

# TRENT LIMITED

A TATA ENTERPRISE

Regd. Office: Bombay House, 24, Homi Mody Street, Mumbai 400 001

## AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2010

(Rs. in Lakhs)

Sl. No	Particulars	STANDALONE		CONSOLIDATED	
		Year ended		Year ended	
		31.03.2010 (Audited)	31.03.2009 (Audited)	31.03.2010 (Audited)	31.03.2009 (Audited)
1	(a) Net Sales/Income from Operations	54,260.40	49,636.57	106,221.60	82,469.04
	(b) Other Operating Income	4,487.70	1,824.34	5,824.47	2,619.55
	<b>Total Income</b>	<b>58,748.10</b>	<b>51,460.91</b>	<b>112,046.07</b>	<b>85,088.59</b>
2	<b>Expenditure</b>				
	a) (Increase)/decrease in Stock-in-trade and work-in-progress	(1,738.70)	(2,862.30)	(4,058.50)	(2,897.16)
	b) Consumption of Raw Materials	177.26	209.36	548.62	419.62
	c) Purchase of Traded Goods	28,581.93	28,099.70	69,140.32	52,014.31
	d) Employee cost	4,122.79	3,925.42	8,828.40	7,139.26
	e) Depreciation	1,185.09	923.34	2,208.49	1,593.77
	f) Advertisement and Sales Promotion	4,474.41	4,539.20	5,848.11	5,430.00
	g) Other Expenditure	19,744.82	16,866.17	30,380.70	23,807.61
	<b>Total</b>	<b>56,547.60</b>	<b>51,700.89</b>	<b>112,896.14</b>	<b>87,507.41</b>
3	<b>Profit/(Loss) from Operation before Other Income, Interest and Exceptional Items (1 - 2)</b>	<b>2,200.50</b>	<b>(239.98)</b>	<b>(850.07)</b>	<b>(2,418.82)</b>
4	Other Income	2,251.73	3,198.88	1,714.45	3,432.89
5	<b>Profit before Interest and Exceptional Items (3 + 4)</b>	<b>4,452.23</b>	<b>2,958.90</b>	<b>864.38</b>	<b>1,014.07</b>
6	Interest	604.82	131.30	788.25	958.74
7	<b>Profit after Interest but before Exceptional items (5 - 6)</b>	<b>3,847.41</b>	<b>2,827.60</b>	<b>76.13</b>	<b>55.33</b>
8	Exceptional Items	1,137.59	-	836.71	-
9	<b>Profit from Ordinary Activities before Tax (7 + 8)</b>	<b>4,985.00</b>	<b>2,827.60</b>	<b>912.84</b>	<b>55.33</b>
10	Tax Expense	962.97	152.05	766.80	33.41
11	<b>Net Profit from Ordinary Activities after Tax (9 -10)</b>	<b>4,022.03</b>	<b>2,675.55</b>	<b>146.04</b>	<b>21.92</b>
12	Extra Ordinary Item (net of Tax Expense)	-	-	-	-
13	<b>Net Profit for the year before Minority Interest (11 - 12)</b>	<b>4,022.03</b>	<b>2,675.55</b>	<b>146.04</b>	<b>21.92</b>
14	Less : Minority Share of Profit/(Loss)	-	-	(15.00)	(6.48)
	Less : Pre-acquisition Profit/(Loss)	-	-	5.54	(75.56)
15	<b>Profit for the year after Minority Interest</b>	<b>4,022.03</b>	<b>2,675.55</b>	<b>155.50</b>	<b>103.96</b>
16	Paid-up Equity Share Capital (Face value : Rs.10/- per share)	2,003.51	1,953.29	2,003.51	1,953.29
17	Paid-up Debt Capital	16,550.24	-	-	-
18	Reserves excluding Revaluation Reserve	61,347.00	58,723.44	56,631.08	57,950.02
19	Debt Redemption Reserve (included in item 18 above)	5,300.00	-	-	-
20	<b>Earnings Per Share (EPS) Before Extraordinary items (Rs.)</b>				
	Basic	20.53	13.70	0.79	0.53
	Diluted	20.41	13.70	0.79	0.53
21	Debt Equity Ratio	0.39	-	-	-
22	Debt Service Coverage Ratio	1.00	-	-	-
23	Interest Service Coverage Ratio	9.24	-	-	-
24	<b>Public Shareholding</b>				
	Number of Shares	1,37,53,860	1,32,51,704	1,37,53,860	1,32,51,704
	Percentage of Shareholding	68.65%	67.84%	68.65%	67.84%
25	<b>Promoters and Promoter Group Shareholding</b>				
	<b>a) Pledged/Encumbered</b>				
	Number of Shares	-	-	-	-
	Percentage of shares (as a % of the shareholding of Promoter and Promoter Group)	-	-	-	-
	Percentage of shares (as a % of the total Share Capital of the Company)	-	-	-	-
	<b>b) Non-encumbered</b>				
	Number of Shares	62,81,192	62,81,192	62,81,192	62,81,192
	Percentage of shares (as a % of the shareholding of Promoter and Promoter Group)	100.00%	100.00%	100.00%	100.00%
	Percentage of shares (as a % of the Total share capital of the Company)	31.35%	32.16%	31.35%	32.16%

### Notes:

- The results for the year ended 31<sup>st</sup> March 2010 are not comparable with the corresponding period of the previous year consequent to the Company transferring its Star Bazaar business, as a going concern, to its 100% subsidiary, Trent Hypermarket Limited with effect from 1<sup>st</sup> August 2008.
- During the year, seven Westside and one Fashion Yatra stores were opened taking the total number of Westside stores to 43 and the total number of stores under various formats to 52 (Westside, Sisley and Fashion Yatra).
- The proceeds of Rs. 157.41 crores received from the rights issue (July 2007) have been utilised towards objects of the issue.
- The main business of the Company is retailing. All other activities of the Company are incidental to the main business. Accordingly, there are no separate reportable segments in terms of the Accounting Standard - 17 on "Segment Reporting" issued by ICAI.
- The scheme of amalgamation of Satnam Developers and Finance Private Limited (SDPL) and Satnam Realtors Private Limited (SRPL) with the Company as approved by the Hon'ble High Court of Judicature at Bombay has become effective on 12<sup>th</sup> March 2010 upon obtaining all sanctions and approvals as required under the scheme and upon filing of certified true copies of the order with the Registrar of Companies, Maharashtra. SDPL was a 100% subsidiary of the Company and SDPL held 50% of the shares in SRPL. The appointed date of the scheme is 1<sup>st</sup> April 2009. Accordingly the results of the Company for the year ended 31<sup>st</sup> March 2010 include the figures of SDPL and SRPL for the period 1<sup>st</sup> April 2009 to 31<sup>st</sup> March 2010 and are not comparable with the corresponding previous year.
 

In terms of the scheme

  - The vested assets and liabilities of SDPL and SRPL have been recognized at their book values in the books of the Company. The accumulated profit of Rs.72.67 lakhs is added to the brought forward profit of the Company. The Company on 26<sup>th</sup> March 2010 has issued 70,000 fully paid 0.1% Redeemable Preference Shares of Rs.1000 each to the equity shareholders of the erstwhile SRPL (except for shares held by SDPL).
  - The deficit of Rs. 2519.32 lakhs arising due to the difference between the value of assets over the value of liabilities of the SDPL and SRPL and face value of the preference shares issued by the company and the diminution in the value of certain long term investments and finished goods inventory of the Company (net of tax) as approved by the Board has been adjusted first against the amalgamation reserve to the extent of Rs.1492.95 lakhs and the balance Rs.1026.37 lakhs against the General Reserve.
  - The costs and expenses incurred for amalgamation Rs.80.15 lakhs (net of tax) has been adjusted against the General Reserve.
- Ratios have been computed as follows:
 

Debt Service Coverage Ratio = Earning before Interest and tax/(Interest+Principle Repayment)

Interest Service Coverage Ratio = Earning before Interest and tax/Interest Expenses

Debt represents loans and debentures

Paid-up debt capital represents debentures
- Exceptional items represent profit on sale of a minority stake of its subsidiary, Landmark Limited, to a Private Equity Fund.
- During the year the Company invested Rs.3175.20 lakhs in the equity shares of Inditex Trent Retail India Private Limited being the Joint Venture of the Company with Inditex S.A. for the proposed Zara chain of stores.
- The consolidated results of the Company have been impacted due to the incubation of the hypermarket business (now in Trent Hypermarket Ltd). The losses incurred by the hypermarket business continued to be broadly in line with the business plan of the Company.
- In terms of Employee Stock Option Scheme, 21825 options for Equity Shares were granted during the year to the eligible employees of the Company and its subsidiaries.
- On 30<sup>th</sup> April 2010, the Company acquired 100% Equity Shares of Optim Estates Private Limited thereby making it wholly owned subsidiary of the Company.
- The Board of Directors has recommended a Dividend of Rs. 6.50 per Equity Share aggregating to Rs. 15.19 crores including dividend tax in respect of the year ended 31<sup>st</sup> March 2010.
- Details of number of investor complaints for the quarter ended 31<sup>st</sup> March 2010 are as under :
 

Opening balance - 3, Received during the quarter - 8, Disposed off - 11, Pending - Nil.
- Previous period's figures have been regrouped wherever necessary.
- The above audited financial results were reviewed by the Audit Committee and thereafter, taken on record by the Board of Directors of the Company at its meeting held on 28<sup>th</sup> May 2010.

Mumbai  
28<sup>th</sup> May 2010

### Disclaimer

Trent Limited proposes, subject to receipt of requisite approvals, market conditions and other considerations, to issue cumulative compulsorily convertible preference shares on a rights basis to its existing equity shareholders and has filed a draft letter of offer ("DLOF") with the Securities and Exchange Board of India ("SEBI"). The DLOF is available on the website of the SEBI at www.sebi.gov.in as well as on the websites of the lead managers, being JM Financial Consultants Private Limited and Tata Capital Markets Limited, at www.jmfinancial.in and www.tatacapital.com, respectively.

## CONSOLIDATED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED, UNDER CLAUSE 41 OF THE LISTING AGREEMENT.

(Rs. in Lakhs)

Particulars	Consolidated for the year ended	
	31.03.2010 Audited	31.03.2009 Audited
<b>1. Segment Revenue</b>		
a) Retailing	110,033.63	83,155.93
b) Others	3,647.82	3,577.75
<b>Total Segment Revenue</b>	<b>113,681.45</b>	<b>86,733.68</b>
Less : Inter Segment Revenue	-	-
a) Retailing	1,403.48	1,530.02
b) Others	1,403.48	1,530.02
<b>Net Sales/Income from Operations</b>	<b>112,277.97</b>	<b>85,203.66</b>
<b>2. Segment Results (Profit Before Interest and Tax)</b>		
a) Retailing	(253.28)	(1,799.23)
b) Others	(109.95)	(322.84)
<b>Total</b>	<b>(363.23)</b>	<b>(2,122.07)</b>
Less : Interest Expenses	788.25	958.74
Add : Other Unallocable Income Net of Other Unallocable Expenditure	2,064.32	3,136.14
<b>Total Profit Before Tax</b>	<b>912.84</b>	<b>55.33</b>
<b>3. Capital Employed (Segment Assets Less Segment Liabilities)</b>		
a) Retailing	48,786.60	44,341.45
b) Others	790.12	1,031.87
c) Un allocated	9,757.87	14,529.99
<b>Total Capital Employed</b>	<b>59,334.59</b>	<b>59,903.31</b>

- In respect of standalone accounts of the Company, disclosure of segment-wise information is not applicable as retailing is the main business of the Company. The Company, its Subsidiaries and its jointly controlled entities are primarily engaged in the business of retailing and services related to retailing except one Subsidiary which is engaged in the business of distribution and one jointly controlled entity engaged in the business of Consultancy services. Segment "Others" primarily includes distribution business and Consultancy services.
- Segment Revenue, Results and Capital Employed figures include the respective amounts identifiable to each of the Segments. Other unallocable income, expenses and unallocated assets mainly relate to investments of surplus funds.
- Previous years figures are regrouped wherever necessary.

### STATEMENT OF ASSETS AND LIABILITIES AS AT 31<sup>ST</sup> MARCH 2010

(Rs. in Lakhs)

	STANDALONE		CONSOLIDATED	
	Year Ended		Year Ended	
	31.03.2010 Audited	31.03.2009 Audited	31.03.2010 Audited	31.03.2009 Audited
<b>SOURCES OF FUNDS</b>				
<b>1. Segment Revenue</b>				
Shareholders' Funds:				
(a) Capital	2,703.51	1,953.29	2,703.51	1,953.29
(b) Reserves and Surplus	61,347.00	58,723.44	56,631.08	57,950.02
(c) Minority Interest	-	-	1,952.25	80.08
(d) Loan Funds	25,052.06	16,555.48	26,375.50	20,561.55
(e) Deferred Tax Liability (Net)	191.82	21.92	-	-
<b>Total</b>	<b>89,294.39</b>	<b>77,254.13</b>	<b>87,662.34</b>	<b>80,544.94</b>
<b>APPLICATION OF FUNDS</b>				
Fixed Assets	22,344.52	10,868.69	48,082.54	37,718.04
Investments	39,517.59	39,585.16	18,104.71	24,208.80
Deferred Tax Asset (Net)	-	-	157.95	98.28
<b>Current Assets, Loans and Advances</b>				
(a) Inventories	9,648.33	8,597.50	20,928.58	17,512.09
(b) Sundry Debtors	308.62	376.28	1,552.24	1,333.07
(c) Cash and Bank balances	911.69	1,288.27	4,373.11	1,938.85
(d) Loans and Advances	34,235.39	30,959.22	24,524.17	21,553.62
(e) Miscellaneous Expenditure	-	-	-	0.56
<b>Total</b>	<b>45,104.03</b>	<b>41,221.27</b>	<b>51,378.10</b>	<b>42,338.19</b>
<b>Less: Current Liabilities and Provisions</b>				
(a) Liabilities	11,672.61	9,139.66	23,900.66	18,395.71
(b) Provisions	5,999.14	5,281.33	6,160.30	5,422.66
<b>Total</b>	<b>17,671.75</b>	<b>14,420.99</b>	<b>30,060.96</b>	<b>23,818.37</b>
<b>Net current assets/(liabilities)</b>	<b>27,432.28</b>	<b>26,800.28</b>	<b>21,317.14</b>	<b>18,519.82</b>
<b>Total</b>	<b>89,294.39</b>	<b>77,254.13</b>	<b>87,662.34</b>	<b>80,544.94</b>

For and on behalf of the Board of Directors  
**F. K. Kavarana**  
Chairman