade | **669.72** | **648.40** | **21.03** | 620.85 | 464.09 | - |
| | Changes in inventories of finished goods work-in-progress and Stock-in-Trade(Accretion (-), decretion (+)) | **(7.35)** | **(20.32)** | **(4.30)** | 0.26 | (14.24) | - |
| | Excise duty on sale of goods | **0.14** | **-** | **-** | 0.15 | - | - |
| | Employee Benefit Expenses | **66.28** | **34.03** | **1.77** | 59.07 | 29.52 | 0.01 |
| | Finance Cost | **7.99** | **0.20** | **-** | 11.30 | - | - |
| | Other Expenses | **178.17** | **253.72** | **11.64** | 166.12 | 204.51 | 0.56 |
| | Depreciation | **27.83** | **34.59** | **1.48** | 21.39 | 35.41 | - |
| | Exceptional Item | **-** | **-** | **-** | 15.85 | - | - |
| | **Tax Expenses** | **(0.04)** | **24.86** | **(0.36)** | 0.19 | 42.92 | (0.08) |
| | **Profit or loss** | **(63.59)** | **47.62** | **(1.03)** | (62.31) | 80.35 | (0.24) |
| | **Other Comprehesive Income** | **0.10** | **(0.20)** | **-** | (0.38) | 0.04 | - |
| | **Total Comprehensive Income** | **(63.49)** | **47.42** | **(1.03)** | (62.66) | 80.40 | (0.24) |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 41**

**a) Financial Information of Joint venture and Associates (cont.)**

| | | Trent-Hypermarket Pvt.Ltd (Consolidated Financials) | Inditex | Massimo Dutti | Trent-Hypermarket Pvt.Ltd (Consolidated Financials) | Inditex | Massimo Dutti |
|---|---|---|---|---|---|---|---|
| | | 31st March, 2017 | 31st March,2017 | 31st March,2017 | 31st March, 2016 | 31st March, 2016 | 31st March,2016 |
| | | Joint Venture | Associates | Associates | Joint Venture | Associates | Associates |
| III | **Assets:** | | | | | | |
| | **Non Current Assets** | | | | | | |
| | Property, Plant and Equipment | **192.16** | **234.75** | **19.27** | 183.82 | 206.35 | - |
| | Other Intangible Assets | **5.05** | **-** | **-** | 1.69 | - | - |
| | Goodwill | **4.61** | **-** | **-** | 4.61 | - | - |
| | Capital Work in Progress | **109.83** | **52.09** | **-** | 89.23 | 15.14 | 7.03 |
| | **Financial Assets** | | | | | | |
| | Investments | **245.15** | **-** | **-** | 446.48 | - | - |
| | Loan | **0.42** | **-** | **-** | 17.46 | 18.51 | 2.73 |
| | Other Financial Assets(Full figure of `25000) | **5.10** | **29.47** | **3.24** | 4.33 | 0.00 | 0.00 |
| | **Deferred tax Asset** | **-** | **14.28** | **0.49** | - | 8.08 | 0.11 |
| | **Other Non Current Assets** | **39.76** | **-** | **-** | 17.98 | 16.54 | 0.02 |
| | Other Assets | **-** | **26.31** | **0.66** | - | 18.79 | - |
| | **Non Current Tax Assets (Net)** | | | | | 2.25 | 0.12 |
| | **Current Assets** | | | | | | |
| | Inventories | **79.72** | **102.42** | **4.33** | 71.80 | 82.10 | 0.03 |
| | **Financial Assets** | | | | | | |
| | Investments | **17.09** | **-** | **-** | 3.07 | 44.30 | - |
| | Trade Receivables | **15.84** | **-** | **-** | 15.66 | - | - |
| | Cash and bank balances | **22.94** | **16.52** | **1.06** | 4.98 | 43.34 | 17.62 |
| | Bank Balance other than above | **1.37** | **-** | **-** | 3.04 | - | - |
| | Loan | **19.33** | **-** | **-** | 15.37 | 0.14 | - |
| | Other Financial Assets | **83.88** | **2.63** | **0.04** | 85.23 | 1.12 | 0.01 |
| | **Current Tax Assets (Net)** | **6.49** | **-** | **-** | 7.84 | - | - |
| | **Other Current Assets** | **7.94** | **2.20** | **0.17** | 7.61 | 2.64 | 0.25 |
| | **Assets held for sale** | **0.14** | **-** | **-** | 0.25 | - | - |



A TATA Enterprise

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 41**

**a) Financial Information of Joint venture and Associates (cont.)**

| | | Trent-Hypermarket Pvt.Ltd (Consolidated Financials) | Inditex | Massimo Dutti | Trent-Hypermarket Pvt.Ltd (Consolidated Financials) | Inditex | Massimo Dutti |
|---|---|---|---|---|---|---|---|
| | | 31st March, 2017 | 31st March, 2017 | 31st March,2017 | 31st March, 2016 | 31st March, 2016 | 31st March, 2016 |
| | | Joint Venture | Associates | Associates | Joint Venture | Associates | Associates |
| IV | **Equity and Liabilities:** | | | | | | |
| | **Equity** | | | | | | |
| | (a) Share Capital | **146.84** | **64.80** | **22.50** | 146.84 | 64.80 | 22.50 |
| | (b) Other Equity | **554.51** | **258.16** | **(1.73)** | 618.00 | 211.12 | (0.70) |
| | **Non Current Liabilities** | | | | | | |
| | **Financial Liabilities** | | | | | | |
| | Borrowings | - | - | - | 26.21 | - | - |
| | Other Financial Liabilities | **2.20** | - | - | 2.02 | - | - |
| | Provisions | **15.44** | **15.21** | **0.03** | 11.89 | 1.00 | - |
| | Deferred Tax Liabilities | - | - | - | - | - | - |
| | Other Non Current Liabilities | **0.03** | **10.59** | - | 0.00 | 12.85 | - |
| | (Full figure ₹11442) | | | | | | |
| | **Current Liabilities** | | | | | | |
| | **Financial Liabilities** | | | | | | |
| | Trade Payables | **90.18** | **79.62** | **6.56** | 84.24 | 84.68 | 1.72 |
| | Other Financial Liabilities | **36.17** | **35.12** | **1.43** | 75.97 | 9.94 | 4.23 |
| | Provisions | **3.82** | **2.19** | **0.05** | 4.91 | 1.74 | - |
| | Other Current Liabilities | **7.63** | **13.37** | **0.41** | 10.38 | 9.99 | 0.13 |
| | Current Tax Liabilities (Net) | - | **1.61** | - | - | 0.33 | 0.04 |
| V | **Capital Commitments** | **41.29** | **6.46** | - | 6.23 | 2.23 | 0.82 |
| VI | **Contingent Liability** | **11.31** | **5.11** | - | 7.32 | 2.13 | - |
| VII | **Claims not acknowledged as debts** | **47.08** | - | - | 46.69 | - | - |

**b) Dividend received from joint venture and associates**

(₹ in crores)

| Entity Name | For the year ended 31st March, 2017 | For the year ended 31st March, 2016 |
|---|---|---|
| Inditex Trent Retail India Pvt Ltd (Associates) | - | 31.79 |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 42**
**Summarised financial information for subsidairies that has Non Controlling Interest**

(₹ in crores)

| Particulars | 31st March 2017 | 31st March 2016 | |
|---|---|---|---|
| | Fiora Services Ltd. | Fiora Services Ltd. | Fiora Business Support Services Limited |
| **Non Controlling interest** | **3.21%** | 3.21% | 0.01% |
| **Assets:** | | | |
| Non Current Assets | **14.53** | 23.81 | 0.60 |
| Current Assets | **15.57** | 9.61 | 28.15 |
| **Total Assets** | **30.10** | 33.41 | 28.75 |
| **Liabilities:** | | | |
| Share Capital | **1.52** | 1.52 | 0.28 |
| Other Equity | **21.69** | 24.53 | 6.89 |
| **Total Equity** | **23.21** | 26.05 | 7.18 |
| Non Current Liabilites | **1.75** | 1.98 | 0.13 |
| Current Liabilties | **5.15** | 5.39 | 21.44 |
| **Total Liabilites** | **6.89** | 7.36 | 21.57 |
| Revenue | **45.22** | 48.20 | 0.08 |
| Expenditure | **40.70** | 44.81 | 0.57 |
| **Profit and Loss** | **2.96** | 2.33 | (6.26) |
| **Other Comprehensive Income** | **(3.51)** | (0.05) | (0.07) |
| **Total Comprehensive Income** | **(0.56)** | 2.28 | (6.33) |
| **Cash flow from operating activities** | **3.18** | 7.17 | (5.99) |
| **Cash flow from Investing activities** | **(0.08)** | (5.03) | (6.07) |
| **Cash flow from financing activities** | **(2.39)** | (2.29) | 12.20 |

**Note 43**
**Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent entity by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent entity (after adjusting for interest on the convertible preference shares) 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.

| | 31 March 2017 | 31 March 2016 |
|---|---|---|
| Profit attributable to Equity Shareholders (₹ in crores) | **84.86** | **54.95** |
| Weighted average number of Equity shares * | | |
| (i) For Basic Earning per share | **332316730** | 332315640 |
| (ii) For diluted Earning per share (after adjustments for all dilutive potential equity shares) | **332316730** | 332315640 |
| Earning per share | **2.55** | 1.65 |

* During the year, the Company has split its equity shares having face value of ₹10 each into equity shares having face value of ₹1 each.Earning per share for past periods has been adjusted accordingly.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

### Note 44
### Employee Benefit Plans
### (I) Defined Benefit Plan
### (a) Gratuity benefit (As per Actuarial valuation as on 31st March 2017)

(₹ in crores)

| | Gratuity (Fully funded) | | | |
|---|---|---|---|---|
| | LIC Administered Trust | | TATA AIG Administered Trust | |
| | As on 31st March 2017 | As on 31st March 2016 | As on 31st March 2017 | As on 31st March 2016 |
| **Defined benefit obligation as at beginning of year** | **8.08** | 6.85 | 0.13 | 0.20 |
| Service cost | **1.73** | 1.52 | - | *0.00 |
| Interest on Defined Benefit Obligation | **0.64** | 0.54 | **0.00 | 0.01 |
| Benefits paid | **(0.85)** | (0.88) | - | (0.08) |
| Return on plan assets (excluding amounts included in net interest expense) | **-** | - | - | - |
| Actuarial changes arising from changes in demographic assumptions | **-** | - | - | - |
| Actuarial changes arising from changes in financial assumptions | **0.63** | 0.04 | - | - |
| Impact of liability assumed or settled | **0.01** | - | - | - |
| Adjustment to recognised the effect of asset ceiling | **-** | - | - | - |
| Actuarial Loss/(Gain) arising on account of experience changes | **(0.10)** | (0.05) | 0.02 | 0.17 |
| Sub-total included in OCI | **-** | - | - | - |
| Liabilities assumed / (settled) | **(0.50)** | 0.06 | - | (0.17) |
| Contributions by employer | **-** | - | - | - |
| **Defined benefit obligation at the end of the year** | **9.64** | 8.08 | 0.15 | 0.13 |
| **Fair value of plan assets at the beginning of the year** | **6.76** | 5.49 | 0.15 | 0.38 |
| Service cost | **-** | - | - | - |
| Interest on Plan Asset | **0.57** | 0.47 | 0.01 | 0.03 |
| Sub-total included in profit or loss | **-** | - | - | - |
| Benefits paid | **(0.85)** | (0.89) | - | (0.08) |
| Actual return on Plan Assets less Interest on Plan Assets | **(0.01)** | 0.10 | #0.00 | (0.01) |
| Actuarial changes arising from changes in demographic assumptions | **-** | - | - | - |
| Actuarial changes arising from changes in financial assumptions | **(0.01)** | - | - | - |
| Impact of liability assumed or settled | **-** | - | - | (0.03) |
| adjustment to recognised the effect of asset ceiling | **-** | - | - | - |
| Experience adjustments | **-** | - | - | - |
| Sub-total included in OCI | **-** | - | - | - |
| Assets acquired /(settled) | **(0.36)** | 0.37 | - | (0.14) |
| Contributions by employer | **0.71** | 1.22 | - | - |
| **Fair value of plan assets at the end of the year** | **6.81** | 6.76 | 0.16 | 0.15 |
| **Net Assets and Liabilities recognised in Balance sheet** | | | | |
| Present value of Funded Defined Benfit Obligation | **9.64** | 8.08 | 0.15 | 0.13 |
| Fair value of Plan assets | **6.81** | 6.76 | 0.16 | 0.15 |
| Amount not recognised due to asset limit | **(0.01)** | - | ****0.00 | ***0.00 |
| **Net Assets and (Liabilities)recognised in Balance sheet** | **(2.84)** | (1.32) | 0.01 | 0.02 |
| **Expenses recognised in Statement of Profit and Loss** | | | | |
| Service cost | **1.73** | 1.52 | - | *0.00 |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

### Note 44
### Employee Benefit Plans (cont.)

(₹ in crores)

| | Gratuity (Fully funded) | | | |
|---|---|---|---|---|
| | LIC Administered Trust | | TATA AIG Administered Trust | |
| | As on 31st March 2017 | As on 31st March 2016 | As on 31st March 2017 | As on 31st March 2016 |
| Net interest expense | **0.07** | 0.07 | ##(0.00) | (0.01) |
| Amount not recognised due to asset limit | **-** | - | - | *****0.00 |
| **Expenses recognised in Statement of Profit and Loss** | **1.80** | 1.59 | - | ###(0.00) |
| **Expenses recognised in Other comprehensive income** | | | | |
| **Opening amount recognised in OCI** | **-** | - | 0.08 | - |
| Actual return on Plan Assets less Interest on Plan Assets | **0.01** | (0.10) | (0.07) | 0.01 |
| Remeasurements -changes in financial assumptions | | | | |
| Impact of liability assumed or settled | **-** | - | - | (0.03) |
| adjustment to recognised the effect of asset ceiling | **-** | - | - | (0.06) |
| Experience adjustments | **(0.11)** | (0.04) | (0.18) | 0.16 |
| **Expenses recognised in Other comprehensive income** | **(0.10)** | (0.14) | (0.17) | 0.08 |
| **The major categories of plan assets as a percentage of total plan** | | | | |
| Government of India Securities | **N.A.** | N.A. | N.A. | N.A. |
| Corporate Bonds | **N.A.** | N.A. | N.A. | N.A. |
| Special Deposit Scheme | **N.A.** | N.A. | N.A. | N.A. |
| Equity Shares of Listed Companies | **N.A.** | N.A. | N.A. | N.A. |
| Property | **N.A.** | N.A. | N.A. | N.A. |
| Insurer Managed Funds | **100%** | 100% | 100% | 100% |
| Others | **N.A.** | N.A. | N.A. | N.A. |
| Total | **100%** | 100% | 100% | 100% |
| **Expected Employers Contribution Next Year** | **1.12** | 0.81 | - | - |
| **Method of valuation** | **Projected Unit Credit Method** | | | |
| **Actuarial Assumptions** | | | | |
| Discount Rate ( Range ) | **7.60% to 7.65%** | 8.05% | 7.65% | 8.05% |
| Expected rate of return on plan assets( Range ) | **7.60% to 7.65%** | 8.00% | 7.65% | 8.00% |
| Future salary Increase (Range) | **7.00% to 8.00%** | 7.00% | 7.00% | 7.00% |
| Mortality Table | **Indian Assured Lives Mortality (2006-08) Ult Table** | | | |
| Retirement Age | **58 Years / 60 years** | 58 Years / 60 years | 60 Years | 60 Years |

**Notes:**

* Full Figure of ₹44745

** Full Figure of ₹ 49478

*** Full Figure of ₹49159

**** Full Figure of ₹25157

***** Full Figure of ₹48404

# Full Figure of ₹ 54420

## Full Figure of ₹(11643)

### Full Figure of ₹(49259)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority , promotion and other relevant factors, such as supply and demand in the employment market.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 44**

**Employee Benefit Plans (cont.)**

**(b) Defined Pension and medical benefit (As per Actuarial valuation as on 31st March 2017)**

(₹ in crores)

| | As on 31st March, 2017 | As on 31st March, 2016 |
|---|---|---|
| **Change in Defined Benefit Obligation during the year ended** | | |
| Present value of obligations as at beginning of year | **2.16** | 2.27 |
| Interest cost | **0.16** | 0.17 |
| Actuarial (gain)/loss | **0.08** | (0.04) |
| Benefits Paid | **(0.24)** | (0.24) |
| Experience adjustments | **-** | - |
| **Present value of Defined Benefit Obligation at the end of the year** | **2.16** | 2.16 |
| **Change in Fair Value of Assets during the Year ended** | | |
| Plan assets at the beginning of the year | **-** | - |
| Expected return on plan assets | **-** | - |
| Contributions by Employer | **0.24** | 0.24 |
| Assets acquired on Acquisition / (Distributed on Divestiture) | **-** | - |
| Funds Transfer In | **-** | - |
| Benefit paid | **(0.24)** | (0.24) |
| Actuarial gains/ (losses) | **-** | - |
| **Plan Assets at the end of the year** | **-** | - |
| | | |
| **Net Asset/(Liability) recognised in the Balance Sheet** | | |
| Present Value of Defined Benefit Obligation | **2.16** | 2.16 |
| Fair value of plan assets | **-** | - |
| Amount not recognised as an Asset (limit in Para 59(b) of Accounting Standard 15 | **-** | - |
| Fund status (Surplus/(Deficit)) | **(2.16)** | (2.16) |
| **Net Assets /(Liability)** | **(2.16)** | (2.16) |
| **Expenses recognized in the statement of Profit and Loss** | | |
| Current Service cost | **-** | - |
| Interest Cost | **0.16** | 0.17 |
| Expected return on plan assets | **-** | - |
| Net Actuarial (Gains)/Losses Recognised in year | **0.08** | (0.04) |
| Past Service Cost | **-** | - |
| Loss / Gain on Acquisition / Divestiture | **-** | - |
| Effect of the limit in Para 59(b) of Accounting Standard 15 | **-** | - |
| **Expenses recognised in statement of Profit and Loss** | **0.24** | 0.13 |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 44**

**Employee Benefit Plans (cont.)**

**(b) Defined Pension and medical benefit (As per Actuarial valuation as on 31st March 2017)**

(₹ in crores)

| | As on 31st March, 2017 | As on 31st March, 2016 |
|---|---|---|
| **The major categories of plan assets as a percentage of total plan** | | |
| Government of India Securities | **N.A.** | N.A. |
| Corporate Bonds | **N.A.** | N.A. |
| Special Deposit Scheme | **N.A.** | N.A. |
| Equity Shares of Listed Companies | **N.A.** | N.A. |
| Property | **N.A.** | N.A. |
| Insurer Managed Funds | **N.A.** | N.A. |
| Others | **N.A.** | N.A. |
| Total | **N.A.** | N.A. |
| **Method of valuation** | **Projected Unit Credit Method** | |
| **Expected Employers Contribution Next Year** | **0.28** | 0.28 |
| Actuarial Assumptions | | |
| Discount Rate | **7.65%** | 8.05% |
| Expected rate of return on plan assets | **N.A.** | N.A. |
| Mortality Table | **P A (90)** | P A (90) |
| Retirement Age | **N.A.** | N.A. |

Towards Pension and Medical Benefits,during the previous year the discount rate had changed from 8.05 % to 7.65%

(c) Compensated Absence liability recognised as Expense for the year is ₹ 2.82 Crores ( 2015-16 - ₹1.52 Crores ).The above is based on the acturial valuation report.
The report considers assumptions with respect to discount rates, salary escalation, retirement age, mortality, rates of leaving service,leave availment pattern,disability and other relevant factors. The method used is Projected Unit Credit Method.

**ii) Defined Contribution Plans**

Company's Contributions to Defined Contribution Plans recognised as expense for the year as under:

(₹ in crores)

| | 2016-2017 | 2015-2016 |
|---|---|---|
| Towards Superannuation Fund | **0.01** | 0.01 |
| Towards Government Administered Provident Fund / Family Pension Fund | **6.21** | 5.56 |
| Towards Employees State Insurance / Labour Welfare Fund | **2.60** | 1.79 |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 45**

**Financial risk management objectives and policies**

The Groups's financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the respective entity's board/board'scommitee.

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Groups's operations and to provide guarantees to support its operations in select instances. The Groups's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations and Investment.

The Group is exposed to market risk, credit risk , liquidity risk etc. The Group's senior management oversees the management of these risks. The Group's senior management is overseen by the audit committee with respect to risks and facilitates appropriate financial risk governance framework for the Group. Financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist persons that have the appropriate skills, experience and supervision. It is the Groups's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing key risks, which are summarised below.

**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 three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

The Group manages market risk through a treasury department,which evaluate and exercises control over the entire process of market risk management.The treasury department recommends risk management obejectives and policies ,which are approved by senior management and the Audit/Investment committee. The activities of this department include management of cash resources, implementing hedging strategies for foriegn currecy exposure, borrowing strategies, and ensuring compliance with market risk limit and policies.

The sensitivity analyses in the following sections relate to the position as at 31st March 2017.

**Interest rate risk:** Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate change does not affects significantly short term borrowing and current investment therefore the Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt and Non current investment.

If interest rates were to change by 100 bps from March 31st 2017, changes in interest expense on long term borrowing would amount to approximately ₹ 1.75 Crores.Further given the portfolio of investments in mutual funds etc. the Group is also exposed to interest rate risk with respect to returns realised. It is estimated that a 25bps change in 10 year Govt. bond yield would result in a Profit and Loss impact of approximately ₹ 0.86 Crores .This estimate is based key assumption including with respect to seamless transition of rates across debt instrument in the market and also basis the duration of debt instruments in turn held by mutual funds that the company has invested in.

**Foreign currency risk**: The Group's is exposed to foreign currency risk through its purchases of merchandise /receipt of services from overseas parties in various foreign currencies.

The Group evaluates exchange rate exposure arising from foreign currecny transactions and the Group follows established risk mangment policies,including the use of derivatives like foreing exchange forward contracts to hedge exposure to foreign currency risk.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 45**

**Financial risk management objectives and policies (cont.)**

**Foreign currency sensitivity**

The following tables demonstrates the sensitivity to a 5% increase/decrease in foreign currencies exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The Group's exposure to foreign currency changes for all other currencies is not material.

| Particulars | As at 31st March, 2017 | | As at 31st March, 2016 | |
|---|---|---|---|---|
| | Amount in Foreign currecny | ₹ in Crores | Amount in Foreign currecny | ₹ in Crores |
| Payable GBP | **27,682** | **0.22** | 98,049 | 0.93 |
| Payable EURO | **56,192** | **0.39** | 19,217 | 0.14 |
| Payable USD | **3,05,334** | **1.98** | 5,20,762 | 3.45 |
| Payable AUD | **-** | **-** | 49,259 | 0.25 |
| Payable CNY | **2,08,970** | **0.20** | - | - |

5% increase or decrease in foreign exchange rate will have the following impact on profit before tax

(₹ **in crores)**

| Particulars | 31st March, 2017 | | 31st March, 2016 | |
|---|---|---|---|---|
| | 5% Increase | 5% decrease | 5% Increase | 5% decrease |
| Payable GBP | **(0.01)** | **0.01** | (0.05) | 0.05 |
| Payable EURO | **(0.02)** | **0.02** | (0.01) | 0.01 |
| Payable USD | **(0.10)** | **0.10** | (0.17) | 0.17 |
| Payable AUD | **-** | **-** | (0.01) | 0.01 |
| Payable CNY | **(0.01 )** | **0.01** | - | - |

**Equity price risk**: The Group has very limited equity investment therefore related exposure is not material for Group.

**Credit risk**: Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities and from its financing activities, including deposits with banks, financial institutions and other parties, foreign exchange transactions and other financial instruments.

The Group is not exposed to significant concentrations of credit risk as policies are in place to cover retail sales where Collections are primarily made in cash or through credit card payments.The Group adopts prudent criteria in its investment policy, the main objectives of which are to reduce the credit risk associated with investment products and the counterparty risk associated with financial institutions. The Group considers the solvency, liquidity, asset quality and management prudence of the counter parties, as well as the performance potential of the counter parties in stressed conditions. In relation to credit risk arising from commercial transactions, impairment losses are recognized for trade receivables when objective evidence exists that the Group will be unable to recover all the outstanding amounts in accordance with the original contractual conditions of the receivables.

**Liquidity risk**: The treasury department of respective entitiy is responsible for liquidity, funding as well settlement management. In addition,the related policies and processes are overseen by senior management. Management monitors the entity's net liquidity position through rolling forecast on the basis of expected cash flows.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 45**

**Financial risk management objectives and policies (cont.)**

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

(₹ in crores)

| Year ended 31/3/2017 | <1 year | 1 to 5 years | > 5 years | Total |
|---|---|---|---|---|
| **Borrowings (other than convertible preference shares):** | | | | |
| Non Convertible Debentures - June 10 Series 1 | 45.00 | - | - | 45.00 |
| Non Convertible Debentures - June 10 Series 2 | 56.05 | - | - | 56.05 |
| Non Convertible Debentures - April 15 Series 1 | - | 99.82 | - | 99.82 |
| Commercial Paper Sept 2016 Series 1 | 96.80 | - | - | 96.80 |
| Commercial Paper Feb 2017 Series 1 | 94.07 | - | - | 94.07 |
| Other Financial Liabilities | 56.08 | 2.56 | - | 58.64 |
| Trade and Other Payables | 142.21 | | - | 142.21 |
| | **490.21** | **102.38** | **-** | **592.59** |

(₹ in crores)

| Year ended 31/3/2016 | <1 year | 1 to 5 years | > 5 years | Total |
|---|---|---|---|---|
| **Borrowings (other than convertible preference shares):** | | | | |
| Non Convertible Debentures - June 10 Series 1 | - | 45.00 | - | 45.00 |
| Non Convertible Debentures - June 10 Series 2 | - | 50.98 | - | 50.98 |
| Non Convertible Debentures - April 15 Series 1 | 299.83 | - | - | 299.83 |
| Other Financial Liabilities | 58.38 | | - | 58.38 |
| Cash Credit Facility with HDFC | 3.99 | | | 3.99 |
| Trade and Other Payables | 166.22 | | - | 166.22 |
| | **528.42** | **95.98** | **-** | **624.40** |

(₹ in crores)

| As at 01 st April 2015 | <1 year | 1 to 5 years | > 5 years | Total |
|---|---|---|---|---|
| **Borrowings (other than convertible preference shares):** | | | | |
| Non Convertible Debentures - June 10 Series 1 | - | 45.00 | - | 45.00 |
| Non Convertible Debentures - June 10 Series 2 | - | 46.38 | - | 46.38 |
| Non Convertible Debentures - April 10 Series 1 | 160.48 | - | - | 160.48 |
| Non Convertible Debentures - April 10 Series 2 | 64.16 | - | - | 64.16 |
| Other Financial Liabilities | 46.38 | | - | 46.38 |
| Cash Credit Facility with HDFC | 4.35 | - | - | 4.35 |
| Trade and Other Payables | 153.31 | | - | 153.31 |
| | **428.68** | **91.38** | **-** | **520.06** |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 45**

**Financial risk management objectives and policies (cont.)**

**Excessive risk concentration**: Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or given set of counter parties.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a reasonably diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

**Capital management**: For the purpose of the Group's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent company. The primary objectives of the Group's capital management is to maximise the shareholder value while providing stable capital structure that facilitate considered risk taking and pursued of business growth.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and business opportunaties. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, raise/ pay down debt or issue new shares. The Group monitors capital structure using a debt equity ratio, which is debt divided by equity. The Group's policy is to keep the gearing ratio between 20% and 40%.

(₹ **in crores)**

| | **31-Mar-17** | **31-Mar-16** | **01-Apr-15** |
|---|---|---|---|
| **Borrowing** | **391.74** | 395.82 | 316.02 |
| **Total Capital** | **1547.69** | 1464.39 | 1486.65 |
| **Debt Equity Ratio** | **25%** | 27% | 21% |

**Note 46**

**Standards issued but not yet effective**

The standards issued, but not yet effective upto the date of issuance of the Group's financial statements is disclosed below. The Group inteds to adopt this standard when it becomes effective.

**Ind AS 115 Revenue from Contracts with Customers**

Ind AS 115 was issued in February 2015 and establishes a five-step model to account for revenue arising from contracts with customer. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. The Group is in the process of analysing the impact of the proposed standard. This standard will come into force from accounting period commencing on or after 1st April 2018. The Group will adopt the new standard on the required effective date.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

### Note 47

### Statement showing shares of entities in Consolidated Networth and Consolidated Total

| Name of Entity | Net Assets | | Share in Profit and Loss | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
|---|---|---|---|---|---|---|---|---|
| | % in consolidated Net assets | Amount | % of Consolidated Profit and Loss | Amount | % of Consolidated Other Comprehensive Income | Amount | % of Consolidated Total Comprehensive Income | Amount |
| **As on 31st March 2017** | | | | | | | | |
| Parent | | | | | | | | |
| Trent Limited | 99.51% | 1540.83 | 125.80% | 106.87 | -28.71% | 0.73 | 130.55% | 107.60 |
| **Subsidiaries** | | | | | | | | |
| Indian | | | | | | | | |
| Trent Brands Limited | 2.24% | 34.69 | -21.65% | (18.39) | -12.83% | 0.32 | -21.92% | (18.07) |
| Fiora Services Limited | 1.50% | 23.21 | 3.48% | 2.96 | 139.07% | (3.51) | -0.68% | (0.56) |
| Nahar Retail Trading Services Limited* | 0.30% | 4.67 | 0.79% | 0.67 | 0.10% | (0.00) | 0.81% | 0.67 |
| Fiora Business Support Services Limited | 2.10% | 32.45 | 29.79% | 25.30 | 1.18% | (0.03) | 30.66% | 25.27 |
| Fiora Hypermarket Limited | 1.33% | 20.58 | -6.21% | (5.28) | -1.31% | 0.03 | -6.36% | (5.24) |
| Foreign | | | | | | | | |
| Trent Global Holding Limited | 0.02% | 0.24 | -0.19% | (0.16) | - | - | -0.20% | (0.16) |
| **Subsidiaries Total** | **7.49%** | **115.84** | **6.01%** | **5.10** | **126.21%** | **(3.19)** | **2.31%** | **1.91** |
| **Non Controlling Interest in subsidiaries** | | | | | | | | |
| Fiora Services Limited | 0.05% | 0.75 | 0.11% | 0.09 | 4.46% | (0.11) | -0.02% | (0.02) |
| **Non Controlling Interest Total** | **0.05%** | **0.75** | **0.11%** | **0.09** | **4.46%** | **(0.11)** | **-0.02%** | **(0.02)** |
| **Joint Ventures** | | | | | | | | |
| Trent Hypermarket Private Limited (Consolidated financials) | 22.65% | 350.68 | -37.43% | (31.80) | -1.98% | 0.05 | -38.52% | (31.75) |
| **Joint Ventures Total** | **22.65%** | **350.68** | **-37.43%** | **(31.80)** | **-1.98%** | **0.05** | **-38.52%** | **(31.75)** |
| **Associates** | | | | | | | | |
| Inditex Trent India Private Limited | 10.22% | 158.25 | 27.47% | 23.33 | 3.88% | (0.10) | 28.19% | 23.24 |
| Massimo Dutti India Private Limited | 0.66% | 10.18 | -0.59% | (0.50) | - | - | -0.61% | (0.50) |
| **Associates Total** | **10.88%** | **168.43** | **26.88%** | **22.83** | **3.88%** | **(0.10)** | **27.58%** | **22.74** |
| **Adjustment in Consolidated Accounts** | **-40.58%** | **(628.09)** | **-21.37%** | **(18.14)** | **-3.86%** | **(0.09)** | **-21.90%** | **(18.06)** |
| **Total** | **100.00%** | **1548.44** | **100.00%** | **84.95** | **100.00%** | **(2.53)** | **100.00%** | **82.42** |

* Full figure ₹(24615)

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 47**
**Statement showing shares of entities in Consolidated Networth and Consolidated Total (cont.)**

| Name of Entity | Net Assets | | Share in Profit and Loss | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
|---|---|---|---|---|---|---|---|---|
| | % in consolidated Net assets | Amount | % of Consolidated Profit and Loss | Amount | % of Consolidated Other Comprehensive Income | Amount | % of Consolidated Total Comprehensive Income | Amount |
| **As on 31st March 2016** | | | | | | | | |
| **Parent** | | | | | | | | |
| Trent Limited | 97.19% | 1433.23 | 157.30% | 86.55 | 51.13% | (0.50) | 159.24% | 86.05 |
| **Subsidiaries** | | | | | | | | |
| **Indian** | | | | | | | | |
| Trent Brands Limited | 1.89% | 27.81 | -1.19% | (0.66) | 21.59% | (0.21) | -1.60% | (0.87) |
| Fiora Services Limited | 1.77% | 26.05 | 4.24% | 2.33 | 4.86% | (0.05) | 4.23% | 2.28 |
| Nahar Retail Trading Services Limited* | 0.27% | 4.00 | -0.03% | (0.02) | -0.41% | 0.00 | -0.02% | (0.01) |
| Fiora Business Support Services Limited | 0.49% | 7.18 | -11.38% | (6.26) | 7.20% | (0.07) | -11.72% | (6.33) |
| Landmark Etail Limited(upto 11th June 2015) | - | - | -0.82% | (0.45) | - | - | -0.84% | (0.45) |
| Fiora Hypermarket Limited | -0.68% | -10.01 | -13.54% | (7.45) | -1.29% | 0.01 | -13.76% | (7.44) |
| **Foreign** | | | | | | | | |
| Trent Global Holding Limited | 0.00% | (0.06) | -0.20% | (0.11) | - | - | -0.21% | (0.11) |
| **Subsidiaries Total** | **3.74%** | **54.97** | **-22.92%** | **(12.62)** | **31.95%** | **(0.32)** | **-23.92%** | **(12.93)** |
| **Non Controlling Interest in subsidiaries** | | | | | | | | |
| Fiora Services Limited** | -0.06% | (0.84) | 0.13% | 0.07 | 0.16% | (0.00) | 0.13% | 0.07 |
| Fiora Business Support Services Limited | -0.64% | (9.50) | - | - | - | - | - | - |
| **Non Controlling Interest Total** | **-0.70%** | **(10.34)** | **0.13%** | **0.07** | **0.16%** | **(0.00)** | **0.13%** | **0.07** |
| **Joint Ventures** | | | | | | | | |
| Trent Hypermarket Private Limited (Consolidated financials) | 25.93% | 382.42 | -56.59% | (31.14) | 19.47% | (0.19) | -57.98% | (31.33) |
| **Joint Ventures Total** | **25.93%** | **382.42** | **-56.59%** | **(31.14)** | **19.47%** | **(0.19)** | **-57.98%** | **(31.33)** |
| **Associates** | | | | | | | | |
| Inditex Trent India Private Limited | 9.16% | 135.01 | 71.56% | 39.38 | -2.01% | 0.02 | 72.90% | 39.40 |
| Massimo Dutti India Private Limited | 0.72% | 10.68 | -21.54% | (11.85) | - | - | -21.93% | (11.85) |
| **Associates Total** | **9.88%** | **145.69** | **50.02%** | **27.53** | **-2.01%** | **0.02** | **50.97%** | **27.55** |
| **Adjustment in Consolidated Accounts** | **-36.04%** | **(531.25)** | **-27.94%** | **(15.36)** | **0.70%** | **0.01** | **-28.44%** | **(15.37)** |
| **Total** | **100.00%** | **1474.73** | **100.00%** | **55.02** | **100.00%** | **(0.98)** | **100.00%** | **54.04** |

* Full figure ₹ 40234

** Full Figure ₹ 15215



A TATA Enterprise

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 48**

**First time adoption of Indian Accounting Standards**

The Group has prepared Consolidated financial statements which comply with Ind AS applicable for the period ending as on 31st March 2016 for comparative purpose for the period ending 31st March 2017. In preparing these financial statements, the Groups's opening balance sheet has been prepared as at 1st April 2015, i.e the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its IGAAP financial statements, including the balance sheet as at 1st April 2015 and the financial statements for the year ended 31st March 2016.

**(i)** **Business Combination:** The Group has availed optional exemption available under Ind AS 101 for not restating the past business combinations at fair value.

**(ii)** **Non-Controlling interest:** The Group has availed exception available under Ind AS 101 to attribute the deficit balance of total comprehensive income to non-controlling interest prospectively from date of transition to Ind AS. In other words there is no cap applied to the extent of losses attributed to minority shareholder as on transition date.

**(iii)** **Application of equity method:** In respect of Joint venture, when changing from proportionate consolidation to equity method the group has recognised its investment in joint venture as at the transition date in terms of provisions of Ind AS 101.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

### Note 48
### First time adoption of Indian Accounting Standards (cont.)
**Reconciliation of equity as at 1st April, 2015**

(₹ in crores)

| ASSETS | Indian GAAP | Adjustments | Ind-AS as at 1st April, 2015 |
|---|---|---|---|
| **Non-Current Assets** | | | |
| Property, Plant and Equipment | 628.10 | (257.43) | 370.67 |
| Capital Work-In-Progress | 92.13 | (45.95) | 46.18 |
| Goodwill on Consolidation | - | 26.23 | 26.23 |
| Other Intangible Assets | 40.36 | (32.80) | 7.56 |
| Intangible Assets under development | - | 1.08 | 1.08 |
| Financial Assets | | | |
| (i) Investments | 681.69 | 324.71 | 1,006.40 |
| (ii) Loans | 134.43 | (90.45) | 43.98 |
| (iii) Others | - | 1.27 | 1.27 |
| Deferred Tax Assets | 2.07 | 15.01 | 17.08 |
| Other Non-Current Assets | 0.18 | 50.79 | 50.97 |
| **Total Non-Current Assets (A)** | **1578.96** | **(7.54)** | **1571.42** |
| **Current Assets** | | | |
| Inventories | 329.85 | (69.37) | 260.48 |
| Financial Assets | | | |
| (i) Investments | 58.03 | (26.94) | 31.09 |
| (ii) Trade Receivables | 17.69 | (6.33) | 11.36 |
| (iii) Cash and Cash Equivalents | 55.50 | (30.43) | 25.07 |
| (iv) Bank Balances other than (iii) above | - | 4.14 | 4.14 |
| (iv) Loans | 160.54 | (59.38) | 101.16 |
| (v) Others | - | 7.64 | 7.64 |
| Current Tax Assets (Net) | - | 5.30 | 5.30 |
| Other Current Assets | 5.97 | 35.94 | 41.91 |
| **Total Current Assets (B)** | **627.58** | **(139.43)** | **488.15** |
| **Total Assets (A+B)** | **2206.54** | **(146.97)** | **2059.57** |
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| a) Equity Share Capital | 33.23 | - | 33.23 |
| b) Other Equity | 1388.73 | 64.69 | 1453.42 |
| c) Non Controlling Interest | 2.59 | 0.05 | 2.64 |
| **Total Equity (C)** | **1424.55** | **64.74** | **1489.29** |
| **Non-Current Liabilities** | | | |
| Financial Liabilities | | | |
| (i) Long-Term Borrowings | 112.50 | (21.12) | 91.38 |
| (ii) Other Financial Liabilities | - | 2.17 | 2.17 |
| Long-Term Provisions | 51.65 | (40.06) | 11.59 |
| Other Non-Current Liabilities | 11.06 | (10.86) | 0.20 |
| **Total Non-Current Liabilities** | **175.21** | **(69.87)** | **105.34** |
| **Current Liabilities** | | | |
| Financial Liabilities | | | |
| (i) Short Term Borrowings | 4.35 | - | 4.35 |
| (ii) Trade and Other Payables | 221.25 | (67.94) | 153.31 |
| (iii) Other Financial Liabilities | - | 268.85 | 268.85 |
| Other Current Liabilities | 257.05 | (222.96) | 34.09 |
| Short-Term Provisions | 124.13 | (119.79) | 4.34 |
| **Total Current Liabilities** | **606.78** | **(141.84)** | **464.94** |
| **Total Liabilities (D)** | **781.99** | **(211.71)** | **570.28** |
| **Total Equity and Liabilities (C+D)** | **2206.54** | **(146.97)** | **2059.57** |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

### Note 48
### First time adoption of Indian Accounting Standards (cont.)

**Reconciliation of equity as at 31st March, 2016**

(₹ in crores)

| ASSETS | Indian GAAP | Adjustments | Ind-AS as at 31st March, 2016 |
|---|---|---|---|
| **Non-Current Assets** | | | |
| Property, Plant and Equipment | 686.82 | (242.66) | 444.16 |
| Capital Work-In-Progress | 109.13 | (55.48) | 53.65 |
| Goodwill | - | 26.08 | 26.08 |
| Other Intangible Assets | 35.79 | (29.24) | 6.55 |
| Intangible Assets under development | 1.21 | - | 1.21 |
| Financial Assets | | | |
| (i) Investments | 700.79 | 341.35 | 1042.14 |
| (ii) Loans | 74.23 | (57.56) | 16.67 |
| (iii) Others | - | 1.46 | 1.46 |
| Deferred Tax Assets (Net) | 2.19 | 0.43 | 2.62 |
| Other Non-Current Assets | - | 53.89 | 53.89 |
| **Total Non-Current Assets (A)** | **1610.16** | **38.27** | **1648.43** |
| Current Assets | | | |
| Inventories | 355.32 | (76.13) | 279.19 |
| Financial Assets | | | |
| (i) Investments | 25.79 | (0.96) | 24.83 |
| (ii) Trade Receivables | 19.00 | (6.01) | 12.99 |
| (iii) Cash and Cash Equivalents | 62.97 | (40.97) | 22.00 |
| (iv) Bank Balances other than (iii) above | - | 4.90 | 4.90 |
| (v) Short-Term Loans and Advances | 222.28 | (107.66) | 114.62 |
| (vi) Other Currrent Assets | - | 4.22 | 4.22 |
| Current Tax Assets (Net) | - | 13.35 | 13.35 |
| Other Current Assets | 3.38 | 28.68 | 32.06 |
| **Total Current Assets (B)** | **688.74** | **(180.58)** | **508.16** |
| **Total Assets (A+B+C)** | **2298.90** | **(142.31)** | **2156.59** |
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| a) Equity Share Capital | 33.23 | - | 33.23 |
| b) Other Equity | 1404.86 | 26.30 | 1431.16 |
| c) Non Controlling Interest | 10.33 | 0.01 | 10.34 |
| **Total Equity (D)** | **1448.42** | **26.31** | **1474.73** |
| Non-Current Liabilities | | | |
| Financial Liabilities | | | |
| (i) Long-Term Borrowings | 87.50 | 8.48 | 95.98 |
| Long-term Provisions | 44.01 | (31.76) | 12.25 |
| Other Non-Current Liabilities | 7.31 | (7.31) | - |
| **Total Non-Current Liabilities** | **138.82** | **(30.59)** | **108.23** |
| **Current Liabilities** | | | |
| Financial Liabilities | | | |
| (i) Short Term Borrowings | 3.99 | - | 3.99 |
| (ii) Trade and Other Payables | 241.60 | (75.38) | 166.22 |
| (iii) Other Financial Liabilities | - | 358.21 | 358.21 |
| Other Current Liabilities | 451.05 | (409.77) | 41.28 |
| Short-Term Provisions | 15.02 | (11.09) | 3.93 |
| **Total Current Liabilities** | **711.66** | **(138.03)** | **573.63** |
| **Total Liabilities (E)** | **850.48** | **(168.62)** | **681.86** |
| **Total Equity and Liabilities (D+E)** | **2298.90** | **(142.31)** | **2156.59** |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

### Note 48

### First time adoption of Indian Accounting Standards (cont.)

**Reconciliation of total comprehensive income for the year ended 31st March, 2016**

(₹ in crores)

| | Indian GAAP | Adjustments | Ind-AS for the year ended 31st March 2016 |
|---|---|---|---|
| **Revenues** | | | |
| Revenue from Operations | 2397.32 | (807.99) | 1589.33 |
| Other Income | 66.19 | (8.89) | 57.30 |
| **Total Revenue (A)** | **2463.51** | **(816.88)** | **1646.63** |
| **Expenses** | | | |
| Cost of Material Consumed | 6.76 | (4.64) | 2.12 |
| Purchases of Stock-In-Trade | 1334.47 | (526.39) | 808.08 |
| Changes in Inventories of Finished Goods, Stock-in -Trade and Work-In Progress | (21.39) | 6.80 | (14.59) |
| Employee Benefits Expense | 212.10 | (48.27) | 163.83 |
| Finance Costs | 35.55 | 2.00 | 37.55 |
| Depreciation and Amortization Expense | 67.47 | (28.88) | 38.59 |
| Other Expenses | 728.49 | (191.38) | 537.11 |
| **Total Expenses (B)** | **2363.45** | **(790.76)** | **1572.69** |
| **Profit/Loss Before Exceptional Items and Tax (A+B)** | **100.06** | **(26.12)** | **73.94** |
| Exceptional Items | 3.38 | 7.92 | 11.30 |
| **Profit/(Loss) Before Tax** | **103.44** | **(18.20)** | **85.24** |
| Income Taxes | | | |
| - Current Tax | 40.60 | (15.85) | 24.75 |
| - Deferred Tax | (0.12) | 10.20 | 10.08 |
| (Excess)/Short Provision for Tax | (0.19) | 0.07 | (0.12) |
| **Profit (Loss) for the Period from Continuing Operations (C)** | **63.15** | **(12.62)** | **50.53** |
| Share in Profit and Loss of Associates/Joint Venture | - | 8.08 | 8.08 |
| Less: Pre Acquisition Profit/(Loss) | 0.14 | 0.01 | 0.15 |
| **Profit (Loss) for the period from Continuing Operations After Minority** | **63.01** | **(4.55)** | **58.46** |
| Profit/(Loss) from Discontinued Operations | - | (3.44) | (3.44) |
| Tax Expense of Discontinued Operations | - | - | - |
| **Profit/(Loss) from Discontinued Operations (After Tax) (D)** | **-** | **(3.44)** | **(3.44)** |
| **Profit/(Loss) for the Period (E = C+D)** | **63.01** | **(7.99)** | **55.02** |
| **Other Comprehensive Income / (Loss)** | | | |
| Items that will not be reclassified to Profit or Loss | - | (1.14) | (1.14) |
| Income tax relating to items that will not be reclassified to Profit or Loss | - | 0.16 | 0.16 |
| **Other Comprehensive Income/(Loss) for the Period, Net of Tax (F)** | **-** | **(0.98)** | **(0.98)** |
| **Total Comprehensive Income for the Period (E + F )** | **63.01** | **(8.97)** | **54.04** |

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 48**
**First time adoption of Indian Accounting Standards (cont.)**

Major adjustment carried out while transition from IGAAP to Ind AS

**Reclassification of Lease hold buildling:** Under the IGAPP Leasehold land was covered under fixed assets. Under Ind AS lease hold land is treated as operating lease and Premium paid is considered as advance lease rental.Accordingly while transition from IGAAP to Ind AS Group has reclassified the unamortised portion of Leasehold land of ₹ 50.27 Crores (net of amortisation) from fixed assets to other non-current assets as prepaid lease rentals which will be amortised as operating lease over the remaining period of the agreement.During the year ended March 16, under Ind AS, Company has reversed depreciation expenses of ₹ 0.72 Cr which was earlier charged off as per IGAAP & recognised as lease rental of ₹ 0.72 Cr as per Ind AS

**Accounting of Investment in accordance with Ind AS 109:** The company has measured investments (other than investment in joint ventures,associates) at fair value in accordance with Ind AS 109. Accordingly value of investment has been adjusted as follows while transition from IGAAP to Ind AS for 1st April 2015 .

(₹ **in crores)**

| | Carrying amount under IGAAP | Ind AS 109 Adjsutment | Carrying amount under Ind AS |
|---|---|---|---|
| Non current Investment (excluding joint ventures and associates) | 438.11 | 19.30 | 457.41 |
| Current Investment | 30.69 | 0.40 | 31.09 |

For the year ended March 16, Value of investment has been adjusted as follows.

(₹ **in crores)**

| | Carrying amount under IGAAP | Ind AS 109 Adjsutment | Carrying amount under Ind AS |
|---|---|---|---|
| Non current Investment (excluding joint ventures and associates) | 477.73 | 34.96 | 512.69 |
| Current Investment | 24.31 | 0.52 | 24.83 |

The increase in retained earning at the time of transition is of ₹ 9.10 crores and for financial year 2015-16 Increase in profit and loss is of ₹ 16.36 crores.

Further the amount recognised in other comprehensive income at the time of transition is ₹ 10.60 cores and for the year ended on Mar'16 amount debited for in other comprehesive income is ₹ 0.58 crores.

**Valuation of investments in Joint Ventures and associates as per Equity Method:** As per Ind AS 28 the investments in jointventures and associates is accounted as per equity method.As per Ind AS 101 investments in joint ventures and associates are measured at their net asset value of ₹ 548.99 crores as on transition date.The value of investment has been adjusted by ₹ 19.54 crores for share in total comprehensive income, dividend and additional investments in joint ventures/ associates during the year ended 31st March 16.

**Measurement of outstanding debentures at amortised cost :** The outstanding debentures has been measured at amortised cost as per Ind AS 109.Accordingly redemption premium of ₹ 11.91 crores for the residual period already provided under IGAAP has been reversed against retained earning. Due to valuation of debentures at amortised cost the long term borrowings as on 01st April 2015 has been increased by ₹ 16.37 crores. During the year ended March 16, additional interest cost on amortisation of

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 48**
**First time adoption of Indian Accounting Standards (cont.)**

₹ 5.34 Cr has been recognised on measuring debentures at amortised cost.

**Accounting for loyalty points :** Under the IGAAP company was providing for variable cost attributable to unredeemed loyalty points where as under Ind AS Company is require to defere the revenue pertaining to unredeemed points. Consequently additional provision for ₹ 3.98 Crores for unredeemed points has been made on transition date. Further the group has made additional provisions of ₹ 0.98 crores for loyalty points for year ended March'16.

**Proposed Dividend:** Under the IGAAP, Proposed dividend including dividend distribution tax (DDT),are recognised as liability in the period to which they relate,irrespective of when devidend is declared. Under Ind AS, Proposed dividend is recognised as a liability in the period on which it is declared by the company,usually when approved by shareholder in general meeting or paid. Therefore, the dividend liability (proposed dividend) including dividend distribution tax liability amounting to ₹ 40 crores has been derecognised in retained earnings as on the date of transition.

**Employee Benefits:** Under Ind AS, ₹ 0.39 crores has been regrouped from employee benefit expenses to other comprehensive income on account of remeasurement of actuarial gains and losses as on 31st March 2016.

**Deferred Tax:** Under Ind AS deferred tax is calculated on various transitional adjustments which lead to temporary differences between the carrying amount of an asset or liability and its tax base. Accordingly all group entities have given the impact of the same in their standalone financials statement which has been considered in consolidation. In addition to this the company has created deferred tax liability of ₹ 2.99 crores on undistributed profit of subsidiaries,Jointventures and associates and other consolidated related adjustments on transition date.Similarly deferred tax liability of ₹ 7.75 crores in respect of undistributed profits and other consolidated adjustments has been recognised in consolidated financial statements of year ended March'16. Further dividend distribution tax of ₹ 6.85 Crores paid by subsidiaries and associates has been recognised as current tax for the year ended March'16.

**Corporate Guarantee:** As per Ind AS 32,the company has recognised a liability and investment of ₹ 1.39 Crore as on transition date.During the year 2015-16 the company has recognised an income of ₹ 0.26 Crores as a premium for the year.

All other adjustments are mainly related to classification of assets and liabilites in financial and non financial nature.

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**Note 49**

**Other Notes as per Audited Accounts of Subsidiaries and Joint ventures**

**1 Fiora Business Support Services Limited(Formerly known as Westland Limited) - Subsidiary Company**

**(a) Discontinuation of Operation:**

(i) On 27th Oct 2016 ,the company entered in to sale agreement to dispose of its publishing business under slump sale business arrangement. The proceed of sale substantially exceeds the carrying amount of the related net assets. The disposal /sale was completed on 24th Jan 2017 On which date control of the publishing business passed to acquirer.

(ii) The result for discontinued operations included in the profit for the year are set out below. The comparitive profit or loss and cash flow from discontinued operation have been presented as if these opearation were discontinued in the prior year as well.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 49**

**Other Notes as per Audited Accounts of Subsidiaries and Joint ventures (cont.)**

(₹ in crores)

| Particulars | 31st March 2017 | 31st March 2016 |
|---|---|---|
| Revenue | **14.55** | 21.25 |
| Expense | **(20.28)** | (27.02) |
| Profit/ (loss) before tax from Discontinued opearation | **(5.73)** | (5.77) |
| Profit /(loss) before tax on disposal of Discontinued opearation | **38.47** | - |
| **Profit/ (loss) before tax from Discontinued opearation** | **32.74** | (5.77) |
| Tax Expenses | **(6.98)** | - |
| Profit/ (loss)from Discontinued opearation | **25.76** | (5.77) |

(iii) Details of major class of assets and liabilites of discontinued operation were as follows:

| Particulars | As on 24.01.17 |
|---|---|
| **Assets** | |
| Property,Plant and Equipment | 0.22 |
| Inventory | 1.89 |
| Trade Receivables | 8.84 |
| Cash and bank Balance | 2.01 |
| Other current assets | 15.14 |
| **Liabilities** | |
| Loan | 15.49 |
| Trade payable | 8.98 |
| Other current Laibilities | 2.31 |

(iv) Details of cash flow of discontinued opearation is as follows:

| Particualrs | 31st March 2017 | 31st March 2016 |
|---|---|---|
| Cash flow from operating activities | **35.70** | (5.50) |
| Cash flow from investing activities | **0.26** | (0.02) |
| Cash flow from financing activities | **(9.49)** | (12.20) |

(v) Gain on disposal

| Particulars | Amount |
|---|---|
| Consideration received | 39.80 |
| Net assets disposed of | 1.33 |
| **Gain on Disposal** | **38.47** |

The gain on disposal/slump sale is included in the profit for the year from discontinued opearation (See note (ii) above)

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 49**

**Other Notes as per Audited Accounts of Subsidiaries and Joint ventures (cont.)**

**2 Trent Global Holdings Limited**

As at 31st March 2017,the company has accumulated losses of USD 833015 i.e ₹4.10 crores (2016:USD 808738 i.e ₹3.93 crores)and has not yet started operation.

The financial statements have been prepared on a going concern basis on the assumption that funds shall be made available by the shareholder at least over the next twelve months to enable the company to continue its operation.The directors consider it appropriate to prepare the financial statement on this basis

**3 Trent Hypermarket Private Limited**

(i) During the year, the scheme of Amalgamation of Virtuous Shopping Centres limited (VSCL) and Tesco Hindustan Wholesaling Private Limited (THWPL) with the company as approved by Hon`ble High Court of Bombay vide its order dated 08th September 2015 and by Karnataka High court vide its order dated 13th November 2015. The scheme has become effective upon obtaining all sanctions and approval as required and filling certified true copies of the order with Registrar of Companies, Maharashtra on 9th December 2015.

VSCL is engaged in business of developing and managing properties for retail stores. THWPL is engaged in business of wholesale trading of food and non food products.VSCL & THWPL were 100% subsidiaries of the company therefore no shares have been issued as a result of amalgamation. The appointed date of scheme is 1st February 2015.

In terms of the Scheme in the books of the Company,

a) The Amalgamation is accounted under the "Pooling of Interest method" as per Accounting Standard 14.

b) All the assets and liabilities, duties and obligation of THWPL & VSCL have been transferred and vested in the company with effect from the appointed date. The vested assets and liabilities of THWPL & VSCL have been recognized at their book values & in the same form in books of Company.

c) Inter corporate loans, deposits, obligations, balances as between THWPL, VSCL and company stand cancelled.

d) The amount of Share capital of THWPL, VSCL have been adjusted against the corresponding investment balances held and excess of cost of investment over the face value of shares have been adjusted to Amalgamation Reserve Account.

e) The face value of unsecured, optionally convertible debenture issued by VSCL & cost of investment in THPL books with respect to said debentures have been adjusted against each other and excess of cost of investment over the face value of debenture has been adjusted to Amalgamation Reserve Account.

f) The useful lives of the fixed assets taken over from THWPL and VSCL have been reassessed in line with useful lives of similar assets in the books of Company and depreciation on the same has been accordingly provided.

g) The cost and expenses incurred for amalgamation ( ₹ 4.83 Crores) have been debited to profit & loss account of Company and have been treated as extraordinary item.

h) The debit balance in profit and loss account of VSCL and THWPL has been adjusted against profit & loss account of company.

## Notes to the Consolidated financial statements for the year ended 31st March, 2017

**Note 49**

**Other Notes as per Audited Accounts of Subsidiaries and Joint ventures (cont.)**

i) The credit balance in amalgamation reserve account has been adjusted against debit balance in profit & loss account.

j) The authorized share capital of THWPL and VSCL have been combined with the authorized share capital of the company.

**4 Inditex Trent Retail India Private Limited and Massimo Dutti India Private Limited**

**Transfer Pricing**

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by November 30, 2017 as required under law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

**Note 50**

Commission to the Non-Executive Directors - The Board of Directors have approved commission of 1% of profits for 2016-17 , computed as per the provisions of the Companies Act 2013.

**Note 51**

Previous year's figures have been regrouped / reclassified wherever necessary.

As per our Report attached.

**For N.M.Raiji & Co,**
Chartered Accountants
Registration No.108296W

**CA Y.N.Thakkar**
*Partner*
Membership No. 33329
Mumbai, 26th May 2017

**M.M. SURTI**
*Company Secretary*

**P. VENKATESALU**
*Executive Director (Finance) and CFO*

For and on behalf of the Board,

**N. N. TATA** — Chairman

**H. BHAT**, **B. BHAT**, **B. N. VAKIL**, **S. SINGH**, **Z. S. DUBASH**, **A. SEN** — Directors

**PHILIP AULD** — Managing Director

## Consolidated Cashflow Statement for the year ended on 31st March,2017

| Sl No | PARTICULARS | For Year ended on March'17 ₹ in Crores | ₹ in Crores | For Year ended on March'16 ₹ in Crores |
|---|---|---|---|---|
| A | **CASH FLOW FROM OPERATING ACTIVITIES** | | | |
| | Net Profit before Taxes and Exceptional Items | | **135.43** | 78.50 |
| | Adjustments for : | | | |
| | Depreciation | **41.29** | | 38.70 |
| | Amortisation of Leasehold Land | **0.72** | | 0.72 |
| | Impairment Loss | **(0.06)** | | (0.01) |
| | Provision for doubtful debts and bad debts written off | **2.13** | | 1.95 |
| | Finance Income and cost (Net) | **12.83** | | 17.43 |
| | (Profit)/Loss on Fixed Assets sold/discarded (Net) | **5.50** | | 4.14 |
| | (Profit)/Loss on sale of Investments | **(10.18)** | | (6.21) |
| | Income From Investments | **(2.63)** | | (3.12) |
| | Unrealised foreign exchange loss/ (gain) | **(0.06)** | | 0.11 |
| | Excess provision no longer required written back | **(2.03)** | | (3.07) |
| | Share in Profit and loss of Joint venture and associates | **8.97** | | (8.11) |
| | Investment on account of fair value | **(28.33)** | | (27.52) |
| | Amortised cost of Non Convertible debentures | **3.12** | | 3.51 |
| | Amotisation of deferred lease Expenses/ (Income) net | **2.15** | | 1.86 |
| | Reclassification of Actuarial gain Loss | **(0.23)** | | (0.24) |
| | Expired Gift Vouchers and Credit Notes written back | **(3.28)** | | (0.90) |
| | Sundry credit balances written back | **(0.18)** | | |
| | | | **29.73** | 19.24 |
| | Operating Profit Before Working Capital Changes | | **165.16** | 97.74 |
| | Adjustments for : | | | |
| | (Increase)/Decrease in Inventories | **(26.18)** | | (18.68) |
| | (Increase)/Decrease in Trade Receivables & Other Current Assets | **23.69** | | (0.95) |
| | (Increase)/Decrease in Loans and Other Non Current Assets | **(18.17)** | | 25.94 |
| | Increase/(Decrease) in Trade Payable & Other Current Liabilities | **(9.49)** | | 27.23 |
| | Increase/(Decrease) in Non Current Liabilities | **5.79** | | (2.26) |
| | | | **(24.36)** | 31.28 |
| | Cash generated from operations | | **140.80** | 129.02 |
| | Interest Income on Income tax refund | | **0.01** | 0.28 |
| | Direct Taxes Paid | | **(38.37)** | (19.88) |
| | Net Cash from Operating Activities | | **102.44** | 109.42 |
| B | **CASH FLOW FROM INVESTING ACTIVITIES** | | | |
| | Purchase of Property,Plant and Equipments & Investment Property | **(70.68)** | | (138.85) |
| | Sale of Property,Plant and Equipments & Investment Property | **2.11** | | 8.15 |
| | Purchase of Investments | **(936.53)** | | (1,007.45) |
| | Sale of Investments | **951.11** | | 988.56 |
| | Disposal of Investment in Subsidiaries | **-** | | 12.89 |
| | Repayment of Loans given | **-** | | 0.25 |
| | Interest received | **16.68** | | 14.03 |
| | Purchase of / Subscription to Investments in susbsidiaries, Joint ventures and Associates | **(8.39)** | | (10.78) |
| | Dividend from Investments in susbsidiaries,Joint ventures and Associates | **-** | | 31.79 |
| | Dividend from Investments | **1.99** | | 3.12 |
| | Net cash from Investing Activities | | **(43.71)** | (98.29) |
| C | **CASH FLOW FROM FINANCING ACTIVITIES** | | | |
| | Issue of securities (Net of issue expenses) | **99.80** | | 309.51 |
| | Redemption of Securities (Including Premium) | **(300.00)** | | (225.54) |
| | Unclaimed Securities application money (transferred to IEPF) | **-** | | (0.01) |
| | Short Term borrowing | **237.70** | | 3.82 |
| | Repayment of Long Term & Other borrowings | **(3.00)** | | (4.20) |
| | Repayment of short Term borrowing | **(48.30)** | | - |
| | Finance Cost | **(36.48)** | | (21.28) |
| | Dividend Paid | **(1.08)** | | (75.63) |
| | Net cash from Financing Activities | | **(51.36)** | (13.33) |
| D | **EFFECT OF EXCHANGE FLUCTUATION ON TRANSLATION RESERVE** | | **0.01** | 0.00 |
| | (Full Figure for 2015-16 ₹ 16096 ) | | | |
| | NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D) | | **7.38** | (2.20) |
| | CASH AND CASH EQUIVALENTS AS AT OPENING (Refer Note13 &14) | | **26.90** | 29.21 |
| | Less :Cash balance eliminated on sale of subsidiary | | **-** | (0.11) |
| | **CASH AND CASH EQUIVALENTS AS AT CLOSING (Refer Note 13&14)** | | **34.28** | 26.90 |

**Notes:** i) All figures in brackets are outflows
ii) Previous year figures have been regrouped wherever necessary

As per our Report attached.

**For N.M.Raiji & Co,**
Chartered Accountants
Registration No.108296W

**CA Y.N.Thakkar**
*Partner*
Membership No. 33329
Mumbai, 26th May 2017

**M.M. SURTI**
*Company Secretary*

**P. VENKATESALU**
*Executive Director (Finance) and CFO*

For and on behalf of the Board,

**N. N. TATA** Chairman

**H. BHAT** **B. BHAT**
**B. N. VAKIL** **S. SINGH**
**Z. S. DUBASH** **A. SEN**
Directors

**PHILIP AULD** Managing Director

**Annexure A**

**Form AOC-1**

**(Pursuant to First proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules,2014)**

**Statement Containing salient features of financial statement of subsidiaries/Joint ventures/Associates**

**Part " A": Subsidiaries**

| | Trent Brands Limited | | Fiora Services Limited# | | Nahar Retail Trading Services Limited | | Trent Global Holdings Limited ## | | Fiora Business Support Services Limited(Formerly known as Westland Limited) | | Fiora Hypermarket Limited | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 31st March, 2017 | 31st March, 2016 | 31st March, 2017 | 31st March, 2016 | 31st March, 2017 | 31st March, 2016 | 31st March, 2017 | 31st March, 2016 | 31st March, 2017 | 31st March, 2016 | 31st March, 2017 | 31st March, 2016 |
| | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores |
| Capital | **6.77** | 3.25 | **1.52** | 1.52 | **0.20** | 0.20 | **4.02** | 3.55 | **0.28** | 0.28 | **8.40** | 1.05 |
| Reserves and Surplus | **27.91** | 24.56 | **21.69** | 24.53 | **4.48** | 3.81 | **(3.78)** | (3.61) | **32.04** | 6.89 | **12.19** | (11.06) |
| Total Assets** | **24.02** | 41.31 | **12.05** | 17.38 | **10.31** | 11.13 | **0.31** | 0.02 | **0.57** | 22.64 | **22.40** | 23.99 |
| Total Liabilities | **35.89** | 51.15 | **30.10** | 33.41 | **10.31** | 11.13 | **0.31** | 0.02 | **33.23** | 28.75 | **28.21** | 31.18 |
| Investment | **11.87** | 9.84 | **18.05** | 16.03 | **-** | - | **-** | - | **32.66** | 6.11 | **5.81** | 7.18 |
| | **For the year ended** | | **For the year ended** | | **For the year ended** | | **For the year ended** | | **For the year ended** | | **For the year ended** | |
| | 31st March, 2017 | 31st March, 2016 | 31st March, 2017 | 31st March, 2016 | 31st March, 2017 | 31st March, 2016 | 31st March, 2017 | 31st March, 2016 | 31st March, 2017 | 31st March, 2016 | 31st March, 2017 | 31st March, 2016 |
| | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores | ₹ in crores |
| Turnover * | **1.76** | 2.09 | **45.22** | 48.20 | **4.66** | 3.61 | **-** | - | **0.85** | 0.08 | **95.73** | 93.70 |
| Profit/(Loss) Before Tax | **(18.71)** | (1.87) | **4.53** | 3.39 | **0.47** | (0.00) | **(0.16)** | (0.11) | **32.15** | (6.26) | **(5.28)** | (7.45) |
| (Full Figure in ₹) | | | | | | (9,140.00) | | | | | | |
| Provision For Taxation | **(0.32)** | (1.21) | **1.57** | 1.05 | **(0.21)** | 0.02 | **-** | - | **6.98** | - | **-** | - |
| Net Profit/(Loss) | **(18.39)** | (0.66) | **2.96** | 2.33 | **0.67** | (0.02) | **(0.16)** | (0.11) | **25.17** | (6.26) | **(5.28)** | (7.45) |
| Interim Dividend Percentage (Equity) | **Nil** | Nil | **125%** | 125% | **Nil** | Nil | **Nil** | Nil | **Nil** | Nil | **Nil** | Nil |
| Amount (Equity Dividend) | **Nil** | Nil | **2.29** | 2.29 | **Nil** | Nil | **Nil** | Nil | **Nil** | Nil | **Nil** | Nil |
| Extent of Shareholding (in %) | **100.00%** | 100.00% | **96.79%** | 96.79% | **100.00%** | 100.00% | **100.00%** | 100.00% | **100.00%** | 99.99% | **100.00%** | 100.00% |

Westland Publications Ltd. ceased to be a subsidiary of the Company w.e.f. 23rd November, 2016.

* Represents income from operation and other income

** Total Assets does not includes Investment

# The Board of Directors declared an Interim Dividend of ₹ 125 Per Equity Share aggregating to ₹ 2.29 Crores including dividend distribution tax in respect of the year ended 31st March, 2017.

## The closing exchange rate as on 31st March 2017 was USD=INR 67.09. Trent Global Holding Limited is yet to commence operation.

Previous years figures have been regrouped / reclassified wherever necessary.

**Part "B" Associates and Joint Ventures**

**Statement pursuant to section 129(3) of the Companies Act,2013 related to Associate Companies and Joint Ventures**

| Name of Associates/Joint Ventures | Inditex Trent Retail India Pvt Ltd. | | Trent Hypermarket Pvt Ltd.* | | Massimo Dutti India Pvt Ltd. | |
|---|---|---|---|---|---|---|
| | For Period ended on 31st Mar'17 | For Period ended on 31st Mar'16 | For Period ended on 31st Mar'17 | For Period ended on 31st Mar'16 | For Period ended on 31st Mar'17 | For Period ended on 31st Mar'16 |
| 1. Latest audited Balance Sheet Date | 31-03-2017 | 31-03-2016 | 31-03-2017 | 31-03-2016 | 31-03-2017 | 31-03-2016 |
| 2. Shares of Associate/Jolnt Ventures held by the company on the year end (No.) | 317520 | 317520 | 73417519 | 73417519 | 110250 | 110250 |
| Amount of Investment in Associates/Joint Venture (₹ In crores)# | 158.25 | 135.01 | 350.62 | 382.36 | 10.17 | 10.68 |
| Extent of Holding (in %) | 49.00% | 49.00% | 50.00% | 50.00% | 49.00% | 49.00% |
| 3. Description of how there is significant influence | (Refer Note below) | | | | | |
| 4. Reason why the associate/joint venture is not consolidated | N.A | N.A | N.A | N.A | N.A | N.A |
| 5. Networth attributable to Shareholding as per latest audited Balance Sheet (₹ In Crores ) | 158.25 | 135.01 | 350.68 | 382.42 | 10.18 | 10.68 |
| 6. Profit / Loss for the year## | | | | | | |
| i. Considered in Consolidation (₹ In Crores) | 23.33 | 39.37 | (31.80) | (31.14) | (0.50) | (0.12) |
| ii. Not Considered in Consolidation (₹ In Crores) | 24.28 | 40.98 | (31.80) | (31.14) | (0.52) | (0.12) |

Note: There is significant influence due to percentage (%) of Equity Shares Capital held.

* Considered Consolidated financial Statement.

# Including share in Other Comprehensive Income.

## Does not include Other Comprehensive Income.

As per our Report attached.

For and on behalf of the Board,

**N. N. TATA** — Chairman

**H. BHAT**, **B. BHAT**, **B. N. VAKIL**, **S. SINGH**, **Z. S. DUBASH**, **A. SEN** — Directors

**PHILIP AULD** — Managing Director

**M.M. SURTI** — *Company Secretary*

**P. VENKATESALU** — *Executive Director (Finance) and CFO*

Mumbai, 26th May 2017

**Details of Investments-subsidiary-Trent Brands Limited**

**Non Current Investments**

| Particulars | 31st March 17 (₹ in Crores) | 31st March 16 (₹ in Crores) |
|---|---|---|
| **Long term Trade Investments at Cost (Unquoted and fully paid unless otherwise stated)** | | |
| **(a)Investments in Equity instruments** | | |
| **In Subsidiary Companies(including Fellow Subsidiary Company)** | | |
| Fiora Services Limited-(Equity shares of ₹ 100/- each ) | **8.55** | 8.55 |
| **Total Investments in Equity Instruments of Subsidiaries** | **8.55** | 8.55 |
| **Total Long term Trade Investments** | **8.55** | 8.55 |
| **Long term Non Trade Investments at Cost (Face Value ₹ 10/- each,quoted and fully paid unless otherwise stated)** | | |
| **Investments in Equity instruments** | | |
| Tata Investment Corporation Ltd. | **1.26** | 0.94 |
| **Total Investments in Equity Instruments** | **1.26** | 0.94 |
| **Total Long term Non Trade Investments** | **1.26** | 0.94 |
| | 1.26 | 0.94 |
| **Total Non Current Investments** | 9.81 | 9.49 |
| **Aggregate Book Value of Investments** | | |
| Unquoted | **8.55** | 8.55 |
| Quoted | **1.26** | 0.94 |

**Current Investments**

| Particulars | 31st March 17 (₹ in Crores) | 31st March 16 (₹ in Crores) |
|---|---|---|
| **Investments in Mutual funds(Unquoted and fully paid unless otherwise stated)** | | |
| Tata Liquid SHIP Appreciation | 2.06 | 0.36 |
| **Total Current Investment** | **2.06** | 0.36 |
| **Aggregate Book Value of Investments** | | |
| Unquoted | **2.06** | 0.36 |
| Quoted | **-** | - |

**Details of Investments-subsidiary-Fiora Hypermarket Limited**

**Current Investments**

| Particulars | 31st March 2017 (₹ in Crores) | 31st March 2016 (₹ in Crores) |
|---|---|---|
| **Non-Trade Investment in Mutual Funds:** | | |
| **(Unquoted and fully paid unless otherwise stated)** | | |
| Tata Liquid SHIP Appreciation | **0.19** | 2.05 |
| TATA Short Growth Fund | **5.62** | 5.14 |
| **Total Current Investments** | **5.81** | 7.19 |
| **Aggregate Book Value of Investments** | | |
| Unquoted | **5.81** | 7.19 |
| Quoted | **-** | - |

**Details of Investments-subsidiary-Fiora Business Support Services Limited(Formerly known as Westland Limited)**

**Non Current Investments**

| Particulars | 31st March 2017 (₹ in Crores) | 31st March 2016 (₹ in Crores) |
|---|---|---|
| **Long term Trade Investments at Cost (Unquoted and fully paid unless otherwise stated)** | | |
| **(a) Investments in Equity instruments** | | |
| (1) In Subsidiary Companies | | |
| Trent Brands Limited | **28.02** | - |
| Westland Publication Limited-(Equity shares of ₹ 1/- each ) | **-** | 0.05 |
| **Total Investments in Equity Instruments of Subsidiaries** | **28.02** | 0.05 |
| **Total Non Current Investments** | **28.02** | 0.05 |
| **Aggregate Book Value of Investments** | | |
| Unquoted | **28.02** | 0.05 |
| Quoted | **-** | - |

**Details of Investments-subsidiary-Fiora Business Support Services Limited (Formerly known as Westland Limited**

**Current Investments**

| Particulars | 31st March 2017 (₹ in Crores) | 31st March 2016 (₹ in Crores) |
|---|---|---|
| **Investments in Mutual funds(unquoted and fully paid unless otherwise stated)** | | |
| Tata Liquid Fund Regular Growth Plan | **4.64** | 6.06 |
| **Total Current Investment** | **4.64** | 6.06 |
| **Aggregate Book Value of Investments** | | |
| Unquoted | **4.64** | 6.06 |
| Quoted | **-** | - |

**Details of Investments-subsidiary-Fiora Services Limited**
**Non Current Investments**

| Particulars | 31st March 2017 (₹ in Crores) | 31st March 2016 (₹ in Crores) |
|---|---|---|
| **Long Term Trade (unquoted and fully paid unless otherwise stated)** | | |
| **Investments in Equity Shares:** | | |
| Tata International Limited | **7.80** | 11.40 |
| **Total Investments in Equity Instruments** | **7.80** | 11.40 |
| **Total Non current investments** | **7.80** | 11.40 |
| **Aggregate Book Value of Investments** | | |
| Unquoted | **7.80** | 11.40 |
| Quoted | **-** | - |

| Particulars | 31st March 2017 (₹ in Crores) | 31st March 2016 (₹ in Crores) |
|---|---|---|
| **Non-Trade Investments in Mutual Funds:** | | |
| **(Unquoted and fully paid unless otherwise stated)** | | |
| Birla Sunlife Cash Plus Inst.Prm. Growth | **4.63** | 1.93 |
| Tata Liquid SHIP Appreciation | **5.62** | 2.71 |
| **Total Current Investments** | **10.25** | 4.64 |
| Aggregate Book Value of Investments | | |
| Unquoted | **10.25** | 4.64 |
| Quoted | **-** | - |

To,
TSR Darashaw Ltd.
**Unit: Trent Limited**
6-10 Haji Moosa Patrawala Industrial Estate,
20 Dr. E. Moses Road, Mahalaxmi,
Mumbai 400 011.

## Updation of Shareholder Information

I/ We request you to record the following information against our Folio No.:

**General Information:**

| | |
|---|---|
| Folio No.: | |
| Name of the first named Shareholder: | |
| PAN: * | |
| CIN/ Registration No.: *<br>(applicable to Corporate Shareholders) | |
| Tel No. with STD Code: | |
| Mobile No.: | |
| Email Id: | |

*Self attested copy of the document(s) enclosed

**Bank Details:**

| | |
|---|---|
| IFSC:<br>(11 digit) | MICR:<br>(9 digit) |
| Bank A/c Type: | Bank A/c No.: * |
| Name of the Bank: | |
| Bank Branch Address: | |

* A blank cancelled cheque is enclosed to enable verification of bank details

I/ We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/ We would not hold the Company/ RTA responsible. I/ We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/ We understand that the above details shall be maintained by you till I/We hold the securities under the above mentioned Folio No./ beneficiary account.

Place:

Signature of Sole/ First holder

Date:

TRENT LIMITED
A TATA ENTERPRISE
Corporate Identity No. (CIN) L24240MH1952PLC008951
Registered Office: Bombay House, 24, Homi Mody Street, Mumbai - 400 001
Tel: (91-22) 6700 9000, Fax: (91-22) 6700 8100 E-mail: investor.relations@trent-tata.com Website: www.mywestside.com

# ATTENDANCE SLIP

**65TH ANNUAL GENERAL MEETING ON TUESDAY, 1st AUGUST 2017 AT 10.45 A.M.**

at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber (IMC), IMC Building, IMC Marg, Churchgate, Mumbai – 400 020

I/We hereby record my/our presence at the SIXTY FIFTH ANNUAL GENERAL MEETING of the Company at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber (IMC), IMC Building, IMC Marg, Churchgate, Mumbai – 400 020 on Tuesday, 1th August 2017 at 10.45 a.m.

| Member's Folio/DP ID-Client ID No. | Member's/Proxy's name in Block Letters | Member's/Proxy's Signature |
|---|---|---|
| ---------- | ---------- | ---------- |

**NOTES:**

1. Only Member/Proxyholder can attend the Meeting.
2. Please complete the Folio/DP-Client ID No. and name of the Member/Proxy, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.
3. Shareholder/ Proxyholder desiring to attend the Meeting should bring his/ her copy of the Annual Report for reference at the Meeting.

**Particulars for voting through Electronic means**

For Members opting to vote through electronic means, instead of voting at the Annual General Meeting, facility is available at the web link: http://www.evoting.nsdl.com. Particulars for electronic voting are as under:

| EVEN (E-Voting Event Number) | User ID | Password |
|---|---|---|
| | | |

**Note :** Please refer to the instructions printed under the Notes of the Notice of the 65th Annual General Meeting. The e-voting period starts from 9.00 am on Friday, 28th July 2017 and will end at 5.00 pm on Monday, 31st July 2017. The voting module shall be disabled by NSDL for voting thereafter.


TRENT
LIMITED
A TATA ENTERPRISE