Placement Document
Not for Circulation
Serial Number [●]
Dated March 14, 2012

TRENT LIMITED

(Incorporated in the Republic of India with limited liability under the Companies Act, 1913 with Corporate Identification No. L24240MH1952PLC008951)

Trent Limited (the "**Company**" or "**Trent**") is issuing up to 27,41,228 equity shares with a face value of ₹10 each (the "**Equity Shares**") at a price of ₹912 per Equity Share (the " **Issue Price**") aggregating to ₹250 crores (the "**Issue**").

ISSUE IN RELIANCE UPON CHAPTER VIII OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED.

THIS ISSUE AND THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT IS BEING DONE IN RELIANCE UPON CHAPTER VIII OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE "SEBI REGULATIONS"). THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR, AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PERSON OR CLASS OF INVESTORS OTHER THAN QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED IN THE SEBI REGULATIONS) ("QIBs").

Invitations, offers and sales of Equity Shares shall only be made pursuant this Placement Document together with the Bid cum Application Form and the Confirmation of Allocation Note. See "Issue Procedure." The distribution of this Placement Document or the disclosure of its contents without our prior consent, to any person, other than QIBs and persons retained by QIBs to advise them with respect to their purchase of Equity Shares, is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Placement Document agrees to observe the foregoing restrictions, and to make no copies of this Placement Document or any documents referred to in this Placement Document.

This Placement Document has been prepared by our Company solely for providing information in connection with the Issue.

This Placement Document has not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**" and, together with the BSE, the "**Stock Exchanges**") or any other regulatory or listing authority and is intended solely for QIBs. This Placement Document has not been and will not be registered as a prospectus with the Registrar of Companies in India, and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction. The Issue proposed to be made pursuant to this Placement Document is meant solely for QIBs on a private placement basis.

Only persons resident in India, as defined under FEMA, who are eligible to invest in the Equity Shares under applicable law, and have not been prohibited by the SEBI from buying, selling or dealing in securities can participate in this Issue.

Investments in equity and equity-related securities involve a degree of risk and prospective QIBs should not invest any funds in this Issue unless they are prepared to take the risk of losing all or part of their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Each prospective investor is advised to consult its advisers about the particular consequences to it of an investment in the Equity Shares being issued pursuant to this Placement Document.

The information on our Company's website, on the websites of the BRLMs or any website directly or indirectly linked to such websites does not form part of this Placement Document and prospective investors should not rely on such information.

All of our Company's outstanding Equity Shares are listed on the BSE and the NSE. As at March 9, 2012, the closing price of the Equity Shares on the BSE and the NSE was ₹908.1 and ₹909.9, respectively. Applications shall be made for the listing of the Equity Shares offered through this Placement Document on the BSE and the NSE. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to trading on the Stock Exchanges should not be taken as an indication of the merits of the Company or the Equity Shares.

YOU MAY NOT AND ARE NOT AUTHORIZED TO (1) DELIVER THE PLACEMENT DOCUMENT TO ANY OTHER PERSON OR (2) REPRODUCE SUCH PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER. ANY DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SEBI REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA.

A copy of the Preliminary Placement Document has been delivered to the Stock Exchanges. A copy of this Placement Document will be filed with the Stock Exchanges.

This Placement Document is dated March 14, 2012.

Book Running Lead Managers

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NOTICE TO INVESTORS

Our Company has furnished, and accepts responsibility for the information contained in this Placement Document and to the best knowledge and belief of our Company, having made all reasonable enquiries, confirms that this Placement Document contains all information with respect to the Company and its Subsidiaries (the "**Group**") and the Equity Shares which is material in the context of this Issue. The statements contained in this Placement Document relating to the Group and the Equity Shares are, in every material respect, true and accurate and not misleading, the opinions and intentions expressed in this Placement Document with regard to the Group and the Equity Shares are honestly held, have been reached after considering all relevant circumstances, are based on information presently available to the Group and are based on reasonable assumptions. There are no other facts in relation to the Group and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Placement Document misleading in any material respect. Further, all reasonable enquiries have been made by our Company to ascertain such facts and to verify the accuracy of all such information and statements.

The BRLMs have not separately verified the information contained in this Placement Document (financial, legal or otherwise). Accordingly, neither the BRLMs nor any of their members, employees, counsel, officers, directors, representatives, agents or affiliates makes any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted, by the BRLMs, as to the accuracy or completeness of the information contained in this Placement Document or any other information supplied in connection with the Equity Shares issued pursuant to the Issue. Each person receiving this Placement Document acknowledges that such person has not relied on the BRLMs nor on any person affiliated with the BRLMs in connection with their investigation of the accuracy of such information or its investment decision, and each such person must rely on its own examination of our Company and the merits and risks involved in investing in the Equity Shares. Prospective investors should not construe anything in this Placement Document as legal, business, tax, accounting or investment advice.

No person is authorized to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of our Company or the BRLMs. The delivery of this Placement Document at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

The information on our Company's website, on the websites of the BRLMs or any website directly or indirectly linked to such websites does not form part of this Placement Document and prospective investors should not rely on such information.

No action has been taken by our Company or the BRLMs which would permit an offering of the Equity Shares or distribution of this Placement Document in any jurisdiction, other than India. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any other offering materials in connection with the Issue may be distributed or published in or from any country or jurisdiction.

In making an investment decision, investors must rely on their own examination of our Company and the terms of this Issue, including the merits and risks involved. Investors should not construe the contents of this Placement Document as legal, tax, accounting or investment advice. Investors should consult their own counsel and advisors as to business, legal, tax, accounting and related matters concerning this Issue. In addition, neither our Company nor the BRLMs are making any representation to any offeree or purchaser of the Equity Shares regarding the legality of an investment in the Equity Shares by such offeree or purchaser under applicable legal, investment or similar laws or regulations. Each purchaser of the Equity Shares in this Issue is deemed to have acknowledged, represented and agreed that it is eligible to invest in our Company under Indian law, including Chapter VIII of the SEBI Regulations and is not prohibited by SEBI from buying, selling or dealing in securities. Each purchaser of Equity Shares in this Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

This Placement Document contains summaries of certain terms of certain documents, which summaries are qualified in their entirety by the terms and conditions of such documents.

REPRESENTATIONS BY INVESTORS

All references to "you" in this section are to the prospective investor in the Issue.

By subscribing to any Equity Shares under this Issue, you are deemed to have represented and warranted to our Company and the BRLMs, and acknowledged and agreed as follows:

- You are a QIB as defined in regulation 2(1)(zd) of the SEBI Regulations having a valid and existing registration under the applicable laws and regulations of India and undertake to acquire, hold, manage or dispose of any Equity Shares that are allocated to you for the purposes of your business in accordance with Chapter VIII of the SEBI Regulations;

- If you are Allotted Equity Shares pursuant to the Issue, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on either of the Stock Exchanges;

- You are aware that the Equity Shares have not been and will not be registered under the SEBI Regulations or under any other law in force in India. This Placement Document has not been verified or affirmed by SEBI or the Stock Exchanges and will not be filed any Registrar of Companies. This Placement Document has been filed with the Stock Exchanges and has been displayed on the websites of the Company and the Stock Exchanges;

- You confirm that, either: (a) you have not participated in or attended any investor meetings or presentations by our Company or its agents (“**Company Presentations**”) with regard to our Company or the Issue; or (b) if you have participated in or attended any Company Presentations: (i) you understand and acknowledge that the BRLMs may not have knowledge of the statements that our Company or its agents may have made at such Company Presentations and are, therefore, unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly, you acknowledge that the BRLMs have advised you not to rely in any way on any information that was provided to you at such Company Presentations, and (ii) confirm that you have not been provided any material information that was not publicly available;

- You have all necessary capacity and have obtained all necessary consents and authorities to enable you to commit to this participation in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorities to agree to the terms set out or referred to in the Placement Document) and will honour such obligations;

- Neither our Company nor the BRLMs are making any recommendation to you, advising you regarding the suitability of any transactions it may enter into in connection with the Issue and that participation in the Issue is on the basis that you are not and will not be a client of the BRLMs and that the BRLMs have duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are in no way acting in a fiduciary capacity;

- All statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding our Company's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our Company's business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our Company's present and future business strategies and environment in which our Company will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as at the date of this Placement Document. Our Company assumes no responsibility to update any of the forward-looking statements contained in this Placement Document;

- You are aware and understand that the Equity Shares are being offered only to QIBs and are not being offered to the general public and the Allotment of the same shall be on a discretionary basis;

- You have been provided a serially numbered copy of the Preliminary Placement Document and Placement Document and have read them in their entirety;

- In making your investment decision, (i) you have relied on your own examination of our Company and the terms of the Issue, including the merits and risks involved; (ii) you have made your own assessment of the Group, the Equity Shares and the terms of the Issue based on such information as is publicly available; (iii) you have consulted your own independent advisors or otherwise, including tax advisers, have satisfied yourself concerning without limitation, the effects of local laws and taxation matters; (iv) you have relied solely on the information contained in this Placement Document and no other disclosure or representation by our Company or any other party; and (v) you have received all information that you believe is necessary and appropriate in order to make an investment decision in respect of our Company and this Issue;

- You have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the investment in the Equity Shares and you and any accounts for which you are subscribing in this Issue (i) are able to bear the economic risk of the investment in the Equity Shares; (ii) will not look to our Company and/or the BRLMs for all or part of any such loss or losses that may be suffered; (iii) are able to sustain a complete loss on the investment in the Equity Shares; (iv) have no need for liquidity with respect to the investment in the Equity Shares; and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares;

- That in the event you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorized in writing, by each such managed account to acquire the Equity Shares for each managed account and to make (and you hereby make) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account reading the reference to "you" to include such accounts;

- You are not a Promoter and are not a person related to the Promoter, either directly or indirectly and your Bid does not directly or indirectly represent the Promoter or Promoter Group or persons relating to the Promoter;

- You have no rights under a shareholders' agreement or voting agreement with the Promoter or persons related to the Promoter, no veto rights or right to appoint any nominee director on the Board of Directors other than such rights acquired in the capacity of a lender, which shall not be deemed to be a person related to the Promoter;

- You have no right to withdraw your Bid after the Bid Closing Date;

- You are eligible to Bid and hold the Equity Shares so Allotted and, together with any Equity Shares held by you prior to the Issue, you further confirm that your holding pursuant to the Issue shall not exceed the level permissible as per any applicable regulation;

- The Bids submitted by you would not eventually result in triggering a tender offer under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Code**");

- To the best of your knowledge and belief, together with other QIBs in the Issue that belong to the same group or are under common control as you, the Allotment under the Issue shall not exceed 50% of the Issue. For the purposes of this representation:

  (a) the expression 'belongs to the same group' shall derive meaning from the concept of 'companies under the same group' as provided in sub-section (11) of Section 372 of the Companies Act, 1956, as amended (the "**Companies Act**"); and
  (b) 'control' shall have the same meaning as is assigned to it under the Takeover Code;

- You are aware that if you, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in this Issue, our Company will be required to disclose your name, along with the name of such other Allottees and the number of Equity Shares Allotted to you and to such other Allottees on the website of the Stock Exchanges and you consent to such disclosure being made by our Company. For the purposes of this representation, 'belonging to the same group' and 'control' shall have the meaning set forth in a) and b) above;

- You shall not undertake any trade in the Equity Shares credited to your Depository Participant account until such time that the final listing and trading approvals for the Equity Shares are issued by both the Stock Exchanges;

- You are aware that applications have been made to the Stock Exchanges for in-principle approvals for listing and admission of the Equity Shares to trading on the Stock Exchanges' market for listed securities and that the applications for the final listings and trading approvals will be made only after the Allotment and therefore there can be no assurance that such final approvals will be obtained on time or at all;

- You are aware and understand that the BRLMs will have entered into a placement agreement with our Company (the "**Placement Agreement**"), whereby the BRLMs have, subject to the satisfaction of certain conditions set out therein, undertaken to use reasonable efforts to procure subscriptions for the Equity Shares to be issued pursuant to the Issue;

- That the contents of this Placement Document are exclusively the responsibility of our Company and that neither the BRLMs nor any person acting on their behalf have or shall have any liability for any information, representation or statement contained in this Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Placement Document or otherwise. By participating in this Issue, you agree to the same and confirm that you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the BRLMs or our Company or any other person and neither the BRLMs nor our Company nor any other person will be liable for your decision to participate in the Issue based on any other information, representation, warranty or statement that you may have obtained or received;

- That the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares and that you have neither received nor relied on any other information given or representations, warranties or statements made by the BRLMs nor our Company will be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty or statement;

- You agree to indemnify and hold our Company and the BRLMs harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations and warranties in this section "Representations by Investors". You agree that the indemnity set forth in this paragraph shall survive any resale of the Equity Shares to be issued pursuant to the Issue;

- That each of our Company, the BRLMs and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings which are given to the BRLMs on their own behalf and on behalf of the Company and are irrevocable;

- All statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding our Company's consolidated and standalone financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our products), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. You should not place and have not placed undue reliance on forward-looking statements, which speak only as at the date of this Placement Document. Our Company assumes no responsibility to update any of the forward-looking statements contained in this Placement Document;

- That you are a person resident in India as defined under FEMA and are eligible to invest in the Equity Shares under applicable law, and have not been prohibited by the SEBI from buying, selling or dealing in securities;

- That you are a sophisticated investor who is seeking to purchase the Equity Shares for your own investment and not with a view to distribution;

- Any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of the Republic of India, and the courts in Mumbai, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Issue;

- That (i) an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment; (ii) you have sufficient knowledge, sophistication and experience in financial and business matters so as to be capable of evaluating the merits and risk of the purchase of the Equity Shares; and (iii) you are experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions and have such knowledge and experience in financial, business and investments matters that you are capable of evaluating the merits and risks of your investment in the Equity Shares;

- You understand that the BRLMs do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by the Company of any of its respective obligations or any breach of any representations or warranties by the Company, whether to you or otherwise;

- The BRLMs have not provided you with any tax advice or otherwise made any representations regarding the tax consequences of the Equity Shares to be issued pursuant to the Issue (including but not limited to the Issue and the use of the proceeds therefrom); you will obtain your own independent tax advice from a reputable service provider and not rely on the BRLMs when evaluating the tax consequences in relation to the Equity Shares to be issued pursuant to the Issue (including but not limited to the Issue and the use of the proceeds therefrom); you waive and agree not to assert any claim against the BRLMs with respect to the tax aspects of the Equity Shares to be issued pursuant to the Issue or as a result of any tax audits by tax authorities, wherever situated; and

- That each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment of the Equity Shares.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Placement Document has been submitted to each of the Stock Exchanges. The Stock Exchanges do not in any manner:

- warrant, certify or endorse the correctness or completeness of any of the contents of the Placement Document
- warrant that our Company's Equity Shares will be listed or will continue to be listed on the Stock Exchanges; or
- take any responsibility for the financial or other soundness of the Company, its Promoters, its management or any scheme or project of our Company;

and it should not for any reason be deemed or construed to mean that this Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquires any securities of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

We publish our financial statements in Rupees. We prepare our financial statements in accordance with Indian generally accepted accounting principles ("**Indian GAAP**") and the Companies Act. Our audited consolidated financial statements as of and for the fiscal years ended 2009, 2010 and 2011 (referred to herein as the "**Audited Consolidated Financial Statements**"), our Company's audited standalone financial statements as of and for the fiscal years ended 2009, 2010 and 2011 (referred to herein as the "**Audited Standalone Financial Statements**"), our interim unaudited consolidated limited review financial results for the nine month period ended December 31, 2011 ("**Consolidated December Limited Review**") and our Company's interim unaudited standalone limited review financial results for the nine month period ended December 31, 2011 ("**Standalone December Limited Review**") have been included in this Placement Document.

Unless stated otherwise, information in this Placement Document in relation to our various retail formats, including but not limited to the number of stores, number of employees, *etc.* shall be as of February 29, 2012.

In this Placement Document, unless otherwise indicated or the context otherwise requires, all references to:

- "you", "offeree", "purchaser", "subscriber", "recipient", "investors" and "potential investor" are to the prospective investors in the Issue;
- "Trent", and the "Company", are to Trent Limited, on a standalone basis, and all references to "we", "our", "us" or similar terms are to Trent Limited on a consolidated basis;
- "India" are to the Republic of India and its territories and possessions;
- the "Government" are to the Governments of India, Central or State, as applicable;
- "Rs.", "Rupees" and "₹" are to the lawful currency of the Republic of India;
- a particular year are to the calendar year ended on December 31; and
- a particular fiscal year are to the fiscal year ended on March 31.

Indian GAAP differs in certain significant respects from International Accounting Standards ("**IAS**")/International Financial Reporting Standards ("**IFRS**"). Accordingly, the degree to which the financial statements prepared in accordance with Indian GAAP included in this Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with the respective accounting practices. We do not provide a reconciliation of our financial statements to IAS/IFRS statements or a summary of the principal differences between Indian GAAP and IAS/IFRS relevant to our business.

Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding off.

INDUSTRY AND MARKET DATA

Information regarding market position, growth rates and other industry data pertaining to our business contained in this Placement Document consists of estimates based on data reports compiled by professional organizations and analysts, data from other external sources and our knowledge of the markets in which we compete. The statistical information included in this Placement Document relating to the retail industry has been reproduced from various trade, industry and government publications and websites. This data is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so we rely on internally developed estimates. While we have compiled, extracted and reproduced this data from external sources, including third parties, trade, industry or general publications, we accept responsibility for accurately reproducing such data. However, neither our Company nor the BRLMs have independently verified this data and neither our Company nor the BRLMs make any representation regarding the accuracy of such data. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither our Company nor the BRLMs can assure potential investors as to their accuracy.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Placement Document that are not statements of historical fact constitute "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in this Placement Document regarding matters that are not historical facts. These forward-looking statements and any other projections contained in this Placement Document (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include, among others:

- our ability to meet customer demand;
- business conditions in the markets in which we operate;
- prevailing local, regional and national economic conditions;
- increasing competition in, or other factors affecting, the industry segments in which our Company operates;
- changes in laws and regulations relating to the industries in which we operate;
- our ability to successfully implement our expansion plans, and to successfully launch and implement various projects and business plans;
- our ability to meet our capital expenditure requirements and/or increase in capital expenditure;
- fluctuations in operating costs and impact on the financial results;
- our ability to attract and retain qualified personnel;
- changes in political and social conditions in India or in countries that we may enter, the monetary policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- the performance of the retail markets in India and globally; and
- any adverse outcome in the legal proceedings in which we are involved.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Industry" and "Our Business".

Investors can generally identify forward-looking statements by terminology such as "may," "will," "could," "should," "would," "expect," "plan," "propose," "seek," "target," "intend," "anticipate," "aim," "believe," "can," "contemplate," "estimate," "predict," "potential" or "continue" and the negative of such terms or other comparable terminology. Except as required by law, we undertake no obligation to update or revise any forward-looking statements after the date of this Placement Document or to conform these statements to actual results or to changes in our expectations.

The forward-looking statements contained in this Placement Document are based on the beliefs of management, as well as the assumptions made by and information currently available to management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our underlying assumptions prove to be incorrect, our actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

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DEFINITIONS

The following list of defined terms is intended for the convenience of the reader only and is not exhaustive.

Term or Abbreviation	Description
Company and industry related	
Accounting Standards/AS	Accounting Standards issued by ICAI
Annual General Meeting	Annual General Meeting of the Company
Articles	Articles of Association
Associate(s)	The associates of our Company, as enumerated in our Audited Consolidated Financial Statements beginning on page F-1 of this Placement Document
Articles, Articles of Association	Articles of Association of the Company
Board, Board of Directors	The board of directors of the Company
CAGR	Compound annual growth rate
Central Government	The Government of India
Chairman	The Chairman of the Board of the Company
Company or Trent	Trent Limited, on a standalone basis
"we", "our" or "us"	Trent Limited, on a consolidated basis
Directors	The directors of the Company
EPS	Earnings per share
Equity Shares	The equity shares of the Company of ₹ 10 each, unless otherwise specified in the context thereof
IAS	International Accounting Standards
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
ISIN	International Securities Identification Number allotted by the Depository
India	The Republic of India
Indian GAAP	Generally accepted accounting principles followed in India
Joint Venture(s)	The joint ventures of our Company, as enumerated in our Audited Consolidated Financial Statements beginning on page F-1 of this Placement Document.
Listing Agreement	Refers to the Company's listing agreements with

Term or Abbreviation	Description
	any of the Stock Exchanges
Memorandum	Memorandum of Association
Subsidiary(ies)	The subsidiaries of our Company, as enumerated in our Audited Consolidated Financial Statements beginning on page F-1 of this Placement Document
PAN	Permanent Account Number
Preference Shares	0.1% compulsorily convertible preference shares - Series B, having a face value of ₹ 10 each, and 0.1% cumulative redeemable preference shares, having a face value of ₹ 1,000 each
Promoter(s) and Promoter Group	Tata Sons Limited, Tata Investment Corporation Limited, Aftaab Investment Company Limited, Titan Industries Limited and Fiora Services Limited
THL	Trent Hypermarket Limited
	Issue-related
Allocated, Allocation	The allocation of Equity Shares, following the determination of the Issue Price, to the QIBs on the basis of the Bid cum Application Form, as determined by our Company in consultation with the BRLMs
Allotment	The allotment of Equity Shares to the successful QIBs pursuant to the Issue
Bid	An indication of QIBs' interest, including all revisions and modifications of interest, as provided in the Bid cum Application Form to subscribe for Equity Shares of the Company under this Issue
Bid Closing Date	March 14, 2012
Bidding Period	The period between the Bid Opening Date and the Bid Closing Date
Bid Opening Date	March 12, 2012
Bid cum Application Form	The form pursuant to which a QIB shall submit a Bid

Term or Abbreviation	Description
BRLMs / Book Running Lead Managers	Standard Chartered Securities (India) Limited and JM Financial Consultants Private Limited
BSE...	BSE Limited
CAN, Confirmation of Allocation Note	Note or advice or intimation to QIBs inviting such QIBs to submit a Bid cum Application Form for Allotment of Equity Shares after discovery of the Issue Price
CDSL...	Central Depository Services (India) Limited
Depositories Act...	The Depositories Act, 1996, as amended from time to time
Depository Participant	A depository participant as defined under the Depositories Act
Escrow Account	The non-interest bearing, no-lien, special bank account without any chequing or overdraft facilities in relation to the issue of Equity shares by the Company, to be opened in the name of Trent Limited – Escrow Account with the Escrow Bank
Escrow Bank	Citibank N.A.
Issue Price..	A price per Equity Share of ₹912
FIIs	Foreign Institutional Investors as defined in the SEBI (Foreign Institutional Investor) Regulations, 1995, as amended and registered with SEBI under applicable laws in India.
Floor Price	₹911.94, which has been calculated in accordance with the SEBI Regulations
Issue...	The offer and sale of up to 27,41,228 Equity Shares at a price of ₹ 912 per Equity Share aggregating to ₹ 250 crores, pursuant to Chapter VIII of the SEBI Regulations.
Issue Size	The issue of up to 27,41,228 Equity Shares, aggregating to ₹250 crores
Lock-up Period...	30 days from the date of Allotment
NSDL...	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited

Term or Abbreviation	Description
Pay-In Date	The last date specified in the CAN sent to successful QIBs
Placement Agreement	The placement agreement entered into between the BRLMs and the Company dated March 12, 2012
Placement Document	This placement document dated March 14, 2012, issued in accordance with Chapter VIII of the SEBI Regulations
Preliminary Placement Document	The preliminary placement document dated March 12, 2012, issued in accordance with Chapter VIII of the SEBI Regulations
QIB	A Qualified Institutional Buyer as defined under Regulation 2(1)(zd) of the SEBI Regulations
QIP	Qualified Institutions Placement
Stock Exchanges	The BSE and the NSE
Regulatory	
Companies Act	The Companies Act, 1956, as amended
Competition Act	The Competition Act, 2002, as amended
CLRA	Contract Labour (Regulation and Abolition) Act, 1970, as amended
FEMA	The Foreign Exchange Management Act, 1999 of India, as amended
Income Tax Act	The Income Tax Act, 1961 of India, as amended
Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended
RBI	Reserve Bank of India
Registrar of Companies	Registrar of Companies, Maharashtra, at Mumbai
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	The Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI Regulations	SEBI (Issue of Capital and Disclosure

Term or Abbreviation	Description
	Requirements) Regulations, 2009, as amended
Takeover Code	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended

SUMMARY

The following summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information and the financial statements that appear elsewhere in this Placement Document. In addition, you should carefully consider the risks discussed under "Risk Factors" for an understanding of the risks associated with the purchase of the Equity Shares.

Our Company is one of India's leading retailers and is a part of the Tata Group. We run a chain of Westside department stores across the country and are also increasing our foothold in the high volume hyper-market space, through the Star Bazaar format operated by our Subsidiary, Trent Hypermarket Limited. We also have presence in the 'books and entertainment' retailing space through another Subsidiary, Landmark Limited. As of December 31, 2011, our Promoters held 31.80% of our Company, of which 25.66% is held by Tata Sons Limited. The residual shareholding is publicly held.

In addition to the above, our Company operates a few small format stores under the Sisley banner, as a franchisee of Benetton in India. Also, our Company has entered into a joint venture with the Inditex Group of Spain in relation to opening retail stores under the Zara banner in India.

Our Company was originally incorporated as Lakme Limited ("Lakme") on December 5, 1952. Lakme was in the business of manufacturing, sale and export of cosmetics, toiletries and perfumery products. In 1998, Lakme decided to divest from its cosmetics business and decided to pursue the field of apparel retailing, given the absence of established brands in areas like ladies wear, kids wear, household and gift articles. As a result, it was decided that Lakme would establish a strong presence in the apparel and soft goods retailing market by opening a chain of departmental stores across the country, aimed at catering to requirements of customers in men's wear, ladies wear, kids wear, play shop, household, gift shop and lingerie.

Towards this end, in March 1998, Lakme acquired Littlewoods International (India) Private Limited ("LIIPL") from Littlewoods International Limited, U.K. LIIPL was in the business of retailing of readymade garments for men, ladies and children, household and gift items, accessories *etc.* In parallel, with effect from January 1, 1998, Lakme Exports Limited, a subsidiary of Lakme, was amalgamated with LIIPL and the merged entity was named as Trent Limited. Subsequently, with effect from July 1, 1998, Trent Limited was amalgamated with Lakme, and the name of Lakme Limited was changed to Trent Limited.

In October 2004, our Company entered the mass-retailing segment by opening a hypermarket store under the name and style of Star India Bazaar (now known as Star Bazaar), at Ahmedabad. Star Bazaar caters primarily to the SEC B & C population and currently there are 14 operating stores. The model offers a large assortment of products under one roof at prices mostly below Maximum Retail Price (MRP) under the promise of "Chhota Budget Lambi Shopping". The products offered include staples, food, perishables, beverages, cleaning aids, health & beauty products, houseware, consumer durables and apparel. As part of a portfolio reorganization exercise undertaken by our Company, the Star Bazaar business was transferred to a wholly owned subsidiary, Trent Hypermarket Limited (THL) with effect from August 1, 2008. THL has since entered into a franchise and a wholesale supply arrangement with Tesco Plc. The exclusive franchise agreement is allowing the Star Bazaar business to access Tesco's retail expertise.

In August 2005, our Company entered the books and music retail market with the acquisition of 76% share in Landmark, a partnership firm, and acquired a further 3% share in March 2006. With effect from March 31, 2006, Landmark was converted into a limited company, Landmark Limited. Landmark had began operations in 1987 with its first store in Chennai with a floor space of 5500 sq. ft and over time emerged as one of the largest books and music retail chains in the country. In 2008, the residual stake held by the founders was also acquired by Trent together with its Subsidiaries. At present there are 17 large box stores, broadly varying in size from 10,000 sq. ft. to 30,000 sq. ft. Landmark has been introducing newer categories like gaming, technology, accessories and sports merchandize. What separates Landmark from other stores of its kind is the range and depth of its stock. Increasingly, the format is being shaped into a "family entertainment format" with focus on toys, front list adult & children's books, tech accessories & gaming and stationery. Following the induction of the TVS private equity fund as an investor in Landmark, our Company has (together with its Subsidiaries) a shareholding of 75.05%.

Across the various retail formats which we operate, we have over 100 stores with presence in 37 cities, employ over 6,000 people, and have a loyalty membership in the region of over 2.5 million customers.

Through the course of establishing ourselves in the retail space, we have received recognition by way of several awards and honours, such as,

- Brand Leadership Award – India Brand Summit 2003;
- Most Admired Fashion Retail Brand of the Year – Images 2004;
- Most Admired Large Format Retail Chain of the Year – Images 2005;
- Retailer of the year – Department Store Chain – Images 2005;
- The Preferred Chain Store of the year – Apex Awards 2005;
- Business Leadership Award for Retail Category – NDTV Profit Business Leadership Awards 2006;
- For active promotion of TBEM – TBEM 500 2007;
- Retailer of the year – Private Labels – Reid & Taylor 2008;
- Retailer of the year – Private Labels – Reid & Taylor 2009;
- Most Admired Large Format Retail Chain of the Year – Images 2009
- Most Admired Private Label Fashion Retailer of the Year – Images 2010;
- The best leisure store in Chennai – NDTV Hindu awards 2011; and
- Most admired Retailer of the year – Images 2011.

For the year ended March 31, 2011, our total income was ₹1,62,888.92 lakhs and our profit after tax before extraordinary items was ₹ 147.47 lakhs. As at March 31, 2011, our total assets were ₹ 1,31,715.46 lakhs and our net worth was ₹99,574.15 lakhs.

Our CAGR of sales for the last three Financial Years is 27.42%.

Our Competitive Strengths

Our principal competitive strengths are as follows:

- Early mover advantage;
- Understanding of the retail sector and evolving needs of the Indian consumer;
- Range of products;

- Strong supply chain;
- Experienced professional management team;
- Shopping environment;
- Our association with the Tata brand; and
- Customer loyalty.

Common Strategies across our Retail Formats

We intend to maintain and enhance our position as a leading retail player through continued focus on the Indian market and investing further in our strengths to grow our business. The key elements of our business approach include:

- Actively operate and manage our retail formats;
- Increasing our penetration in existing cities and expanding our reach across the country;
- Expanding the retail of products under our private labels and enhance the brand equity of such labels;
- Increasing our share in the consumer spend through increase in our customer base, customer loyalty and expansion of our operations; and
- To develop best talent and skilled workforce and inculcate best business practices.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue:

Company	Trent Limited
Issue size	27,41,228 Equity Shares of the Company of ₹ 10 each.
Issue Price	₹912 per Equity Share
Closing Date	On or about March 16, 2012, being the expected date of Allotment of the Equity Shares issued pursuant to the Issue
Floor Price	₹911.94
Eligible Investors	QIBs as defined in Regulation 2(1)(zd) of the SEBI Regulations and not excluded pursuant to Regulation 86(1)(b) of the SEBI Regulations to whom the Preliminary Placement Document and the Bid cum Application Form was circulated and who are eligible to Bid and participate in the Issue. The list of QIBs to whom the Preliminary Placement Document and Bid cum Application Form was delivered was determined by our Company, in consultation with the BRLMs, at their sole discretion. Only QIBs that are persons resident in India, as defined under FEMA, and who are eligible to invest in the Equity Shares under applicable law, and have not been prohibited by the SEBI from buying, selling or dealing in securities can participate in this Issue.
Equity Shares issued and outstanding immediately prior to and after the Issue	2,45,08,291 Equity Shares issued and outstanding immediately prior to the Issue. Immediately after the Issue, 2,72,49,519 Equity Shares will be issued and outstanding.
Listing	Our Company is in the process of applying to each of the Stock Exchanges to obtain in-principle approvals for the listing of the Equity Shares on the Stock Exchanges.
Trading	The trading of the Equity Shares would be in dematerialized form only for all QIBs in the cash segment of each of the Stock Exchanges.
Lock-up	The Company has agreed with the BRLMs that, subject to certain exemptions, it will not for a period commencing the date hereof and ending 30 days after the date of Allotment, offer,

	issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares, without, in each case, the prior written consent of the BRLMs. For further details please see "*Placement and Lock-Up – Lock-Up*" on page 104 of this Placement Document.
Transfer Restrictions....................	The Equity Shares being allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment except on a recognized Stock Exchange in India.
Use of Proceeds.............................	The total proceeds of the Issue will be ₹ 250 crores. After deducting fees and expenses of approximately ₹ 5.25 crores, the net proceeds of the Issue will be approximately ₹ 244.75 crores. Subject to compliance with applicable laws and regulations, our Company intends to use the net proceeds of the Issue primarily towards our expansion plans including setting up of retail stores (capital expenditure, deposits and other related expenditure), investments in certain retail real estate developments, general corporate purposes including working capital requirements and any other purposes as may be permissible under applicable law. The proceeds of the Issue may also be committed directly or indirectly by our Company, its Subsidiaries, Joint Ventures or Associates (through equity, debt instruments or loans, or a combination of any of them) for the above purposes.
Status & Ranking	The Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Company's Memorandum and Articles and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividends. The shareholders will be entitled to participate in dividends and other corporate benefits, if any, declared by the Company after the Closing Date, in compliance with the Companies Act. Shareholders may attend and vote in shareholders' meetings on the basis of one vote for every Equity Share held.
Security Codes for the Equity Shares..	ISIN: INE849A01012 BSE Code: 500251

RISK FACTORS

Investing in the Equity Shares offered in this Issue involves a high degree of risk. You should carefully consider the following factors, as well as other information contained in this Placement Document (including the financial statements and related notes thereto included elsewhere in this Placement Document), before making an investment in the Equity Shares. The occurrence of any of the following events, or risks that are currently not known or are now deemed immaterial, could have a material adverse effect on our business, financial condition, results of operations and prospects and cause the market price of the Equity Shares to fall significantly and all or part of your investment may be lost. Unless otherwise stated below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein.

Risks related to our Company and Business

1. ***Our inability to promptly identify and respond to changing customer preferences or evolving trends may decrease the demand for our merchandise among our customers, which may adversely affect our business.***

We are in the business of retailing lifestyle products, apparels, books, music, groceries and other merchandise. We sell our own branded products as well as products of various other brands through our retail stores across India. We plan our product range based on forecasts of customer buying patterns and trends. Any mismatch between our planning and actual customer demand may lead to excess inventory, which may require us to mark down prices of the relevant products, thus lowering our margins in order to clear such inventory, and may adversely impact our business.

Our success depends partly upon our ability to anticipate and respond to changes in customer preferences in a timely manner. Further, the success of our own brand label depends on our ability to understand trends, introduce new products and explore new business opportunities on a regular basis. Our inability to identify and recognize international and domestic trends and customer preferences, obsolescence of our merchandise or our failure to meet necessary customer requirements could adversely affect our business.

2. ***Our products include a range of lifestyle merchandise, apparel and leisure products, the demand for which may be seasonal due to the occurrence of festivals, including Durga Puja, Diwali, Christmas and Id, in the third quarter of our financial year. Any material decline in sales during this period could have a material adverse effect on our profitability and financial condition.***

Our business has historically recorded higher sales during the third quarter of our financial year due to the occurrence of certain festivals, including Durga Puja, Diwali, Christmas and Id, during such period. Our operating costs, such as employee costs, lease rentals, store-operating costs, distribution and logistics costs, are mainly fixed. As a result of this, our operating profits are normally higher during this period. However, consumer spending during such period is conditional upon a variety of factors, including consumer preference and general economic conditions. Any material decline in sales during this period could have a material adverse effect on our profitability and financial condition.

3. ***The success of our business is dependent on supply chain management. Inefficient supply chain management by us or third parties may adversely affect our business and our results of operations.***

The success of our business is dependent on supply chain management. Ensuring availability of shelf space for our products requires quick turnaround times and a high level of coordination with suppliers. Food and other grocery items, which are perishable or have a limited shelf life, require efficient supply chain management. We outsource to third parties the supply chain management of certain of our perishable goods. Inefficient supply chain management by us or third parties may lead to the unavailability or loss of merchandise and could adversely affect our business and our results of operations.

4. ***We are dependent on our loyalty programmes for retention of our customers. Any shift in spending patterns and shopping preferences of our customers may have an adverse impact on our performance.***

We have initiated several programmes across our retail formats with the aim of maintaining customer loyalty, such as the 'Clubwest' program in Westside stores, the 'Clubcard' program for our hypermarket customers and 'The Fellowship' program in our Landmark stores. Under these programmes, points are credited for purchases made in our stores. We have over 25 lakh customers enrolled in our loyalty programmes across all our retail formats, of which our Company has around 14.5 lakh customers enrolled in the Clubwest Program, which contributes to a significant portion of our Company's revenue. Further, we have around 11.4 lakh and 1 lakh customers enrolled in the Star Bazaar's clubcard and Landmark loyalty programs, respectively. Any shift in spending patterns and shopping preferences of our customers may have an adverse impact on our performance.

5. ***The success of our business depends on our ability to identify and acquire rights to quality retail spaces. If we fail to lease or acquire targeted properties, this may adversely affect our business, operations and profitability.***

The success of our business depends on our ability to identify and acquired rights (mostly on a leasehold basis) to quality retail spaces at appropriate terms and conditions. We compete with other large retailers to obtain real estate properties. If we fail to lease or acquire targeted properties, we may face delays in the execution of our expansion programme, which may result in cost overruns or otherwise adversely affect our business, operations and profitability.

6. ***Most of the premises occupied by us for our stores are on leasehold basis. If we are unable to execute or renew lease arrangements on favourable terms or at all or unable to settle our ongoing disputes with our lessors, this may have a material adverse effect on our business, financial performance and profitability.***

Apart from five stores which are situated on properties owned by us, our stores are operated from premises which are acquired on a long-term leasehold or leave and license basis or on the basis of other contractual agreements with third parties. For some of the stores from which we operate, we have entered into agreements to lease the properties, but have not yet entered into lease deeds. If we are unable to execute or renew lease arrangements on favourable terms or at all, or enforce our rights with respect to occupation of existing properties, this may lead to time and cost overruns and may have a material adverse effect on our business, financial performance and profitability.

Also, on an ongoing basis we are, and are likely to be, exposed to various disputes with our lessors with respect to our properties. These disputes are in respect of claims relating to, amongst other things, common area maintenance charges, electricity charges, escalation in rental payouts, set-off of deposits paid by us and other property related claims like property tax, *etc.* If we are unable to settle, negotiate or defend ourselves on favourable terms or at all, or enforce our rights with respect to these matters, this may lead to time and cost overruns and may have a material adverse effect on our business, financial performance and profitability.

7. ***Any adverse impact on the title or ownership rights or development rights of our landlords from whose premises we operate may adversely affect the operation of our stores, offices or distribution centres.***

Most of the premises where we have our stores, offices and distribution centres are taken by us on long term lease or leave and licence or on the basis of other contractual agreements with third parties.

We may continue to enter into such transactions with third parties. Any adverse impact on the title / ownership rights / development rights of our landlords from whose premises we operate our stores may impede our business, our operations and our profitability. Also, the sale by the incumbent landlord of their interest in the said properties could in certain cases adversely impact our contractual rights. Additionally, most of our property agreements prescribe a lock-in period. These lock-in periods prevent us from moving our stores in the event that there are events or circumstances that impede our profitability. Any such event and such restrictive covenants in our lease agreements affect our ability to move the location of our stores and may adversely affect our business, financial condition and results of operations.

8. ***Strategic alliances and joint venture arrangements may result in additional risks and uncertainties in our business.***

We have entered into several strategic arrangements, including a joint venture with Industria De Diseño Textil, Sociedad Anónima (Inditex) to open Zara stores in India; a strategic alliance with Xander Investment Management (Xander) with respect to retail real estate development; a franchise arrangement with Benetton India Limited with regard to the operation of Sisley stores in India; a strategic association (involving a franchise and wholesale supply arrangement) with Tesco PLC for our Star Bazaar hypermarket business; and a shareholders' arrangement with a private equity fund namely managed by the TVS Group for our Landmark business. We may face numerous risks and uncertainties in relation to the above arrangements. In such arrangements (whether existing or proposed), we are subject to additional risks and uncertainties in that we may depend upon and be subject to liabilities, losses or damages, including to our reputation. In addition, conflicts or disagreements between us and our strategic alliance counterparties may adversely impact our businesses.

Present and future acquisitions and strategic alliances may entail certain risks, including ineffective integration of operations, the inability to maintain key pre-acquisition business relationships and to integrate new relationships, the inability to retain key employees, increased operating costs, exposure to unanticipated liabilities, risks of misconduct by employees not subject to our control, difficulties in realising projected efficiencies, synergies and cost savings, and exposure to new or unknown liabilities. Further, an inability on the part of our joint venture partner to meet customer requirements may lead to a failure of such a format and may adversely affect our business.

If any of our alliance counterparties seek exit in full or in part or seek increased participation regarding the prevailing arrangements, we may have to review and substantially change our strategy with respect to the concerned business and any such change may adversely affect our business, financial condition and results of operations. Any future investments, acquisitions or joint ventures may require the allocation of significant resources and/or result in significant unanticipated losses, costs or liabilities. In addition, expansions, acquisitions, strategic alliances or joint ventures may require significant managerial attention, which may be diverted from our other operations.

9. ***We depend on franchisees for a portion of our sales and for management of our retail outlets. Any failure by our franchisees in assisting us in our retail store management and sales, could have an adverse affect on our business and results of operations***

As of February 29, 2012, nine stores across our retail formats are operated on a franchisee basis. With respect to these outlets, we depend substantially on third parties that are the franchisees for several critical elements of our business including operations and sales.

There can be no assurance that these franchisees will be able to establish or maintain adequate sales capabilities. Furthermore, we cannot assure you that we will be able to enter into arrangements with franchisees in the areas in which we currently operate in or in the areas in which we intend to expand to, on financially acceptable terms or at all, or that any franchisees with whom we enter into such arrangements will be successful in selling or distributing our products. Any failure in the performance of our franchisee operations, could adversely affect our business. Additionally, if we are unable to maintain our relationships with our franchisees, our ability to properly manage our various retail formats and generate revenues through the sale of our products could be adversely impacted.

10. We may in the future face potential liabilities from lawsuits or claims by customers.

We face the risk of legal proceedings and claims being brought against us by our customers for any defective product sold or any deficiency in our services to them. Also, since we have a large number of customers visiting our stores daily, we could face liabilities should our customers face any loss or damage due to any unforeseen incident such as fire or an accident in these stores. This may result in liabilities for us and/or financial claims made against us as well as loss of business and reputation. While we have taken public and product liability insurance policies in this regard we cannot assure you that such insurance policies will adequately cover all losses, damages or claims.

We are also required to comply with the provisions of the Food Safety and Standards Act, 2006 and the rules made thereunder, the Legal Metrology Act, 2009 and the rules made thereunder and the Standards of Weights and Measures (Packaged Commodities) Rules, 1977. Similarly, our Company is required to comply with the provisions of the Prevention of Food Adulteration Act, 1954 and the rules made thereunder. These regulations prescribe certain standards with regard to food products, manufacture, storage, packaging, distribution, *etc*. We are required to meet these standards both for products that we manufacture as well as for the products made by other manufacturers and sold by us. Failure by us or by these manufacturers to meet prescribed standards may subject us to regulatory action, which may adversely affect our business, reputation and our results of operations.

11. If our competitors misappropriate our trademarks or other intellectual property rights, it could have a material adverse effect on our business. Registration applications for some of our trademarks are pending with the relevant trademark authorities. If we are unable to register such trademarks, this may adversely affect our ability to protect such marks and the value of the marks for our in-house brands.

Our success depends on our ability to protect and preserve our intellectual property, including our trademarks and copyrights. We market our in-house products under our brands. Our Company holds over 90 trademarks, which are registered in its name. We have also applied to register several other trademarks with the relevant authorities, which applications are currently pending. Any delay or failure to register these trademarks may adversely affect our ability to protect our in-house brands and may lead to a dilution of such brands and lower their value. Further, if a competitor copies or otherwise gains access to our database, we may not be able to compete effectively. The loss of, or our inability to enforce, our intellectual property rights and other proprietary know-how may adversely affect our business. We may need to bring legal claims to enforce or protect intellectual property rights. Any litigation, whether successful or unsuccessful, could result in substantial costs and diversion of resources.

12. Under our business model, we carry the inventory on our books prior to the actual sale of the merchandise to end customers. Inventory levels in excess of customer demand may result in inventory write-downs and have a material adverse effect on our results of operations and financial condition.

Under our business model, for our primary retailing formats we carry the inventory on our books till the sale of the merchandise to the end customer and do not pass the inventory risk to the manufacturer or supplier. This business model requires us to maintain high inventory levels and is working capital intensive. Inventory levels in excess of customer demand may result in inventory write-downs and have a material adverse effect on our results of operations and financial condition.

13. ***We rely on third parties for the supply and transportation of our merchandise from our warehouses to our stores, which are subject to various uncertainties and risks. Any disruptions***

in the supply or transportation of merchandise could materially and adversely affect our business, financial condition and results of operations.

We rely completely on third parties to transport our merchandise from our warehouses to our stores. We predominantly rely on road transportation for the delivery of our merchandise. Current transportation facilities may not be adequate to support our existing and future operations. Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure or other events could impair our ability to supply our merchandise to our stores. Any disruptions in the supply or transportation of merchandise could materially and adversely affect our business, financial condition and results of operations.

14. ***We rely on our information technology systems and any failure in our systems could adversely impact our business.***

We rely extensively on our information technology systems to provide connectivity across our business functions through our software, hardware and connectivity systems. Any delay in the implementation of such systems or any disruption in the functioning of existing systems could disrupt our ability to track, record and analyze the merchandise that we sell and cause disruptions in operations, including, among others, an inability to process the shipments of goods, process financial information or credit card transactions, deliver products or engage in similar normal business activities. Any such delay or disruption may have a material adverse effect on our business.

15. Restructuring of Fashion Yatra and Sisley stores could have an adverse impact on our Company's business, financial condition and results of operations

The 'Fashion Yatra' format was an attempt to test the viability of a lower end primarily fashion apparel offering to address Tier 3 cities and towns and was based on the presumption that a Westside type offering would not be well received in Tier 3 markets. While the initial response to Fashion Yatra stores was encouraging, the format continued to incur losses disproportionate to its revenues and, as of December 31, 2011, our Company operated five stores in the Fashion Yatra format. Our Company is currently in the process of winding down the Fashion Yatra format.

As of December 31, 2011, our Company operated eight small format stores under the Sisley banner, as a franchisee of Benetton in India. Despite significant efforts of the management the format has not turned profitable, primarily on account of high real estate charges. In this context, our Company has reviewed the way-forward with Benetton and is in the process of substantially restructuring the franchisee operations.

The winding down of Fashion Yatra operations and substantial restructuring of the Sisley arrangement entails liquidation of inventory, recovery of capital expenditure incurred in respect of the concerned stores, related settlements with certain counterparties, *etc.*, which have impacted our Company's results for the nine month period ending December 2011 and is expected to adversely impact our Company's results for the quarter ending March 31, 2012. We cannot assure you that the adverse impact of the winding down of Fashion Yatra operations and restructuring of the Sisley arrangement would be solely restricted to the quarter ending March 31, 2012. Any such adverse impact in future years could have an adverse effect on our Company's business, financial condition and results of operations.

16. ***Low gross margins and increasing infrastructure costs suffered by THL have, amongst other things, resulted in losses over the last three Financial Years. Such losses as well as the competition faced from other existing retailers in the hypermarket retail format and from potential entrants, both domestic and foreign, to the retail industry may adversely affect our competitive position and our profitability.***

The margins in the hypermarket retail format are generally low while the infrastructure costs incurred continue to increase. As a result, THL, our Subsidiary housing our hyper market format, Star Bazaar, has incurred losses of ₹ 1,768.82 lakhs, ₹ 2,913.72 lakhs and ₹ 4,766.13 lakhs for FY 2009, FY 2010 and FY 2011, respectively.

In addition to low gross margins, THL faces competition from other retailers who market products similar to ours. The opening of new malls as well as any liberalisations to the foreign investment regime in multi-brand retail in India could result in an insurgence of new players in the hypermarket retail format, thereby resulting in increased competition within the hypermarket retail format. The entry strategy of these new entrants and growth strategy of existing competitors may not be focussed on profitability in the short term. This could adversely affect the profitability dynamics of the retail business. Some of THL's competitors may be able to compete more effectively because of their access to significantly greater resources, which may lead to increased competition. Such an increase in competition may cause THL to increase its marketing expenditure, reduce prices, thereby further reducing margins.

While THL has undertaken several steps to increase its margins including but not limited to local sourcing and consumer catchment, emphasis on food as well as on non-food merchandise, own label offerings, *etc.,* we cannot assure you of the magnitude or the likelihood of such losses by THL in future years, and THL may continue to incur losses in future periods, which could have an adverse effect on our results of operations. Furthermore, THL's inability to compete successfully in the hypermarket retail format could materially affect our business prospects and results of operations.

17. Our Subsidiary, Landmark Limited, is focussing on the family entertainment format, a retail in format in which we have limited experience, and we may be unable to run a family entertainment format or to establish ourselves as a viable and reputable competitor in the family entertainment format for reasons beyond our control or for other reasons.

Our Subsidiary, Landmark Limited, was initially primarily engaged in the books and music retail format. However, given market conditions and developments, Landmark Limited is currently in the process of being shaped into a family entertainment format, with focus on toys, front list adult & children's books, tech accessories & gaming and stationery.

The books and music retail format is a format faced with increasing threats from the internet, which has resulted in decline of the books and especially the music category wherein digital downloads have for the most part become the norm, including through mobile phone platforms.

While we have sought to address these concerns by introducing certain safeguards including but not limited to our online offering, "landmarkonthenet.com", we cannot assure you that we would be able to establish Landmark as a viable and reputable competitor in the family entertainment format. In the interim Landmark continues to incur losses from its operations.

In addition to the issues affecting the books and music retail format, our limited experience in the family entertainment format may hinder our ability to operate our stores in a commercially successful manner and to manage and grow our family entertainment format at the rate we expect for the next few years. If our family entertainment format fails to take off in the manner we expect, our business, financial condition and results of operations could be materially and adversely affected. Furthermore, owing to our limited track record in the family entertainment format, it might be difficult for investors to evaluate the probable impact of our current and proposed development activities on our financial performance and also the current and future prospects of our family entertainment format.

18. ***We face competition from existing retailers, online retailers and potential entrants, both domestic and foreign, to the retail industry that may adversely affect our competitive position and our profitability.***

Loss of market share and increase in competition may adversely affect our profitability. We face competition from other retailers. Further, we face competition from online retailers who market similar products as us. With the opening of new malls, many new players are expected to enter organized retailing and competition could increase. The entry strategy of the new entrants and growth strategy of existing competitors may not be focussed on profitability in the short term. This could adversely affect the profitability dynamics of the retail business. Some of our competitors may be able to compete more effectively because of their access to significantly greater resources, which may lead to increased competition. Such increase in competition may cause us to increase our marketing expenditure, reduce prices of our products, thereby reducing margins. With increased competition, the demand for good store locations may increase, impacting our cost of operation.

Additionally, we may face competition from international players if foreign participation in the retail sector is further liberalized. Moreover, as the industry is highly fragmented, we also face competition from local stores who may, for a variety of reasons, such as easier access to, as well as established personal relationships with, the customers, be able to cater to local demands better than us. Our inability to compete successfully in our industry would materially affect our business prospects and financial condition.

19. We are dependent upon other entities for our manufacturing and distribution process Unresolved disputes or disagreements with our vendors could lead to supply disruption, loss of sales and other consequential impacts and may adversely affect our competitive position and our profitability.

The manufacturing process for our private labels is outsourced to our vendors. We are exposed to the risk of our service providers and vendors failing to adhere to the standards set for them by us in respect of quality and quantum of production and distribution which in turn could adversely affect our net sales and revenues. In addition, certain of our service providers and vendors are retained on a non-exclusive basis and may engage in other businesses that may even compete with ours. If our competitors provide better incentives to our service providers and vendors, it may result in our service providers and vendors promoting the products of our competitors instead of ours. Also, delays in delivery of merchandise by our vendors and their financial instability could adversely impact the availability of merchandise in our stores and have a material adverse effect on our business and financial condition.
Furthermore, any disputes or disagreements with our vendors and such service providers on account of, amongst other things, failure to adhere to quality standards or quantum of production and distribution, reconciliation of accounts, delays in delivery, non acceptance of merchandise returns, *etc.* could adversely affect our supplies, lead to loss of revenues or incurrence of settlement related losses.

20. Certain of our Subsidiaries have incurred losses in certain of the preceding three fiscal years.

As set forth below, some of our Subsidiaries have incurred losses in certain of the preceding three fiscal years (as per their respective standalone financial statements). They may continue to incur losses in future periods, which could have an adverse effect on our results of operations.

The details of the Subsidiaries which have incurred losses in certain of the preceding three fiscal years are provided in the following table:

(₹in lakh)

Sr. No.	Name of Subsidiary	Profit/(loss) after tax For the year ended March 31,		
		2009	**2010**	**2011**
1.	Trent Brands Limited	(81.03)	(164.07)	1511.85
2.	Fiora Link Road Properties Limited	(0.11)	(0.23)	(0.26)
3.	Trent Hypermarket Limited	(1,768.82)	(2,913.72)	(4,766.13)
4.	Trent Global Holdings Limited	(334.20)	(6.67)	(3.53)
5.	Landmark Limited	(193.00)	(167.59)	85.64

6.	Westland Limited	(193.27)	(84.12)	(337.45)
7.	Landmark E-Tail Private Limited	(0.52)	0.87	(0.07)
8.	Nahar Retail Trading Services Limited	19.71	(10.84)	3.46

21. Contingent liabilities, if crystallized, could adversely affect the financial condition of our Company since the provision made in the books of accounts of our Company may not be adequate.

Our contingent liabilities based on our Audited Consolidated Financial Statements were as follows:

(₹ in lakhs)

Sr. No.	Particulars	2010-11	2009-10
a	(i) Sales tax, excise and customs demands*	195.64	61.81
	(ii) Sales tax, excise and customs demands (net of tax)*	130.65	41.28
b	Income tax demands*	5,384.33	377.09
c	Claims made against the Company not acknowledged as debts*	5,514.42#	984.29

* *As a matter of abundant caution, a cumulative provision for contingencies of ₹ 205.00 lakhs has been made against items (a), (b) and (c) above, which are disputed by the Company*
\# *In respect of one of the Subsidiaries, amount not ascertained*

If any of these contingent liabilities materialise, fully or partly, the financial condition of our Company could be materially and adversely affected. For more information regarding our contingent liabilities, please refer to the section titled "*Financial Information*" on page F-1 of this Placement Document.

22. Our operations are subject to various business risks and there may be inadequate insurance coverage to cover our economic losses as well as certain other risks including those pertaining to claims by third parties and litigation.

Our operations are subject to various risks and hazards which may adversely affect our profitability, including natural calamities, failure or substandard performance of network equipment, third party liability claims, labour disturbances, employee frauds, infrastructure failure and terrorist activities.

Though we have, in our opinion, taken adequate safeguards to protect our assets from various perceived risks, it is possible that our insurance may not provide adequate coverage in certain circumstances. These may include claims by third parties and litigation. Also, insurance policies are usually subject to certain deductibles, exclusions and limits on coverage.

If our arrangements for insurance or indemnification are not adequate to cover claims, including those exceeding policy aggregate limitations or exceeding the resources of the indemnifying party, we may be required to make payments that may adversely affect our financial condition and results of operations.

23. We are dependent on our management team and key personnel and loss of any key team member may adversely affect our business performance.

Our business is managed by a core management team that supervises the day-to-day operations, strategy and growth of our business. If one or more members of our key management team are unable or unwilling to continue in their present positions, such persons may be difficult to replace and our business, prospects, financial condition and results of operations could be adversely affected.

24. Our business and results of operations could be adversely affected if we are unable to meet our employees' needs.

Our success in expanding our business will also depend, in part, on our ability to attract, retain and motivate appropriately qualified people at various levels. If we fail to successfully manage our employees' needs, it could adversely affect our business prospects, financial condition and results of operations.

25. If we are not able to apply for, obtain, renew or maintain the permits and approvals required to operate our business, this may have a material adverse effect on our business.

Our Company requires certain permits and approvals to operate its businesses and/or facilities, including such permits required by the environmental regulatory authorities. Failure by our Company to apply for, renew, maintain or obtain the required permits and approvals, and technology licenses in a timely manner or at all may interrupt our Company's operations and may have a material adverse effect on our Company's results of operations, financial condition and prospects.

26. We are involved in certain legal proceedings that, if decided against us, could have an adverse effect on our reputation, business prospects and results of operations.

There are several litigations outstanding against our Company and our Subsidiaries. In the event of an adverse outcome in any of the material litigation against our Company and our Subsidiaries, our business, reputation and results of operations could be adversely affected. For details of outstanding material litigation pending against our Company and our Subsidiaries, please refer to the section titled "*Legal Proceedings*" on page 95 of this Placement Document.

27. Our business plans may need substantial capital and additional financing in the form of debt and/or equity to meet our requirements.

Our proposed business plans are being funded through this Issue and by our internal cash accruals. However, the actual amount and timing of future capital requirements may differ from estimates, including but not limited to unforeseen delays or cost overruns, delays in handing over of properties, unanticipated expenses, market developments or new opportunities in the industry. Our ability to raise capital is also restricted due to foreign investment restrictions applicable to the retail industry. We may also not be able to generate internal cash in our Company as estimated and may have to resort to alternate sources of funds. Sources of additional financing may include commercial borrowings, vendor financing, or issue of equity or debt instruments. If we decide to raise additional funds through the debt route, the interest obligations would increase and we may be subject to additional covenants, which could limit our ability to access cash flows from the operations. If we decide to raise additional funds through the equity route, your shareholding in our Company could get diluted.

28. Our retail operations have faced a difficult operating environment in terms of customer sentiment and demand in the recent quarters. If the customer sentiment and demand takeoff does not improve or if the steps being taken by us to improve sales realizations from our stores and control costs do not result in such improvement, our near term results would continue to be adversely effected.

Our Company has prepared and published the interim unaudited standalone and consolidated limited review financial results for the period ended December 31, 2011 and are included in the Financial Statements at page F-72 of this Placement Document. The results for the period have been impacted partly by the levy of 10% excise duty on branded garments, considerable increase in raw material prices which was not fully passed to the customers due to market condition and by the decision of our Company to wind down the loss making Fashion Yatra format (five stores) and substantially restructure the Sisley franchise operations. This restructuring exercise is expected to be completed by the end of this Financial Year. Also, our results for the nine month period ending December 31, 2011, have been impacted by the losses incurred by certain of our Subsidiaries, Trent Hypermarket Limited and Landmark Limited. As of the nine month period ending December 31, 2011, our retail operations continue to face a difficult operating environment in terms of customer sentiment and demand thereby impacting sales growth and realized gross margins. This together with the winding down of the Fashion Yatra format, restructuring exercise with respect to our Sisley franchise arrangement and the attempt to remodel our Landmark format into a family entertainment format, are expected to adversely impact results in the near term. We cannot assure you that the adverse impact of the above factors would be solely restricted to the period ending March 31, 2012. Any such continued impact in future periods could have an adverse effect on our business, financial condition and results of operations.

External Risks

29. ***Our business and activities will be regulated by the Competition Act, 2002, and any application of the Competition Act, 2002, to us could have a material adverse effect on our business, financial condition and results of operations.***

The Competition Act, 2002 (the "**Competition Act**") is designed to prevent business practices that have an appreciable adverse effect on competition in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and attracts substantial monetary penalties. Any agreement which directly or indirectly determines purchase or sale prices, limits or controls production, shares the market by way of geographical area, market or number of customers in the market is presumed to have an appreciable adverse effect on competition. Further, if it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the contravention and liable to be punished.

On March 4, 2011 the Government of India notified and brought into force the Combination Regulation (Merger Control) Provisions under the Competition Act with effect from June 1, 2011. The combination regulation provisions require that acquisition of shares, voting rights, assets or control or mergers or amalgamations which cross the prescribed asset and turnover based thresholds shall be mandatorily notified to and pre-approved by the Competition Commission of India (**"CCI"**). In addition, on May 11, 2011, the CCI issued the final Competition Commission of India (Procedure in regard to the Transaction of Business relating to Combinations) Regulations, 2011, which sets out the mechanism for implementation of the combination regulation provisions under the Competition Act.

The effect of the Competition Act on the business environment in India is unclear. If we are affected, directly or indirectly, by any provision of the Competition Act, or its application or interpretation, including any enforcement proceedings initiated by the Competition Commission and any adverse publicity that may be generated due to scrutiny or prosecution by the Competition Commission, it may have a material adverse effect on our business, financial condition and results of operations.

30. ***Public places, such as malls in which our stores are located, could be targets for unforeseen acts of violence (including terrorist acts and riots), which may adversely impact our business.***

Any acts of violence (including terrorist acts and riots) in public places, such as malls in which our retail stores are located, could cause damage to life and property, and also impact consumer sentiment and their willingness to visit public places, which may adversely impact our business. The financial impact of the aforesaid risk cannot be reasonably quantified.

31. ***We rely on various external partners on whom absolute control is not possible.***

We rely upon a large number of suppliers to provide us with products and services. If products are not obtained in a timely manner from suppliers or if the supply of such products is discontinued, our business, financial condition and results of operations may be adversely affected.

32. ***Taxes imposed by Central Government and multiplicity of local taxes and levies, including octroi and value added tax, impact the growth of organized retail and changes in these local taxes and levies may have a material adverse effect on our business, financial condition and results of operations.***

Each state in India has different local taxes and levies, including octroi and value added tax, which enhances the complexity for organized retailers to operate in these states as well as adds to such retailers' costs. The incidence of levies on various products may lead to organized retailers functioning at a sub-optimal level, adversely impacting their competitiveness against unorganized players. Changes in these local taxes and levies may have a material adverse effect on our business, financial condition and results of operations. New taxes proposed by State/Central Government, the implementation of Goods and Services Tax (GST), introduction of excise duty on manufacture of branded apparels and the uncertainty thereof may also materially increase the complexity of our operations and adversely impact the profitability of our business.

33. ***Levy of service tax on rentals may have a material adverse effect on our business, financial condition and results of operations.***

The Central Government, in 2007, imposed a service tax on rentals received by landlords. This was contested by certain retail companies as being unconstitutional. In April 2008, the Delhi High Court delivered a judgement in favour of such retail companies. Thereafter, the Government of India challenged such judgement and such appeal is currently pending with the Supreme Court of India. In the interim, the Supreme Court has directed that 50% of the disputed service tax be deposited with the Government of India and the payment of the remaining 50% of the disputed service tax be assured by the concerned companies. Also, the Government of India has made certain changes in the related service tax provisions in the budget for 2010-11. We have made provisions in the books of accounts in respect of all properties where we are contractually obligated to reimburse service tax on rentals to landlords, however no provisions have been made in case of properties where there is no explicit contractual obligation to reimburse service tax. In several cases, landlords of properties (where there is no explicit contractual obligation to reimburse service tax) have raised demands relating to service tax, which we have disputed. The incidence of such service tax on rentals and unfavourable settlement of above disputes, including in respect of prior periods and in excess of the provisions we carry could materially impact the costs incurred by the Company in taking on properties and may have a material adverse effect on our business, financial condition and results of operations.

34. ***Our financial performance may be affected by economic conditions.***

Our financial performance depends in part upon the spending patterns of consumers, which, in turn, depends upon overall economic conditions especially in areas such as lifestyle products. Any adverse impact on the Indian economy may have a material impact on the consumer spend and thus on our financial condition and results of operations. Retail companies lease properties from investors who, in turn, borrow and invest in real estate. The yield available on the lease of properties is therefore dependent on the interest rates in the economy. Any change in the banking policy regarding financing of real estate or rates of interest could impact the availability of properties for retailing and thus have a material adverse effect on our business.

35. ***If we are unable to attract and retain qualified personnel, our results of operations may be adversely affected.***

Companies in the retail sector compete with companies in other emerging service sectors, such as telecommunications and information technology, to hire and retain quality personnel in addition to competing against companies within the sector. In addition, the attrition rate of employees, specifically store level employees, is high in the retail industry. Hence, availability of trained manpower poses a key risk for the retail sector, generally, and to our business, in particular. Furthermore, there will be further pressure on existing retail companies as new entrants look for trained manpower at various levels. If we are unable to attract and retain qualified personnel, or in the event we lose employees at a high rate or we cannot recruit fresh talent our results of operations may be adversely affected.

36. Multiplicity of legislations impact the growth of organized retail.

Companies in the retail sector are subject to multiple laws and regulations. Multiple licenses and clearances are required before a store can be opened. Thereafter, stringent laws pertaining to labour conditions, hours of work, *etc.* limit flexibility in operations, add to the overall cost of doing business and can impact operations.

37. We are subject to regulatory risks and changes in law which may adversely affect our business.

Our operations are subject to regulations framed by various regulatory authorities in India and other jurisdictions, including regulations relating to foreign investment in India. Compliance with many of the regulations applicable to us across jurisdictions, including any restrictions on investments and other activities currently being carried out by our Company, involves a number of risks, particularly in areas where applicable regulations may be subject to interpretation. If the interpretation of the regulators and/or other competent authorities varies from our interpretation, we may be subject to penalties and our business could be adversely affected.

We are also subject to changes in Indian laws, regulations and accounting principles. There can be no assurance that these laws will not change in the future or that such changes or the interpretation or enforcement of existing and future laws and rules by governmental and regulatory authorities will not adversely affect our business and future financial performance.

Further, foreign investment in multi-brand retail in India is currently prohibited and in single-brand retail is restricted and subject to fulfillment of certain conditions and the prior approval of the Government. Any change thereof in the relevant regulations may require us to take cognizance of such change and revisit relevant strategic alliance arrangements as appropriate, under the applicable regulatory framework, and modify our strategy subject to prevailing regulations with respect to various retail formats and ownership structure.

38. Terrorist attacks or war or conflicts involving countries in which we operate or where our customers are located could adversely affect the financial markets and adversely affect our business.

Terrorist attacks and other acts of violence, war or conflicts, particularly those involving India, as well as the U.S. and the EU, may adversely affect Indian and worldwide financial markets. Such acts may negatively impact business sentiment, which could adversely affect our business and profitability. India has from time to time experienced and continues to experience, social and civil unrest, terrorist attacks and hostilities with neighbouring countries. Also, some of India's neighbouring countries have experienced, or are currently experiencing internal unrest. Such events could also create a perception that investments in companies such as ours involve a higher degree of risk than investments in companies in other countries. This, in turn, could have a material adverse effect on the market for securities in India, including our Equity Shares. The consequences of any armed conflicts are unpredictable, and we may not be able to foresee events that could have an adverse effect on our business.

39. We are subject to risks arising from interest rate fluctuations, which could adversely affect our business, financial condition and results of operations.

Changes in interest rates could significantly affect our business, financial condition and results of operations. If the interest rates for our existing or future borrowings increase significantly, our cost of funds will increase. This may adversely impact our results of operations, planned capital expenditures and cash flows. Although we may in the future enter into hedging arrangements against interest rate risks, there can be no assurance that these arrangements will successfully protect us from losses due to fluctuations in interest rates.

40. Natural calamities could have a negative impact on the Indian economy and on our business.

India, Bangladesh, Indonesia and other Asian countries have experienced natural calamities such as earthquakes, floods, droughts and a *tsunami* in recent years. Some of these countries have also experienced pandemics. Prolonged spells of abnormal rainfall and other natural calamities could have an adverse impact on the economies in which we have operations, which could adversely affect our business and the price of our Equity Shares.

41. Changes in the economic policies of the Government of India or political instability may adversely affect our business and financial condition.

The role of the Indian central and state governments in the Indian economy has remained significant over the years. Since 1991, the Government has pursued policies of economic liberalisation, including significantly relaxing restrictions on the private sector. There can be no assurance that these liberalisation policies will continue in the future. The rate of economic liberalisation could change and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investments in Indian companies could change as well. A significant change in India's economic liberalisation and deregulation policies could adversely affect business and economic conditions in India generally and our business in particular.

The current Government is a coalition of several parties. The withdrawal of one or more of these parties could result in political instability. Any political instability could delay the reform of the Indian economy, which could materially adversely impact our business.

Risks relating to this Issue

42. There may not be an active or liquid market for our Equity Shares, which may cause the price of the Equity Shares to fall and may limit your ability to sell the Equity Shares.

The Issue Price of the Equity Shares being issued in this Issue will be determined by us in consultation with the BRLMs based on the Bids received in compliance with Chapter VIII of the SEBI Regulations, and it may not necessarily be indicative of the market price of the Equity Shares after this Issue is complete. You may be unable to resell your Equity Shares at or above the Issue Price and, as a result, you may lose all or part of your investment. The price at which the Equity Shares will trade after this Issue will be determined by the market place and may be influenced by many factors, including:

- our financial results and the financial results of the companies in the businesses we operate in;
- the history of, and the prospects for, our business and the sectors and industries in which we compete;
- an assessment of our management, our past and present operations, and the prospects for, and timing of, our future revenues and cost structures;
- the present state of our development; and
- the valuation of publicly traded companies that are engaged in business activities similar to ours.

In addition, the Indian stock market has from time to time experienced significant price and volume fluctuations that have affected the market prices for the securities of Indian companies. As a result, investors in the Equity Shares may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects.

43. There is no guarantee that the Equity Shares being issued in this Issue will be available for trading on the BSE or the NSE in a timely manner or at all, and any trading closure at the BSE or the NSE may adversely affect the trading price of our Equity Shares.

Pursuant to Indian regulations, certain actions must be completed before the Equity Shares being issued in this Issue can be listed and trading may commence. In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted until those Equity Shares have been issued and allotted. Prior to issuance of listing and trading approvals, the Stock Exchanges will require all other relevant documents authorising the issuance of Equity Shares to be submitted. There could be a delay or failure in listing the Equity Shares on the BSE and the NSE. Any failure or delay in obtaining these approvals would restrict your ability to dispose of your Equity Shares.

The BSE and the NSE have, in the past, experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on, the BSE or the NSE could adversely affect the trading price of the Equity Shares. Historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future.

44. Our stock price may be volatile, and you may be unable to resell your Equity Shares at or above the Issue price or at all.

The market price of our Equity Shares after this Issue will be subject to significant fluctuations in response to, amongst other factors,

- variations in our operating results and the performance of our business;
- adverse media reports about us or our industry;
- regulatory developments in our target markets affecting us, our clients or our competitors;
- market conditions and perception specific to our industry;
- changes in financial estimates by securities research analysts;
- loss of one or more significant clients;
- the performance of the Indian and global economy;
- significant developments in India's economic liberalisation and deregulation policies and the fiscal regime; and
- volatility in the Indian and global securities markets.

Many of these factors are beyond our control. There has been recent volatility in the Indian stock markets and the price of the Equity Shares could fluctuate significantly as a result of such volatility in the future.

45. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

We are subject to a daily "circuit breaker" imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The maximum movement allowed in the price of the Equity Shares before the circuit breaker is triggered is determined by the Stock Exchanges based on the historical volatility in the price and trading volume of the Equity Shares.

The Stock Exchanges do not inform us of the triggering point of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

46. Future issues or sales of Equity Shares by us may significantly affect the trading price of the Equity Shares.

A future issue of Equity Shares by us or the disposal of Equity Shares by any of our major shareholders, or the perception that such issues or sales may occur, may significantly affect the trading price of the Equity Shares. Other than the obtaining of consent from shareholders and any regulatory consent that may be required under applicable law, there are no restrictions on our ability to issue Equity Shares, and there can be no assurance that we will not issue Equity Shares in the future.

47. Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.

The Indian securities markets are smaller than securities markets in more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced recent volatility, with the BSE index declining by almost 50% over the second half of 2008 and early part of 2009 and showing significant increases thereafter. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected.

48. An investor will not be able to sell any of the Equity Shares purchased in this Issue other than across a recognised Indian stock exchange for a period of one year from the date of the allotment of the Equity Shares.

As provided in the SEBI Regulations, QIBs purchasing Equity Shares in the Issue may only sell such Equity Shares on the Stock Exchanges and may not enter into any off-market trading in respect of these Equity Shares for a period of one year from the date of Allotment of the Equity Shares in the Issue. We cannot assure you that this restriction will not have an effect on the selling price of the Equity Shares issued in this Issue.

MARKET PRICE INFORMATION AND OTHER INFORMATION CONCERNING THE EQUITY SHARES

As of December 31, 2011, 2,45,08,291 of our Equity Shares were subscribed and fully paid up. Our Company's Equity Shares have been listed on BSE and NSE since December, 1982 and June, 2004, respectively. The tables below set forth, for the periods indicate the high, low and average market prices and the trading volumes on BSE and NSE for our Company's Equity Shares.

The following tables set forth the reported high and low of closing market prices of our Equity Shares (of face value of ₹10 each) on the BSE and the NSE and the number of Equity Shares traded on the days such high and low prices were recorded, for the Fiscal years 2009, 2010 and 2011.

BSE

Fiscal Year	High (₹)	Date of High	Number of Equity Shares traded on date of high	Volume on date of high (₹ in crores)	Low (₹)	Date of Low	Number of Equity Shares traded on date of low	Volume on date of low (₹ in crores)	Average price for the year (₹)*
2009	545.9	12-Aug-08	194,003	10.7	252.5	28-Nov-08	2,896	0.1	408.3
2010	908.1	30-Dec-09	8,616	0.8	316.1	28-Apr-09	399	0.0	629.4
2011	1,166.7	6-Sep-10	93,587	11.0	764.2	10-Feb-11	1,316	0.1	918.5

Source: Market price information is sourced from www.bseindia.com. Notes: High and low prices are of the daily closing prices.

NSE

Fiscal Year	High (₹)	Date of High	Number of Equity Shares traded on date of high	Volume on date of high (₹ In crores)	Low (₹)	Date of Low	Number of Equity Shares traded on date of low	Volume on date of low (₹ In crores)	Average price for the year (₹)*
2009	545.2	12-Aug-08	276,904	15.4	258.2	28-Nov-08	7,097	0.2	409.2
2010	908.0	30-Dec-09	15,240	1.4	316.1	28-Apr-09	843	0.0	630.4
2011	1,167.5	6-Sep-10	212,352.0	25.0	768.0	9-Feb-11	4,324.0	0.3	918.9

Source: Market price information is sourced from www.nseindia.com. Notes: High and low prices are of the daily closing prices.

The following tables set forth the reported high and low closing prices of our Equity Shares on the BSE and the NSE, the number of Equity Shares traded on the days such high and low prices were recorded and the volume of securities traded in each month during the last six months preceding the date of filing of this Placement Document.

BSE

Month, Year	High (₹)	Date of High	Number of Equity Shares traded on date of high	Volume on date of high (₹In crores)	Low (₹)	Date of Low	Number of Equity Shares traded on date of low	Volume on date of low (₹ In crores)	Average price for the month (₹)*
Sep, 2011	1,168.0	7-Sep-11	2,144	0.2	1062.5	26-Sep-11	3,331	0.4	1,105.6
Oct, 2011	1,100.2	28-Oct-11	2,461	0.3	1028.8	24-Oct-11	449	0.0	1,063.5
Nov, 2011	1,074.1	2-Nov-11	2,081	0.2	966.0	23-Nov-11	4,291	0.4	1,019.9
Dec, 2011	996.7	1-Dec-11	3,780	0.4	832.7	20-Dec-11	1,925	0.2	894.3
Jan, 2012	900.6	25-Jan-12	4,929	0.4	815.1	6-Jan-12	12,453	1.0	849.5
February, 2012	951.7	15-Feb-12	8,559	0.8	863.8	01-Feb-12	1,752	0.2	918.1

** Average of the daily closing prices*
Source: Market price information is sourced from www.bseindia.com.
Notes: High and low prices are of the daily closing prices. In case of two days with the same closing price, the date with higher volume has been considered.

NSE

Month, Year	High (₹)	Date of High	Number of Equity Shares traded on date of high	Volume on date of high (₹ In crores)	Low (₹)	Date of Low	Number of Equity Shares traded on date of low	Volume on date of low (₹ In crores)	Average price for the month (₹)*
September, 2011	1,166.7	7-Sep-11	10,507	1.2	1060.2	26-Sep-11	32,182	3.4	1,106.3
October, 2011	1,105.7	28-Oct-11	9,483	1.0	1033.5	24-Oct-11	12,201	1.3	1,063.4
November, 2011	1,068.6	1-Nov-11	3,664	0.4	963.7	23-Nov-11	7,358	0.7	1,019.2
December, 2011	995.0	2-Dec-11	7,440	0.7	834.0	19-Dec-11	4,305	0.4	895.2
January, 2012	900.3	25-Jan-12	13,723	1.2	811.2	6-Jan-12	64,379	5.4	849.0
February, 2012	950.3	15-Feb-12	11,736	1.1	865.0	01-Feb-12	53,761	4.7	917.9

** Average of the daily closing prices*
Source: market price information is sourced from www.nseindia.com.
Notes: High and low prices are of the daily closing prices. In case of two days with the same closing price, the date with higher volume has been considered.

The following table sets forth the market price of our Equity Shares on the Stock Exchanges on September 30, 2011, the first working day following the day of the Board meeting approving the Issue.

BSE						NSE					
Open	High	Low	Close	Number of Equity Shares traded	Volume (₹In crores)	Open	High	Low	Close	Number of Equity Shares traded	Volume (₹In crores)
1100.0	1104.0	1087.0	1099.6	10,921	1.20	1110.0	1110.0	1086.0	1099.7	16,123	1.77

Source: www.nseindia.com; www.bseindia.com

Details of the number of Equity Shares and the volumes of business transacted during the last six months on the Stock Exchanges are given below.

Month	BSE		NSE	
	Volume (No. of Equity Shares)	Turnover (in ₹crores)	Volume (No. of Equity Shares)	Turnover (in ₹crores)
September, 2011	1,69,219	18.7	3,88,155	42.8
October, 2011	44,101	4.7	1,16,044	12.3
November, 2011	3,79,191	38.3	4,21,772	43.5
December, 2011	47,270	4.3	1,65,361	15.0
January, 2012	1,00,687	8.7	4,03,151	34.7
February, 2012	174,415	16.3	4,85,417	44.6

Source: www.nseindia.com; www.bseindia.com

USE OF PROCEEDS

The total proceeds of the Issue will be ₹ 250 crores. After deducting the Issue expenses of approximately ₹ 5.25 crores, the net proceeds of the Issue will be approximately ₹ 244.75 crores.

Subject to compliance with applicable laws and regulations, our Company intends to use the net proceeds of the Issue primarily towards our expansion plans including setting up of retail stores (capital expenditure, deposits and other related expenditure), investments in certain retail real estate developments, general corporate purposes including working capital requirements and any other purposes as may be permissible under applicable law. The proceeds of the Issue may also be committed directly or indirectly by our Company, its Subsidiaries, Joint Ventures or Associates (through equity, debt instruments or loans, or a combination of any of them) for the above purposes.

In accordance with the decision of our Board, our management will have flexibility in deploying the proceeds received by our Company from the Issue. Pending utilization of the Net Proceeds for the purposes described above, the Company intends to invest the funds in high quality, interest/dividend bearing liquid instruments, including deposits with banks or financial institutions and other money market/short term instruments. Our Company may also deploy the proceeds of the Issue to reduce exposure to working capital borrowings from banks and financial institutions.

CAPITALISATION AND INDEBTEDNESS

The following table sets forth our Company's indebtedness and capitalisation as of March 31, 2011 and December 31, 2011, on an actual and on an adjusted basis, to give effect to the Issue and Allotment of Equity Shares by us in this Issue at the Issue Price.

This capitalisation table should be read together with "*Selected Financial Information of our Company*", "*Risk Factors*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", and the "*Financial Statements*" and related notes included elsewhere in this Placement Document.

	As on March 31, 2011 (₹in lakhs)	As on December 31, 2011 (₹in lakhs)	
	Unadjusted	**Unadjusted**	**As Adjusted for the Issue**
Indebtedness			
Secured Loans			
Non Convertible Debentures	10,000.00	10,000.00	10,000.00
Sub Total (A1)	**10,000.00**	**10,000.00**	**10,000.00**
Unsecured Loans			
Non Converitble Debentures	17,500.00	12,500.00	12,500.00
Other	-	1,500.00	1,500.00
Sub Total (A2)	17,500.00	14,000.00	14,000.00
Total Indebtedness (A=A1+A2)	**27,500.00**	**24,000.00**	**24,000.00**
Shareholders' Funds			
Equity Share Capital*	2,005.69	2,450.83	2,724.95
Preference Share Capital#	1,590.28	1,145.14	1,145.14
Sub Total (B1)	**3,595.97**	**3,595.97**	**3,870.09**
Reserves and Surplus			
Securities Premium Account	75,342.22	75,342.22	1,00,068.10
Other Reserves and Surplus	29,257.17	32,017.24	32,017.24
Sub Total (B2)	**1,04,599.39**	**1,07,359.46**	**1,32,085.34**
Total Shareholders' Funds (B= B1 + B2)	**1,08,195.36**	**1,10,955.43**	**1,35,955.43**
Total Capitalisation (A+B)	**1,35,695.36**	**1,34,955.43**	**1,59,955.43**

** As of December 31, 2011, our Company's equity share capital comprised 2,45,08,291 Equity Shares, having increased from 2,00,56,877 Equity Shares on account of conversion of 44,51,414 cumulative compulsorily convertible preference shares of ₹10 each into 44,51,414 Equity Shares*

 # As of December 31, 2011, our Company's preference share capital comprised 44,51,414 cumulative compulsorily convertible preference shares of ₹10 each and 70,000 cumulative redeemable Preference Shares of ₹1,000 each. Our Company's preference share capital decreased from ₹1,590.28 to ₹1,145.14 on account of conversion of 44,51,414 cumulative compulsorily convertible preference shares of ₹10 each into 44,51,414 Equity Shares.

DIVIDEND POLICY

Under the Companies Act, unless the Board recommends the payment of dividend, the shareholders at a general meeting have no power to declare any dividend. The shareholders at a general meeting may declare a lower, but not higher, rate of dividend than that recommended by the Board. Dividends are generally declared as a percentage of the par value of the Equity Shares. The dividend recommended by the Board and approved by the shareholders at a general meeting is distributed and paid to shareholders in proportion to the paid-up value of their Equity Shares as on the record date/ book closure date fixed for payment of such dividend. In addition, if permitted by the Company's Articles of Association, the Board may declare and pay interim dividends. Under the Companies Act, dividends can only be paid in cash to shareholders listed on the register of shareholders on the date which is specified as the "record date" or "book closure date". No shareholder is entitled to a dividend while any lien in respect of unpaid calls on any of such shareholder's shares is outstanding.

The following table details the dividend declared by our Company on the Equity Shares for FY 2009, 2010 and 2011:

Particulars	March 31, 2009	March 31, 2010	March 31, 2011
Face value per Equity Share (in ₹)	10.00	10.00	10.00
Rate of Dividend (%)	55%	65%	75%
Dividend per Equity Share (in ₹)	5.5	6.50	7.50
Total Dividend declared (₹ in lakhs)	1074.31	1,302.28	1,505.69
Tax on Total Dividend paid (₹ in lakhs)	182.20	216.29	244.27

The amounts paid as dividend in the past are not necessarily indicative of the dividend amounts, if any, payable or to be paid in the future.

The following table details the dividend declared by our Company on its reedemable Preference Shares for the Financial Years ended March 31, 2010 and 2011:

Particulars	March 31, 2010	March 31, 2011
Face value of redeemable Preference Shares (in ₹)	1000.00	1000.00
Rate of dividend (%)	0.1%	0.1%
Dividend per redeemable Preference Share (in ₹)	1.00	1.00
Total dividend declared (₹ in lakhs)	0.01	0.70
Tax on total dividend paid (₹ in lakhs)	0.00	0.11

The following table details the dividend declared by our Company on the compulsory convertible preference shares Series A for the Financial Year ended March 31, 2011:

Particulars	March 31, 2011
Face Value of CCPS Series A (in ₹)	10.00
Rate of dividend (%)	0.1%
Dividend per CCPS Series A (in ₹)	0.01
Total dividend declared (₹ In lakhs)	0.26
Tax on total dividend paid (₹ in lakhs)	0.04

The following table details the dividend provided for by our Company on the compulsory convertible preference shares Series B for the Financial Year ended March 31, 2011

Particulars	March 31, 2011
Face Value of CCPS Series B (in ₹)	10.00
Rate of dividend (%)	0.1%
Dividend per CCPS Series B (in ₹)	0.01
Total dividend provided for (₹ In lakhs)	0.26
Tax on total dividend (₹ in lakhs)	0.04

SUMMARY FINANCIAL INFORMATION

The following consolidated and standalone summary financial data for the Financial Years ended March 31, 2009, 2010 and 2011 should be read in conjunction with our Audited Consolidated Financial Statements and our Company's Audited Standalone Financial Statements, respectively, on pages F-45 and F-2, respectively, of this Placement Document.

The summary consolidated and standalone income statement data, balance sheet data and cash flow statement data as at and for each of the Financial Years ended March 31, 2009, 2010 and 2011 and set forth below has been derived from our Audited Consolidated Financial Statements and our Company's Audited Standalone Financial Statements, respectively and the respective schedules thereto for the Financial Years ended March 31, 2009, 2010 and 2011, which have been prepared in accordance with the principles of Indian GAAP, as applicable at the time of their initial preparation, and have been audited by N. M. Raiji & Co, Chartered Accountants, our Company's statutory auditors, and appears on page F-1 of this Placement Document.

Consolidated Balance Sheet

		31.03.2011 ₹ in lakhs	31.03.2010 ₹ in lakhs	31.03.2009 ₹ in lakhs
	SOURCES OF FUNDS :			
1.	SHAREHOLDERS' FUNDS:			
	(a) Capital	**3,595.97**	2,703.51	1,953.29
	(b) Reserves and Surplus	**95,978.18**	56,631.08	57,950.02
		99,574.15	59,334.59	59,903.31
2.	MINORITY INTEREST	**1,456.55**	1,952.25	80.08
3.	LOAN FUNDS:			
	(a) Secured Loans	**12,626.50**	12,855.33	20,556.31
	(b) Unsecured Loans	**18,058.26**	13,520.17	5.24
		30,684.76	26,375.50	20,561.55
4.	TOTAL FUNDS EMPLOYES	**1,31,715.46**	87,662.34	80,544.94
	APPLICATION OF FUNDS:			
5.	FIXED ASSETS:			
	(a) Gross Block	**76,562.46**	53,074.62	42,528.25
	(b) Less: Depreciation	**11,335.29**	8,289.53	6,197.13
	(c)Net Block	**65,227.17**	44,785.09	36,331.12
	(d) Capital Work-in-Progress	**4,970.40**	3,297.45	1,386.92
		70,197.57	48,082.54	37,718.04
6.	INVESTMENTS	**13,528.50**	18,104.71	24,208.80
7.	DEFERRED TAX ASSET (NET)	**2,656.78**	157.95	98.28
8.	CURRENT ASSETS, LOANS AND ADVANCES:			
	(a) Inventories	**29,615.00**	20,928.58	17,512.09
	(b) Sundry Debtors	**2,487.96**	1,552.24	1,333.07
	(c)Cash and Bank Balances	**32,333.04**	4,373.11	1,938.85
	(d) Loans and Advances	**27,390.33**	24,524.17	21,553.62
		91,826.33	51,378.10	42,337.63
9.	Less: CURRENT LIABILITIES AND PROVISIONS :			
	(a) Liabilities	**32,350.62**	23,900.66	18,395.71
	(b) Provisions	**14,143.10**	6,160.30	5,422.66
		46,493.72	30,060.96	23,818.37
10.	NET CURRENT ASSETS	**45,332.61**	21,317.14	18,519.26
11.	Miscellaneous Expenditure (to the extent not written off or adjusted)	**-**	-	0.56
12.	TOTAL ASSETS (NET)	**1,31,715.46**	87,662.34	80,544.94

TRENT LIMITED
A TATA ENTERPRISE

Consolidated Profit & Loss Account

	2010-11 ₹ in lakhs	2009-10 ₹ in lakhs	2008-09 ₹ in lakhs
INCOME :			
1. INCOME FROM OPERATIONS	**1,59,224.42**	1,12,046.07	85,088.59
2. OTHER INCOME	**3,664.50**	1,714.44	3,432.89
3. TOTAL INCOME	**1,62,888.92**	1,13,760.51	88,521.48
EXPENDITURE:			
4. OPERATING AND OTHER EXPENSES	**1,57,985.90**	1,10,687.64	85,913.64
5. DEPRECIATION	**3,185.88**	2,208.49	1,593.77
	1,61,171.78	1,12,896.13	87,507.41
6. INTEREST	**931.77**	788.25	958.74
7. TOTAL EXPENDITURE	**1,62,103.55**	1,13,684.36	88,466.15
PROFIT BEFORE TAXES AND EXCEPTIONAL ITEM	**785.37**	76.13	55.33
8. EXCEPTIONAL INCOME/ (EXPENSES)	**(84.00)**	836.71	-
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXES	**701.37**	912.84	55.33
9. PROVISION FOR TAXATION			
CURRENT TAX	**1,807.49**	832.20	213.42
(EXCESS)/SHORT TAX PROVISION FOR PRIOR YEARS (NET)	**(1,501.79)**	(78.15)	(151.63)
MAT CREDIT ENTITLEMENT	**(808.24)**	(302.95)	(126.30)
FRINGE BENEFIT TAX	**-**	-	97.60
DEFERRED TAX	**1,056.44**	315.70	0.32
	553.90	766.80	33.41
PROFIT BEFORE EXTRA ORDINARY ITEM	**147.47**	146.04	21.92
10. EXTRA ORDINARY ITEM (NET OF TAX)	**105.98**	-	-
PROFIT AFTER EXTRA ORDINARY ITEM BEFORE MINORITY INTEREST	**253.45**	146.04	21.92
11. LESS: MINORITY SHARE OF PROFIT /(LOSS)	**(495.72)**	(15.00)	(6.48)
12. LESS: PRE ACQUISTION PROFIT / (LOSS)	**-**	5.54	(75.56)
NET PROFIT AFTER MINORITY INTEREST	**749.17**	**155.50**	103.96
BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR	**(1,658.44)**	607.65	3,528.57
BROUGHT FORWARD LOSS ARISING OUT OF AMALGAMATION	**(349.94)**	-	-
PROFIT AVAILABLE FOR APPROPRIATION	**(1,259.21)**	763.14	3,632.53
13. **APPROPRIATIONS:**			
(i) GENERAL RESERVE	**500.00**	403.00	268.00
(ii) DEBENTURE REDEMPTION RESERVE	**500.00**	500.00	1,500.00
(iii) DIVIDEND PAID – EQUITY SHARES	**1.42**	-	-
(iv) PROPOSED DIVIDEND – EQUITY SHARES	**1,504.27**	1,302.28	1,074.31
(v) PROPOSED DIVIDEND – PREFERENCE SHARES	**1.23**	0.01	-
(vi) TAX ON DIVIDEND	**244.46**	216.29	182.58
(vii) BALANCE CARRIED TO BALANCE SHEET	**(4,010.59)**	(1,658.44)	607.64
	(1,259.21)	**763.14**	3,632.53
14. Earnings Per Share Before Extra Ordinary Item (₹)			
Basic	**3.20**	0.79	0.53
Diluted	**2.92**	0.79	0.53
15. Earnings Per Share After Extra Ordinary Item (₹)			
Basic	**3.73**	0.79	0.53
Diluted	**3.41**	0.79	0.53

Consolidated Cash Flow Statement

Sl. No.	Particulars	1.4.2010 to 31.3.2011 ₹ in lakhs	1.4.2009 to 31.3.2010 ₹ in lakhs	1.4.2008 to 31.3.2009 ₹ in lakhs
A	**CASH FLOW FROM OEPRATING ACTIVITIES**			
	Net Profit before Taxes and Exceptional Items	**785.34**	76.14	55.33
	Adjustments for:			
	Depreciation	**3,185.88**	2,208.49	1,593.77
	Provision for doubtful debts written off	**39.63**	54.96	90.93
	Share issue expenses	**-**	-	43.72
	Interest (net)	**(643.64)**	89.82	(179.81)
	Interest on Financing Activity	**-**	6.34	-
	Employee Stock Option	**22.68**	84.76	-
	(Profit)/Loss on Fixed Assets sold/discarded (Net)	**(610.99)**	173.10	225.61
	(Profit)/Loss on sale of Investments	**(499.18)**	(154.86)	(781.16)
	Dimunition in the value of Long Term investment	**-**	0.63	-
	Income From Investments	**(793.58)**	(532.52)	(1,447.98)
	Rent Equalization	**(1.20)**	40.31	36.16
	Discount on Commercial Paper	**-**	225.45	-
	Preliminary Exp w/off	**-**	0.13	-
	Unrealised foreign exchange loss/ (gain)	**39.93**	(17.19)	-
	Excess provision no longer required written back	**(42.22)**	(352.26)	(49.95)
		697.31	1,827.16	(468.71)
	Operating Profit Before Working Capital Changes	**1,482.65**	1,903.30	(413.38)
	Adjustments for :			
	(Increase)/Decrease in Inventories	**(8,686.42)**	(4,335.26)	(2,409.33)
	(Increase)/Decrease in Trade & Other Receivables	**(7,589.66)**	(1,275.94)	(2,287.03)
	Increase/(Decrease) in Trade & Other Payables	**10,481.26**	3,806.68	126.95
		(5,794.82)	(1,804.52)	(4,569.41)
	Cash generated from operations	**(4,312.17)**	98.78	(4,982.79)
	Direct Taxes Paid	**(1,516.65)**	(864.69)	(690.64)
	Net Cash from Operating Activities	**(5,828.82)**	(765.91)	(5,673.43)
B	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of Fixed Assets	**(16,402.51)**	(8,073.44)	(4,993.33)
	Sale of Fixed Assets	**(1,345.63)**	99.85	117.86
	Purchase of Investments	**(213,433.94)**	(133,561.53)	(181,089.64)
	Sale of Investments	**218,446.31**	125,499.94	192,414.48
	Loans given	**(13,000.00)**	(8,285.00)	(3,200.00)
	Repayment of Loans given	**9,772.50**	4,285.00	5,970.99
	Interest received	**1,264.97**	2,022.04	243.22
	Merger Expenses	**(31.92)**	(120.02)	
	Income from Investments	**793.58**	523.73	1,462.09
	Net Cash Used in Investing Activities	**(13,936.64)**	(17,609.43)	10,925.67
C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Issue of securities	**71,467.74**	24,349.41	10,000.00

Sl. No.	Particulars	1.4.2010 to 31.3.2011 ₹ in lakhs	1.4.2009 to 31.3.2010 ₹ in lakhs	1.4.2008 to 31.3.2009 ₹ in lakhs
	Redemption of Securities (Including Premium)	**(14,149.37)**	(5,663.35)	
	Issue expenses on securities	**(660.77)**	(19.38)	(73.98)
	Unclaimed Securities application money	**17.64**	(0.89)	(5.08)
	Long Term & Other borrowings	**(505.45)**	8,198.55	904.49
	Repayment of Long Term & Other borrowings	**(6,407.54)**	(2,719.57)	(13,113.47)
	Interest Paid	**(688.31)**	(2,116.85)	(1,304.48)
	Dividend Paid	**(1,518.41)**	(1,257.33)	(1,638.76)
	Net Cash from Financing Activities	**47,555.53**	20,770.59	(5,231.28)
D	**EFFECT OF EXCHANGE FLUCTATION ON TRANSLATION RESERVE**	**(0.80)**	(2.56)	32.13
	NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)	**27,789.27**	2,392.69	53.09
	CASH AND CASH EQUIVALENTS AS AT 01.04.2010	**4,373.11**	1,938.85	1,885.76
	Add: Cash and Cash Equivalents taken over on Merger	**170.66**	42.00	-
	Less: Cash balance eliminated on sale of subsidiary	**-**	(0.43)	-
	CASH AND CASH EQUIVALENTS AS AT 31.03.2011	**32,333.04**	4,373.11	1,938.85

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 schedule H to the Balance Sheet.

(iii) Of the above cash and cash equivalents balance the amount of Rs. Nil, (2009-10: Rs. Nil and 2008-09: Rs.85.63 lakhs) is not available for use by the Company as it is under dispute.

(iv) Previous year's figures have been regrouped wherever necessary

TRENT LIMITED
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Standalone Balance Sheet

		31.03.2011 ₹ in lakhs	31.03.2010 ₹ in lakhs	31.03.2009 ₹ in lakhs
	SOURCES OF FUNDS :			
1.	SHAREHOLDERS' FUNDS :			
	(a) Capital	**3,595.97**	2,703.51	1,953.29
	(b) Reserves and Surplus	**1,04,599.39**	61,347.00	58,723.44
		1,08,195.36	64,050.51	60,676.73
2.	LOAN FUNDS:			
	(a) Secured Loans	**10,000.00**	11,550.24	16,550.24
	(b) Unsecured Loans	**17,500.00**	13,501.82	5.24
		27,500.00	25,052.06	16,555.48
3.	Deferred Tax Liability (Net)	**-**	191.82	21.92
4.	TOTAL FUNDS EMPLOYED	**1,35,695.36**	89,294.39	77,254.13
	APPLICATION OF FUNDS:			
5.	FIXED ASSETS:			
	(a) Gross Block	**33,018.79**	26,013.65	13,730.84
	(b) Less: Depreciation	**6,627.06**	5,359.42	4,244.77
	(c)Net Block	**26,391.73**	20,654.23	9,486.07
	(d) Capital Work-in-Progress	**2,783.03**	1,690.29	1,382.62
		29,174.76	22,344.52	10,868.69
6.	INVESTMENTS	**42,496.87**	39,517.59	39,585.16
7.	DEFERRED TAX ASSET (NET)	**2,056.32**	-	
8.	CURRENT ASSETS, LOANS AND ADVANCES:			
	(a) Inventories	**13,057.32**	9,648.33	8,597.50
	(b) Sundry Debtors	**666.18**	308.62	376.28
	(c)Cash and Bank Balances	**30,034.16**	911.69	1,288.27
	(d) Loans and Advances	**46,214.00**	34,235.39	30,959.22
		89,971.66	45,104.03	41,221.27
9.	Less: CURRENT LIABILIITES AND PROVISIONS:			
	(a) Liabilities	**14,127.56**	11,672.61	9,139.66
	(b) Provisions	**13,876.69**	5,999.14	5,281.33
		28,004.25	17,671.75	14,420.99
10.	NET CURRENT ASSETS	**61,967.41**	27,432.28	26,800.28
11.	TOTAL ASSETS (NET)	**1,35,695.36**	89,294.39	77,254.13

Standalone Profit & Loss Account

		2010-11 ₹ in lakhs	2009-10 ₹ in lakhs	2008-09 ₹ in lakhs
INCOME :				
1.	INCOME FROM OPERATIONS	**71,671.21**	58,748.10	51,460.91
2.	OTHER INCOME	**5,142.93**	2,251.73	3,198.88
3.	TOTAL INCOME	**76,814.14**	60,999.83	54,659.79
EXPENDITURE:				
4.	OPERATING AND OTHER EXPENSES	**68,349.28**	55,362.51	50,777.55
5.	DEPRECIATION	**1,362.65**	1,185.09	923.34
		69,711.93	56,547.60	51,700.89
6.	INTEREST	**784.29**	604.82	131.30
7.	TOTAL EXPENDITURE	**70,496.22**	57,152.42	51,832.19
PROFIT BEFORE TAXES AND EXCEPTIONAL ITEM		**6,317.92**	3,847.41	2,827.60
8.	EXCEPTIONAL INCOME/ (EXPENSES)	**(284.00)**	1,137.59	-
PROFIT BEFORE TAXES		**6,033.92**	4,985.00	2,827.60
9.	PROVISION FOR TAXATION			
	CURRENT TAX	**1,223.73**	814.69	196.39
	(EXCESS)/SHORT TAX PROVISION FOR PRIOR YEARS (NET)	**7.59**	(94.04)	154.89
	MAT CREDIT ENTITLEMENT	**(808.24)**	(302.95)	(126.30)
	FRINGE BENEFIT TAX		-	65.00
	DEFERRED TAX	**1,307.13**	545.27	171.85
		1,730.21	962.97	461.83
PROFIT FOR THE YEAR AFTER TAXES		**4,303.71**	4,022.03	2,675.55
10.	BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR	**3,726.79**	2,053.67	2,402.63
11.	BALANCE TRANSFERRED ON AMALGAMATION	**-**	72.67	-
PROFIT AVAILABLE FOR APPROPRIATION		**8,030.50**	6,148.37	5,078.18
12.	**APPROPRIATIONS:**			
	(i) GENERAL RESERVE	**500.00**	403.00	268.00
	(ii) DEBENTURE REDEMPTION RESERVE	**500.00**	500.00	1,500.00
	(iii) DIVIDEND PAID – EQUITY SHARES	**1.42**	-	
	(iv) PROPOSED DIVIDEND – EQUITY SHARES	**1,504.27**	1,302.28	1,074.31
	(v) PROPOSED DIVIDEND – PREFERENCE SHARES	**1.23**	0.01	-
	(vi) TAX ON DIVIDEND	**244.46**	216.29	182.20
	(vii) BALANCE CARRIED TO BALANCE SHEET	**5,279.12**	3,726.79	2,053.67
		8,030.50	6,148.37	5,078.18
14.	**Earning Per share (₹)**			
	Basic	**21.46**	20.53	13.70
	Diluted	**19.60**	20.41	13.70

Standalone Cash Flow Statement

		1.4.2010 to 31.03.2011 ₹ in lakhs	1.4.2009 to 31.03.2010 ₹ in lakhs	1.4.2008 to 31.03.2009 ₹ in lakhs
A	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net Profit before Taxes and Exceptional Items	**6,317.92**	3847.42	2827.60
	Adjustments for :			
	Depreciation	**1,362.65**	1,185.09	923.34
	Provision for doubtful debts & bad debts written off	**29.18**	45.82	60.59
	Interest (net)	**(2,376.70)**	(782.10)	(845.30)
	Employee Stock Option	**22.68**	84.76	-
	(Profit)/Loss on Fixed Assets sold/discarded (Net)	**(724.42)**	82.91	179.41
	Profit on sale of current investment	**(506.11)**	(165.81)	(840.19)
	Excess of Cost over Fair Value of Investments	**-**	0.02	-
	Dividend from Investments	**(740.54)**	(505.35)	(1,332.14)
	Rent Equilisation Reserve	**1.14**	40.31	36.16
	Discount on Commercial Paper	**-**	225.45	-
	Preliminary Expenses written off	**-**	0.13	-
	Excess provisions / Liabilities no longer required written back	**-**	(275.93)	(49.95)
		(2,932.12)	(64.70)	(1,868.08)
	Operating Profit Before Working Capital Changes	**3,385.80**	3,782.71	959.52
	Adjustments for :			
	(Increase)/Decrease in Inventories	**(3,408.98)**	(1,969.61)	(2,738.90)
	(Increase)/Decrease in Trade & Other Receivables	**(2,007.30)**	(131.13)	(2,019.17)
	Increase/(Decrease) in Trade & Other Payables	**1,736.03**	1,573.77	660.95
		(3,680.25)	(526.97)	(4,097.12)
	Cash generated from operations	**(294.45)**	3,255.74	(3,137.60)
	Direct Taxes Paid	**(934.11)**	(726.99)	(394.91)
	Net Cash from Operating Activities	**(1,228.56)**	2,528.75	(3,532.51)
B	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of Fixed Assets	**(8,054.05)**	(3,386.59)	(3,501.11)
	Sale of Fixed Assets	**812.69**	17.46	113.96
	Purchase of Investments	**(210,278.78)**	(118,864.58)	(167,399.93)
	Sale of investments	**212,398.75**	119,156.30	175,588.12
	Loans given	**(23,407.51)**	(15,385.00)	(18,188.00)
	Repayment of Loans given	**9,162.50**	4,793.97	1,125.00
	Interest received	**2,862.72**	1,177.13	421.74
	Merger Expenses	**-**	(120.02)	-
	Dividend From Investments	**740.54**	505.35	1,772.16
	Sale of Business	**-**	-	4,991.46
	Net cash used in Investing Activities	**(15,763.14)**	(12,105.98)	(5,076.00)
C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Issue of securities	**71,467.74**	8,264.01	10,000.00
	Redemption of Securities (Including Premium)	**(14,149.37)**	(5,663.35)	-
	Issue expenses on securities	**(660.77)**	(19.38)	(30.25)
	Unclaimed Securities application money	**17.64**	(0.89)	(5.08)
	Long Term & Other borrowings	**-**	8,165.04	-
	Repayment of Long Term & Other borrowings	**(8,501.82)**	(3.42)	(5.15)
	Interest Paid	**(540.83)**	(380.78)	(130.21)
	Dividend Paid	**(1,518.41)**	(1,266.14)	(1,523.08)
	Net cash from Financing Activities	**46,114.18**	9,095.10	8,306.23
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**29,122.48**	(482.13)	(302.28)
	CASH AND CASH EQUIVALENTS AS AT 01.04.2010	**911.68**	1,288.27	1,335.10
	Add: Cash and Cash Equivalents taken over on Merger	**-**	105.54	-
	Less: Cash and Cash equivalents transferred on sale of business	**-**	-	(255.46)
	CASH AND CASH EQUIVALENTS AS AT 31.03.2011	**30,034.16**	911.68	1,288.27

Note:

i) All figures in brackets are outflows.

ii) Cash and Cash equivalents consists of cash on hand and balances with banks as detailed in Schedule H to the Balance Sheet

iii) Of the above cash and cash equivalents balance the amount of Rs. Nil, (2009-10: Rs. Nil and 2008-09: Rs.85.63 lakhs) is not available for use by the Company as it is under dispute.

iv) Previous year's figures have been regrouped wherever necessary.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read together with the financial information, the notes and significant accounting policies thereto and the reports thereon, in "Financial Information". The financial information, which comprise our consolidated and standalone financial information as of and for, Fiscal Years 2011, 2010, 2009, and the other information included in this Placement Document. The Company's financial statements are prepared in conformity with Indian GAAP. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the 12 months ending March 31 of that year. This section contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those discussed in such forward-looking statements as a result of various factors, including those described under "Risk Factors" and "Forward-Looking Statements". The financial statements presented and discussed in this Placement Document are based on Indian GAAP and the Companies Act.

Overview

Our Company is one of India's leading retailers and is a part of the Tata Group. We run a chain of Westside department stores across the country and are also increasing our foothold in the high volume hyper-market space, through the Star Bazaar format operated by our Subsidiary, Trent Hypermarket Limited. We also have presence in the 'books and entertainment' retailing space through another Subsidiary, Landmark Limited. As of December 31, 2011, our Promoters held 31.80% of our Company, of which 25.66% is held by Tata Sons Limited. The residual shareholding is publicly held.

In addition to the above, our Company operates a few small format stores under the Sisley banner, as a franchisee of Benetton in India. Also, our Company has entered into a joint venture with the Inditex Group of Spain in relation to opening retail stores under the Zara banner in India.

Our Company was originally incorporated as Lakme Limited ("Lakme") on December 5, 1952. Lakme was in the business of manufacturing, sale and export of cosmetics, toiletries and perfumery products. In 1998, Lakme decided to divest from its cosmetics business and decided to pursue the field of apparel retailing, given the absence of established brands in areas like ladies wear, kids wear, household and gift articles. As a result, it was decided that Lakme would establish a strong presence in the apparel and soft goods retailing market by opening a chain of departmental stores across the country, aimed at catering to requirements of customers in men's wear, ladies wear, kids wear, play shop, household, gift shop and lingerie.

Towards this end, in March 1998, Lakme acquired Littlewoods International (India) Private Limited ("LIIPL") from Littlewoods International Limited, U.K. LIIPL was in the business of retailing of readymade garments for men, ladies and children, household and gift items, accessories *etc*. In parallel, with effect from January 1, 1998, Lakme Exports Limited, a subsidiary of Lakme, was amalgamated with LIIPL and the merged entity was named as Trent Limited. Subsequently, with effect from July 1, 1998, Trent Limited was amalgamated with Lakme, and the name of Lakme Limited was changed to Trent Limited.

In October 2004, our Company entered the mass-retailing segment by opening a hypermarket store under the name and style of Star India Bazaar (now known as Star Bazaar), at Ahmedabad. Star Bazaar caters primarily to the SEC B & C population and currently there are 14 operating stores. The model offers a large assortment of products under one roof at prices mostly below Maximum Retail Price (MRP) under the promise of "Chhota Budget Lambi Shopping". The products offered include staples, food, perishables, beverages, cleaning aids, health & beauty products, houseware, consumer durables and apparel. As a part of a portfolio reorganization exercise undertaken by our Company, the Star Bazaar business was transferred to a wholly owned subsidiary, Trent Hypermarket Limited (THL) with effect from August 1, 2008. THL has since entered into a franchise and a wholesale supply arrangement with Tesco Plc. The exclusive franchise agreement is allowing the Star Bazaar business to access Tesco's retail expertise. In August 2005, our Company entered the books and music retail market with the acquisition of 76% share in Landmark, a partnership firm, and acquired a further 3% share in March 2006. With effect from March 31, 2006, Landmark was converted into a limited company, Landmark Limited. Landmark had began operations in 1987 with its first store in Chennai with a floor space of 5500 sq. ft and over time emerged as one of the largest books and music retail chains in the country. In 2008 the residual stake held by the founders was also acquired by Trent together with its Subsidiaries. At present there are 17 large box stores, broadly varying in size from 10,000 sq. ft. to 30,000 sq. ft. Landmark has been introducing newer categories like gaming, technology, accessories and sports merchandize. What separates Landmark from other stores of its kind is the range and depth of its stock. Increasingly, the format is being shaped into a "family entertainment format" with focus on toys, front list adult & children's books, tech accessories & gaming and stationery. Following the induction of the TVS private equity fund as an investor in Landmark, our Company has (together with its Subsidiaries) a shareholding of 75.05%.

Across the various retail formats which we operate, we have over 100 stores with presence in 37 cities, employ over 6,000 people, and have a loyalty membership in the region of over 2.5 million customers.

Through the course of establishing ourselves in the retail space, we have received recognition by way of several awards and honours, such as,

- Brand Leadership Award – India Brand Summit 2003;
- Most Admired Fashion Retail Brand of the Year – Images 2004;
- Most Admired Large Format Retail Chain of the Year – Images 2005;
- Retailer of the year – Department Store Chain – Images 2005;
- The Preferred Chain Store of the year – Apex Awards 2005;
- Business Leadership Award for Retail Category – NDTV Profit Business Leadership Awards 2006;
- For active promotion of TBEM – TBEM 500 2007;
- Retailer of the year – Private Labels – Reid & Taylor 2008;
- Retailer of the year – Private Labels – Reid & Taylor 2009;
- Most Admired Large Format Retail Chain of the Year – Images 2009
- Most Admired Private Label Fashion Retailer of the Year – Images 2010;
- The best leisure store in Chennai – NDTV Hindu awards 2011; and
- Most admired Retailer of the year – Images 2011.

For the year ended March 31, 2011, our total consolidated income was ₹ 1,62,888.92 lakhs and our profit after tax before extraordinary income was ₹ 147.47 lakhs. As at March 31, 2011, our total consolidated assets were ₹1,31,715.46 lakhs and our net worth was ₹99,574.15 lakhs.

Our CAGR of sales for the last three Financial Years is 27.42%.

Significant Developments after March 31, 2011

***Approval for Raising of Long Term Capital Funds**:*

On September 29, 2011, at a meeting of the Board, the Board resolved to seek shareholders' approval through a postal ballot for, among other things, raising funds of up to ₹ 300 crores through a combination of issue of Equity Shares, convertible bonds, debentures, warrants or other equity linked instruments in the domestic markets in one or more tranches. On November 14, 2011, the postal ballot was approved by the shareholders of the Company.

The funds to be raised pursuant to the above shareholders' resolution are expected to be used for financing our expansion plans including investments in certain retail real estate developments, working capital requirements, general corporate purposes and any other purpose as may be permissible under applicable law. The real estate investments or other investments may also be committed directly or indirectly through our Company and / or its Subsidiaries and through our Joint Ventures and Associates.

Rights Issue of the Equity Shares of Trent Hypermarket Limited

Our Company has subscribed to the rights issue of equity shares of THL, a wholly owned Subsidiary of the Company aggregating to ₹ 199.98 crores in January, 2012. THL has since utilized the funds, primarily, to repay loans given earlier by our Company.

Guarantee to THL

The Board has, pursuant to a board resolution dated December 23, 2011, resolved to guarantee any borrowings undertaken by Trent Hypermarkets Limited up to ₹ 100 crores.

Utilization of the proceeds of the Rights issue by the Company:

Out of the proceeds of the issue of cumulative convertible preference shares made by our Company during FY 2010-11 aggregating to ₹ 489.66 crores, as of December 31, 2011, ₹ 317.14 crores have been utilized towards the objects of the issue including investments in subsidiaries to acquire properties for retail stores. Pending utilization, the balance amount is invested mainly in mutual funds and money market instruments.

Business Restructuring (Fashion Yatra & Sisley):

Our Company had over the last few years launched a few stores under the banner 'Fashion Yatra'. This format was an attempt to test the viability of a lower end primarily fashion apparel offering to address Tier 3 cities and towns. This was also based on the presumption that a Westside type offering would not be well received in Tier 3 markets. The intent (like in the case of the Star Bazaar banner) was to test the format from a market acceptance perspective, and only to scale-up operations significantly if the management developed conviction of building out a sustainable business over time. While the initial response to Fashion Yatra stores was encouraging, the format continued to incur losses disproportionate to its revenues. On the other hand, Westside stores opened on dip-stick basis in similar markets have witnessed significantly stronger customer response and also do not involve separate buying and merchandizing infrastructure. In this backdrop, after due consideration, our Company is in the process of winding down the Fashion Yatra format. As of December 31, 2011, our Company operated five stores in the Fashion Yatra format.

As of December 31, 2011, our Company operated eight small format stores under the Sisley banner, as a franchisee of Benetton in India. Despite significant efforts of the management the format has not turned profitable, primarily on account of high real estate charges. In this context, our Company has reviewed the way-forward with Benetton and is in the process of substantially restructuring the franchisee operations.

The winding down of Fashion Yatra operations and substantial restructuring of the Sisley arrangement has impacted the results for the nine month period ending December 2011 and is also expected to adversely impact results for the quarter ending March 31, 2012. Such an impact to our results may be, amongst other things, on account of our efforts to liquidate inventory, recover capital expenditure incurred in respect of the concerned stores and related settlements with certain counterparties.

Proposed Balance Sheet Restructuring in Trent Hypermarket Limited:

In February, 2012, THL has filed a petition with the Bombay High Court to restructure the balance sheet of THL from an accounting perspective, it is proposed that pursuant to the provisions of Section

78 read with Sections 100 to 103 and other applicable provisions, if any, of the Companies Act and subject to the confirmation of the Bombay High Court, the securities premium account of our Company as on date, is proposed to be utilized for an amount not exceeding ₹150 crores in aggregate, for the adjustment of the debit balance in the profit and loss account to the extent of ₹ 135 crores consisting of unabsorbed depreciation to the extent of ₹ 10 crores and book losses to the extent of ₹ 125 crores in the accounts for the year ending March 31, 2012 and for creating provisions which may be required hereafter for diminution in the value of certain assets, as may be decided by the board of directors of THL. The proposed utilization of the securities premium account is only a book entry and has no financial implications whatsoever. Such adjustment would not, in any way, adversely affect the ordinary operations of THL or the ability of THL to honour its commitments or to pay its debts in the ordinary course of business. Also, the proposed balance sheet restructuring will have no impact on the shareholding pattern and the share capital of THL. This petition has been admitted pursuant to an order dated February 24, 2012 and the final hearing is scheduled for March 30, 2012.

Interim financial results for period ended December 31, 2011

Our Company has prepared and published the interim unaudited standalone and consolidated limited review financial results for the period ended December 31, 2011. These financial results have been reviewed by the Audit Committee and were approved by our Board at its meeting held on March 2, 2012 and are included in the Financial Statements at page F-72 of this Placement Document.

Factors that may affect the results of operations

A number of factors affect our financial condition and results of operations, including the following:

Changing customer preferences or evolving trends:

We sell our own branded products as well as products of various other brands through our retail stores across India. The product range is based on forecasts of customer buying patterns and trends. The success of our offerings is dependent on our ability to understand domestic and international trends, introduce new products and explore new business opportunities on a regular basis.

Customer entry, conversion and transaction size:

Customer entry is measured as footfalls, which is the number of people entering the stores, and is computed in all stores during trading hours. Conversion is the ratio of the number of transactions versus the total customer entry into the stores. Tracking conversion helps us understand the productivity of our front-end store employees and the attractiveness of our offerings. Further, transaction size is the average value of the cash memos which is determined by the total sales divided by number of cash memos. Tracking this helps us understand the average value of purchase by each customer. Customer preference for a particular store with increase in customers coming into the store year after year is an important factor for our growth in income. Increase in customer entry is primarily dependent on the brand equity of the format operated, size of the store, products and services offered and the location of the store. Conversion and transaction size is primarily dependent upon the nature and mix of the products and services.

Retail real estate availability and costs:

Most of our stores are operated from premises which are acquired on long term leasehold or on leave and license basis or on the basis of contractual agreements with third parties. It is very crucial to indentify properties and acquire the rights to quality retail spaces at appropriate terms and conditions for the success of our business. The availability of retail space has been an issue in terms of desirable location at acceptable scheme and at sustainable economics. Further, failure on the part of the developer in delivering the projects on time can lead to cost overruns and affect the expansion plans of the Company.

Efficient supply chain management:

Ensuring availability of shelf space for our products requires quick turnaround times and a high level of coordination with suppliers. Food and other grocery items, which are perishable or have a limited shelf life, require efficient supply chain management. We outsource to third parties the supply chain management of certain of our perishable goods. Efficient supply chain management by us or by third parties is essential to avoid non-availability or loss of merchandise which could adversely affect our business and our results of operation.

Government regulations impacting organized retail:

Our operations are impacted by regulations framed by various regulatory authorities in India, including regulations relating to foreign investment in the sector. We are also subject to changes in Indian laws, regulations and accounting principles. Any changes in the existing laws or enforcement of any law in future may affect our business or results of operations. Foreign investment in multi-brand retail in India is currently prohibited. Any change in the relevant regulations may require us to take cognizance of the expected change in the competitive landscape, revisit strategic alliance arrangements as appropriate under the applicable disposition and appropriately change our strategy with respect to various retail formats.

Taxation regime:

Each state in India has different local taxes and levies, including octroi and value added tax, which enhances the complexity for organized retailers to operate in these states as well as adds to such retailers' costs. The incidence of levies on various products may lead to organized retailers functioning at a sub-optimal level, adversely impacting their competitiveness against unorganized players. Changes in these local taxes and levies may have a material adverse effect on our business, financial condition and results of operations. New taxes proposed by State/Central Government, the implementation of Goods and Services Tax (GST), introduction of excise duty on manufacture of branded apparels and the uncertainty thereof may also materially increase the complexity of our operations and adversely impact the profitability of our business.

Electricity availability and cost:

Electricity cost is one of the major elements of operating cost in our business. The power cost has increased significantly in the last few years and, further, the electricity cost is higher in select states like Maharashtra. The power deficit also leads to load shedding which leads to cost overruns for our Company.

Talent availability:

Companies in the retail sector compete with companies in other emerging service sectors, such as telecommunications and information technology, to hire and retain quality personnel in addition to competing against companies within the sector. In addition, the attrition rate of employees, specifically store level employees, is high in the retail industry. Hence, availability of trained manpower poses a key risk for the retail sector, generally, and to our business, in particular. Furthermore, there will be further pressure on existing retail companies as new entrants look for trained manpower at various levels. 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.

Seasonality of the business:

Our business exhibits seasonality due to the bunching up of festivals like Durga Puja, Diwali, Christmas, Id, *etc.* in the third quarter of the Financial Year. Further, our product range which comprises lifestyle and aspirational products, are dependent on fashion cycles and trends and, hence, are also seasonal in nature. Our end of season sales are generally scheduled in July and January every year.

Competition in organized retailing:

As the industry is highly fragmented, we face competition from local stores, who may, for a variety of reasons such as easier access and personal relationship with customer may be able to cater to local demands better than us. Further, the introduction of foreign participation in the retail sector will result in the entry of multinational retail companies into the Indian market. International competitors may enjoy many of the same advantages that we do and may have lower cost structures, enabling them to compete vigorously *vis-à-vis* pricing. As a result of competition, we may have to price our products at prices that reduce our margin and, at the same time, increase our advertising and distribution expenditure, which may adversely affect our business costs and profits. Competition from these competitors may adversely impact our revenues. Global companies are significantly larger than us and have significantly stronger international market positions, production capacities and greater financial resources than we do.

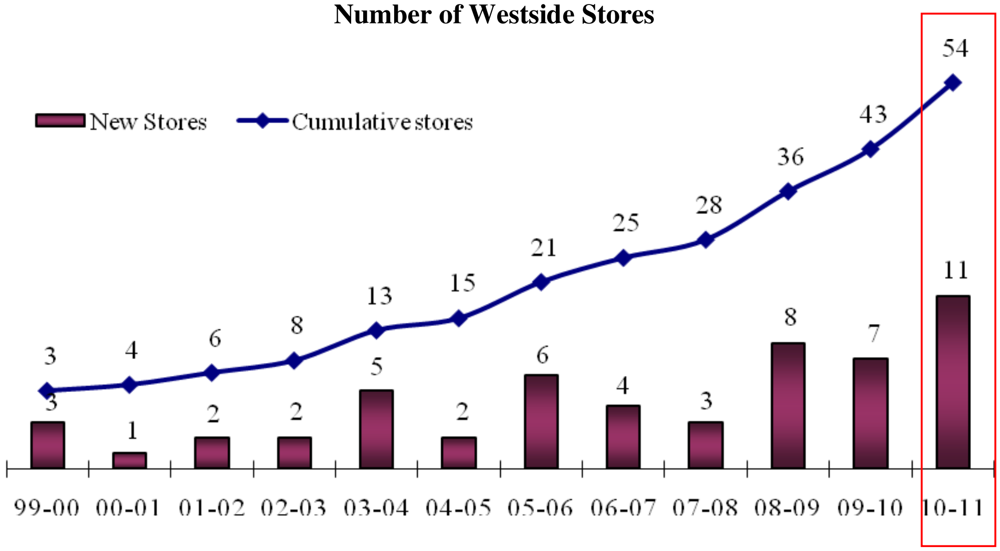
Operations – Westside

Westside has uniquely positioned itself as a chain of department stores offering a range of primarily private label merchandize. Hence, over 80% of the products are made or procured as per Westside specifications and sold exclusively at Westside stores under the Westside (or a Westside owned) label. The product offering is wide (and has been continuously increasing) and covers apparel and home goods. The apparel offering includes clothing and accessories for a wide range of occasions, *viz.* office, casual, evening/club, innerwear, *etc.*, for all members of the family. The home goods' offering includes soft goods like linen, towels, *etc.* and hard goods like crockery, décor products, *etc.* Westside has also introduced footwear and continues to explore other potential categories.

The Westside stores continue to be the mainstay of our retailing business. This format over the years has been rolled out across the country and currently covers 34 cities.

In FY 2010-11, 11 new stores were opened – Mangalore (City Centre Mall), Kanpur (Z Square Mall), Chandigarh (Tricity Mall), Chennai (Express Avenue Mall), Bangalore (Innovation Mall), Delhi (Ambience Mall), Aurangabad (Prozone Mall), Coimbatore (Brookefields Mall), Jabalpur (Samdariya Mall), Hubli (Max Mall), and Goa (Caculo Mall).

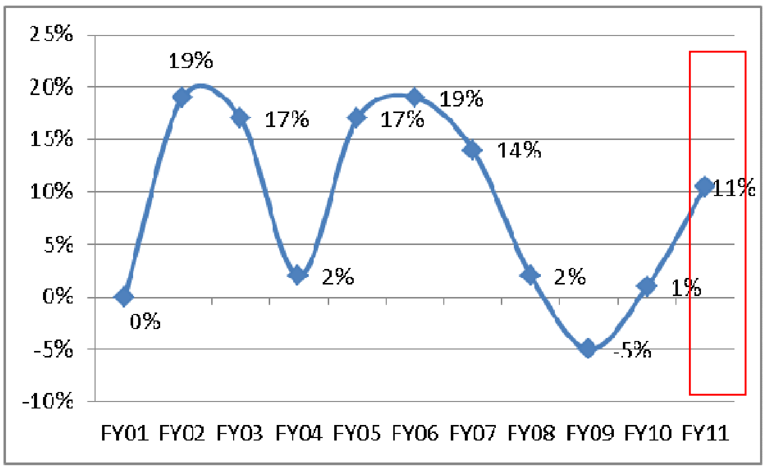
Number of Westside Stores



During FY10-11, as can be observed from the above chart the Company recorded eleven new store openings – being the highest in any year since the inception of this format. In many respects, this was facilitated by the pipeline of acceptable retail real estate at more reasonable rates and contracted mostly during the economic slowdown. The conviction of the Board and the management on the attractiveness of the Westside format as a business model was one of the primary reasons to continue expansion of the chain during the earlier slowdown, when several peers had otherwise scaled down their roll-out plans. In FY 10-11, the like-for-like sales growth of Westside stores was encouraging, especially in the first three quarters.

During the nine month period ended December 31, 2011, seven new stores have been opened in Bhopal (DB Mall), Mumbai (Infinity Mall – Malad), Varanasi (Dhanushree Complex), Pune (Phoenix Market City), Delhi (Moments Mall), Mumbai (R-City Mall – Ghatkopar) and Bilaspur (City Mall), taking the total number of operational Westside stores to 61.

Westside Stores – Like for Like Sales Growth



As in the previous years, we continue to take the following approaches in operating and expanding this format:

- *Private label vs. branded merchandize*: We continue to emphasize the role of private label merchandize and Westside is ranked to be in the top quartile in terms of contribution of private label merchandize to overall revenues. We believe higher private label content facilitates not only realization of better margins but also affords other benefits like control over the merchandize design and quality, which should allow for a better competitive position over the medium term. At the same time, the intent is to make the offering complete and collectively more attractive through the inclusion of select brands that account for up to 20% of the overall merchandize range on offer.

- *Size of Westside stores*: We vary the size of planned Westside stores based on various factors including the immediate micro-market, mall as against standalone presence and leasehold economics. However, empirical evidence seems to suggest a size not exceeding twenty thousand square feet selling area is preferable (unless the location on offer was seen to be highly attractive and as an exception), as lifestyle department stores much larger in area face viability issues and consequently limit the geographies that can be viewed as markets. At the same time, the attempt is to ensure that there is a credible range on offer for the stores to be attractive destinations for shopping.

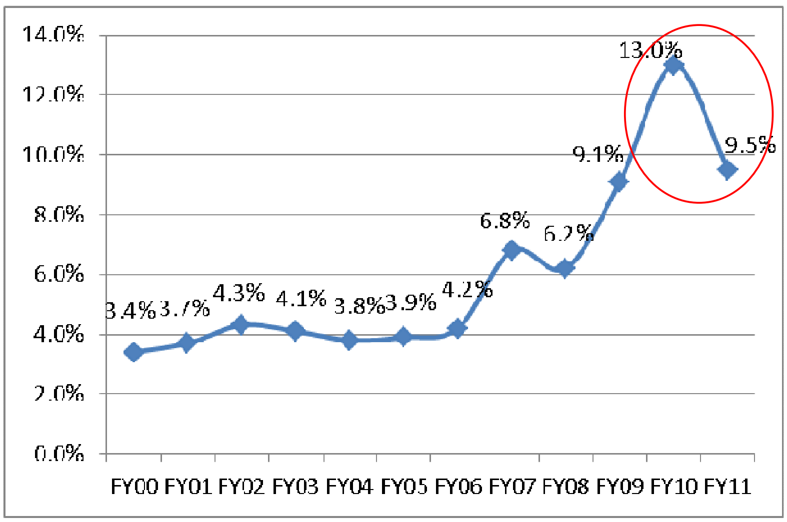
Further, we have continued to emphasize improving the efficiency of our supply chain to effectively replenish our store network and significantly improve merchandize availability levels in stores. While we seek to exercise restraint on costs, we have consciously chosen to invest in areas like significantly refurbishing the look and feel of certain stores in the portfolio, a more robust operations organization and a warehouse management system. We believe incurring of these additional costs on the above initiatives is warranted especially from a long term business model sustainability perspective, and we expect to realize tangible benefits over the medium term.

In FY 10-11, there have been cost pressures across line items including:

- sharply higher merchandize input costs given the rally in commodity prices
- increase in wage bill (with minimum wage levels witnessing sharp increase in several States); also fueled by improved hiring sentiment across industries
- higher energy costs in States like Maharashtra and escalating Common Area Maintenance charges in select malls
- increase in tax costs (service tax on rentals, higher VAT in most States).

These pronounced cost pressures across several line items and the significant inflation levels in various categories in the recent quarters continues to be a cause for concern.

Inflation Trend (CPI – YoY %)



Source: *Central Statistical Organisation, RBI*

In summary, despite various challenges, including the earlier economic slowdown and the recent cost pressures, we continue to focus on the development of Westside format and the intent is to further scale up presence by opening as many new stores in the near to medium term, subject to availability of acceptable retail locations and estimated viability of economics at the store level.

Operations – Star Bazaar

Star Bazaar is modelled to be a one-stop-shop, offering a wide range of products including fresh foods, fruits, vegetables and non vegetarian products, dairy, home care, health and beauty products, apparel, home décor, gifts and household items. Star Bazaar also includes a large range of fashionable in-house garments for men, women and children, exclusively available at the store.

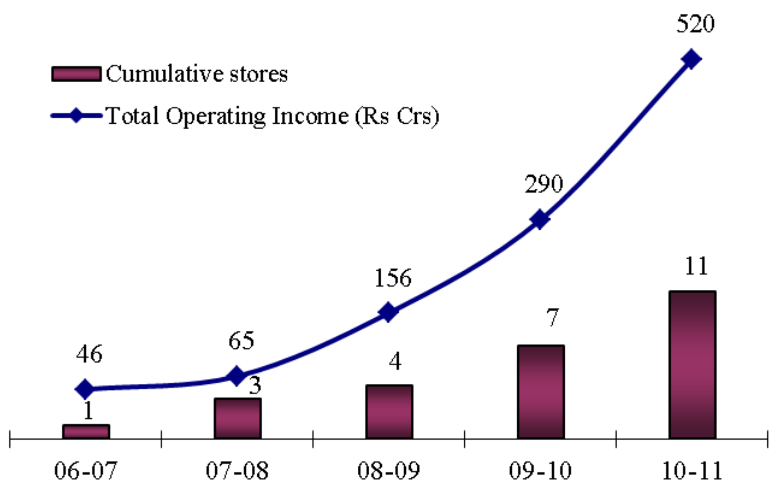
Star Bazaar has continued to receive augmented commitment of resources during FY 2010-11, and, as of December 31, 2011, there were 13 operational stores comprising three in Mumbai (Andheri, Dahisar & Thane), three in Bangalore, two in Ahmedabad, two in Pune and one each in Aurangabad, Surat, and Chennai. For FY 2010-11, the like-for-like sales growth of Star Bazaar stores continued to be strong at 20%.

We continue to view food and grocery (F&G) retailing as a substantial opportunity, which is worthy of being seriously pursued in the medium term. F&G remains one of the largest categories and is estimated at around 60% of consumer spending.

Nevertheless, given the significantly lower gross margins on F&G vis-à-vis other merchandize (and therefore formats), the need to evolve an economically viable business model is viewed to be critical. And the performance of the Star Bazaar business over the last two years continues to be encouraging and has aided the pursuit of the stated expansion plans with greater conviction. Nevertheless, this business continues to incur operational losses, especially on account of the under absorption of shared services and corporate costs. Also, we believe this trend would continue until the business reaches a critical mass over the next few years.

The Star Bazaar business was transferred to Trent Hypermarket Limited, a wholly owned subsidiary, as part of the portfolio reorganization exercise with effect from August 1, 2008. The independent status post the transfer, has continued to enable sharper management focus, and various alternatives for profitably scaling up operations are being pursued.

Star Bazaar Hypermarkets



Trent Hypermarket Limited has a franchise and a wholesale supply arrangement with Tesco Plc of U.K. and its wholly owned subsidiary Tesco Hindustan Wholesaling Private Limited in respect of the Star Bazaar business. The exclusive franchise agreement allows the Star Bazaar business access to Tesco's extensive retail expertise and technical capability including state of the art IT systems, processes and best practices in functions like marketing, stock management, retail information systems, supply-chain infrastructure and front-end services to drive the growth of the hypermarket business.

Operations – Landmark

As a retailer of books, Landmark has maintained its leadership (in value terms) and continues to offer one of the largest collections of books in the country in stores.

In FY 10-11, Landmark recorded a 15% growth in total income to ₹ 26,192.69 lakhs from ₹22,848.80 lakhs in FY 09-10 during the period under review, and the profit after tax was ₹85.65 lakhs in FY 10-11 as against a loss after tax of ₹167.59 lakhs in FY 09-10, primarily due to the underperformance of select stores, muted same store sales growth, one time charges relating to rationalization/ shifting of certain stores and significantly, part monetization of a freehold property.

The principle factors contributing to the reported performance in FY10-11 is as below:

- Decline of especially the music category wherein digital downloads have for the most part become the norm, including through mobile phone platforms;
- Under performance of select mature stores vis-à-vis expectations; the key contributing factors include the opening of a competing mall location in the relevant Chennai micro-market, internal supply chain challenges given legacy IT systems and timely merchandize availability issues at the store level;
- Under performance of select large box new stores, as these stores take longer to reach break-even sales volumes; key contributing factors include slow ramp-up of immediate mall occupancy, operational mall maintenance and timely merchandize availability issues;
- Costs incurred on the rationalization of store area in one of the Bangalore stores;
- On the other hand encouraging off-take of certain new categories of focus like gaming, sports merchandise and select tech-accessories; also, the part monetization of a freehold property significantly buffered reported performance.

Overall, we believe the Landmark format would prove to be sustainable over the medium term with the following steps being taken to:

- grow existing & select new categories with significant growth headroom;
- optimize store sizing, merchandize range and look & feel;
- improve timely availability at the store level of relevant merchandize;
- build an adequate supply chain infrastructure and a more robust & scalable technology platform.

Other Formats, Joint Venture and Treasury:

- ***Sisley***: Our Company operates a few small format stores under the Sisley banner, as a franchisee of Benetton in India. While the performance of these stores in FY10-11 continued to be negative, consequent to the efforts taken by the management to shift/ or otherwise negotiate better rental arrangements, as also better off-take for the merchandize *vis-à-vis* the corresponding prior period, the performance at the store level had witnessed an improvement. Despite these efforts, the format has not turned profitable, primarily on account of high real estate charges. In this context, our Company has reviewed the way-forward with Benetton and is in the process of substantially restructuring the franchisee operations.

- ***Fashion Yatra***: Our Company operates value apparel retail format stores under this banner. While the initial response to Fashion Yatra stores was encouraging, the format continued to incur losses disproportionate to its revenues. On the other hand, Westside stores opened on dip-stick basis in similar markets have witnessed significantly stronger customer response and also do not involve separate buying and merchandizing infrastructure. Given the significantly better performance of the Westside format in similar markets and the continued losses being incurred under the Fashion Yatra format, our Company has decided to wind-down this format and focus on the flagship Westside offering in the department store space. This exercise is expected to be concluded by the end of this Financial Year.

- ***Zara***: Our Company has entered into a joint venture agreement with the Inditex group of Spain with a shareholding of 49% and 51%, respectively, in Inditex Trent Retail India Private Limited. During the Financial Year 2009 – 2010, our Company had invested ₹ 3,175.20 lakhs in Inditex Trent Retail India Private Limited. The first Zara store was rolled out by Inditex Trent Retail India Private Limited in May 2010 in Delhi and since then, further stores have been opened in Mumbai, Pune and Bengaluru. The customer response has been very encouraging and Inditex Trent Retail India Private Limited recorded revenues of ₹ 14,700.74 lakhs in FY10-11.

- ***Treasury***: Our Company's treasury income improved during FY10-11 on account of favourable market conditions coupled with a prudent treasury policy. From an investment perspective, the increase in interest rates prompted by higher inflation, led to better returns for the company's investments in debt instruments particularly fixed maturity plans and bank certificate of deposits. The parking of proceeds from the rights issue completed during the FY 10-11, mostly in mutual funds and certificate of deposits, prior to their deployment in operations, also in part explains the increase in treasury income.

Results of Operations

On a consolidated basis, we reported a total income of ₹1,62,888.92 lakhs in FY 10-11 (₹ 1,13,760.51 lakhs in FY 09-10) and a Profit Before Tax and exceptional and extraordinary items of ₹ 785.37 lakhs (₹ 76.13 lakhs in FY 09-10). Westside, the Zara joint venture and treasury income contributed positively to the results while primarily Star Bazaar and Landmark contributed negatively during the period. The consolidated results of the Company reflect the cost of incubation of the hypermarket business (now in THL) and losses in Landmark Limited. The losses incurred by the hypermarket business continued to be broadly in line with the business plan of the Company. Further, the consolidated accounts reflect the amalgamation of Optim Estates Private Limited, which was a 100% subsidiary of the Company prior to the Court order approving the amalgamation with Trent Hypermarket Limited (THL) with effect from September 20, 2010. The appointed date for the scheme of amalgamation was April 1, 2009

On a standalone basis, our Company reported a total income of ₹ 76,814.14 lakhs in FY 10-11 (₹60,999.83 lakhs in FY 09-10) and a Profit Before Tax of ₹ 6,033.92 lakhs (₹4,985 lakhs in FY 09-10). Exceptional items for the year represent provision for diminution in the value of our Company's investments in the shares of a joint venture of our Company, Trexa ADMC Private Limited, to the extent of ₹ 200 lakhs and provision for certain disputed claims for expenses of ₹ 84 lakhs.

Comparison of key line items of the Profit and Loss Account, the Balance Sheet and the Cash Flow statement for each of the Financial Years (FY 10-11 and FY 09-10) vis-à-vis the corresponding previous year is presented below:

Comparison of Fiscal 2011 to Fiscal 2010

Our total consolidated income increased by 43.19% to ₹ 1,62,888.92 lakhs in FY 10-11 from ₹ 1,13,760.51 lakhs in FY 09-10.

Sales and other operating income:

Sales and other operating income increased by 42.11% to ₹ 1,59,224.42 lakhs in FY 10-11 from ₹ 1,12,046.07 lakhs in FY 09-10. This was mainly on account of increase in sales due to opening of new stores and growth in like to like sales during the said period predominantly under the Westside and Star Bazaar banner. The growth in other income was largely contributed by display and sponsorship income generated from our stores and rental income generated from premises being let out during the period.

Other Income:

Other income increased by 113.74% to ₹3,664.50 lakhs in FY 10-11 from ₹1714.44 lakhs in FY 09-10. This was primarily on account of increase in treasury income due to favourable market conditions coupled with prudent treasury policy and parking of the proceeds from the rights issue completed in 2010. It also includes profit on sale of fixed assets.

Operating & other expenses:

Operating and other expenses increased by 42.73% to ₹ 1,57,985.90 lakhs in FY 10-11 from ₹ 1,10,687.64 lakhs in FY 09-10. This was primarily due to increase in expenses on account of inflationary pressures and the expansion of the retail store network primarily under the Westside and Star Bazaar banner.

A discussion of the key component line items is presented below:

The components of operating expenses are as follows (excluding Joint Venture share):

- ***Raw materials consumed & purchase of finished goods***:

The raw materials consumed & purchase of finished goods increased by 43.84% to ₹ 1,00,237.95 lakhs in FY 10-11 from ₹ 69,688.94 lakhs in FY 09-10, broadly in line with the increase in sales during the period and revision in prices of raw materials and finished goods.

- ***Employee cost:***

There was an increase in employee cost by 38.65% from ₹8,726.54 lakhs in FY 09-10 to ₹12,099.34 lakhs in FY 10-11 on account of recruitment of additional manpower in line with the expansion of new stores during the period and a general increase in compensation cost.

The major components of other expenses are as follows:

- ***Power & Fuel:***

Power and fuel expenses increased by 27.32% to ₹4,587.80 lakhs in FY 10-11 from ₹3,603.23 lakhs in FY 09-10. This was primarily due to increase in retail space under operation and increased electricity charges across states.

- ***Rent:***

Rental expenses have increased by 34.04% to ₹6,651.06 lakhs in FY 10-11 from ₹4,962.10 lakhs in FY 09-10. This rise in rental charges is on account of increase in the retail space leased to us for opening new stores predominantly under the Westside and Star Bazaar formats.

- ***Retail Business Fees:***

Retail business fees have increased by 29.70% to ₹5,967.96 lakhs in FY 10-11 from ₹4,601.39 lakhs in FY 09-10 primarily on account of increasing number of revenue share arrangements entered into by our Company with various landlords.

- ***Repairs:***

Repairs include expenses incurred towards common area maintenance as well as general repairs to existing properties. Expenses towards such repairs have increased by 35.92% to ₹4,792.74 lakhs in FY 10-11 from ₹3,526.19 lakhs in FY 09-10. Such an increase can be attributed to the increase in retail space under operation during the period.

- ***Advertisement and Sales promotion:***

There has been an increase in advertisement and sales promotion expenses by 11.34% to ₹6,510.92 lakhs in FY 10-11 from ₹5,847.76 lakhs in FY 09-10 due to launch of new stores during the period.

- ***EBIDTA Margins:***

EBIDTA margins improved to 3.08%, *i.e.* ₹4903.02 lakhs, in FY 10-11 from ₹3072.87 lakhs in FY 09-10 on account of improvement in like to like sales growth.

- ***Interest Expense*:**

Our interest expense has increased by 18.21% from ₹788.25 lakhs in FY 09-10 to ₹931.77 lakhs in FY 10-11 mainly due to interest expensed on debentures issued during the period.

- ***Depreciation:***

Our expense towards depreciation has increased by 44.26% to ₹3,185.88 lakhs in FY 10-11 from ₹ 2,208.49 lakhs in FY 09-10 primarily due to an increase in fixed assets, which arose mainly on account of launch of new stores during the period.

- ***Profit Before Tax And Exceptional Item And Extraordinary Income (PBT):***

PBT margins have increased from 0.07% in FY 09-10 to 0.49% in FY 10-11. PBT has increased to ₹ 785.37 lakhs in FY 10-11 from ₹76.13 lakhs in FY 09-10.

- ***Profit After Tax Before Extraordinary Item (PAT):***

PAT has marginally increased to ₹147.47 lakhs in FY 10-11 from ₹146.04 lakhs in FY 09-10.

Comparison of Fiscal 2010 to Fiscal 2009

Our total income increased by 28.51 % to ₹1,13,760.51 lakhs in FY 09-10 from ₹8,8521.48 lakhs in FY 08-09.

Sales and other operating income:

Sales and other operating income increased by 31.68 % to ₹ 1,12046.07 lakhs in FY 09-10 from ₹ 85,088.59 lakhs in FY 08-09. This was mainly on account of increase in sales due to opening of new stores and growth in like to like sales during the said period predominantly under the Westside and Star Bazaar banner. The growth in other income was largely contributed by display and sponsorship income generated from our stores.

Other Income:

Other income decreased by 50.06% to ₹1,714.44 lakhs in FY 09-10 from ₹3,432.89 lakhs in FY 08-09. This decrease was predominantly on account of fall in treasury income.

Operating & Other Expenses:

Our operating and other expense increased by 28.84% to ₹ 1,10,687.64 lakhs in FY 09-10 from ₹ 85,913.64 lakhs in FY 08-09. This was primarily due to the expansion of the retail store network across our retail formats.

The components of operating expenses are as follows (excluding Joint Venture share):

- ***Raw materials consumed & purchase of finished goods:***

The raw materials consumed & purchase of finished goods increased by 32.91% to ₹69,688.94 lakhs in FY 09-10 from ₹52,433.93 lakhs in FY 08-09, with the increase in sales during the period.

- ***Employee cost:***

There has been an increase in Employee cost by 23.52% from ₹ 7,064.91 lakhs in FY 08-09 to ₹ 8,726.54 lakhs in FY 09-10 on account of recruitment of additional manpower with the expansion of new stores during the period.

The major components of other expenses are as follows:

- ***Power & Fuel:***

Power and fuel expenses increased by 20.12% to ₹3,603.23 lakhs in FY 09-10 from ₹2,999.68 lakhs in FY 08-09. This was primarily due to increase in retail space under operation during the period.

- ***Rent:***

Rental expenses have increased by 28.33% to ₹4962.10 lakhs in FY 09-10 from ₹3,866.81 lakhs in FY 08-09. This rise in rental charges is on account of increase in the retail space leased to us for opening new stores predominantly under the Westside and Star Bazaar formats.

- ***Retail Business Fees:***

Retail business fees have increased by 28.33% to ₹ 4,601.39 lakhs in FY 09-10 from ₹ 3,585.66 lakhs in FY 08-09 primarily on account of increasing number of revenue share arrangements entered into by our Company with various landlords.

- ***Repairs :***

Expenses towards repairs have increased by 42.53% to ₹3,526.19 lakhs in FY 09-10 from ₹2473.92 lakhs in FY 08-09. Such an increase can be attributed to the increase in retail space under operation during the period.

- ***Advertisement and Sales promotion:***

There has been a marginal increase in advertisement and sales promotion expenses by 7.70% to ₹ 5,847.76 lakhs in FY 09-10 from ₹5,430.00 lakhs in FY 08-09.

- ***EBIDTA Margins:***

EBIDTA margins fell to 2.74 %, *i.e.* ₹3072.87 lakhs in FY 09-10 from ₹2607.84 lakhs in FY 08-09.

- ***Interest Expense:***

Our interest expense has decreased by 17.78% from ₹958.74 lakhs in FY 08-09 to ₹788.25 lakhs in FY 09-10 primarily on account of significant reduction in borrowings by Landmark Limited.

- ***Depreciation:***

Our expense towards depreciation has increased by 38.57% to ₹2,208.49 lakhs in FY 09-10 from ₹ 1,593.77 lakhs in FY 08-09 primarily due to an increase in fixed assets, which arose mainly on account of launch of new stores during the period.

- ***Profit Before Tax And Exceptional Item (PBT):***

PBT has increased to ₹76.13 lakhs in FY 09-10 from ₹55.33 lakhs in FY 08-09.

- ***Profit After Tax (PAT):***

PAT has increased to ₹146.04 lakhs in FY 09-10 from ₹21.92 lakhs in FY 08-09.

Financial Condition, Liquidity and Capital Resource

We broadly define liquidity as our ability to generate sufficient funds from both internal and external sources to meet our obligations and commitments. In addition, liquidity includes the ability to obtain appropriate equity and debt financing and loans and to convert into cash those assets that are no longer required to meet existing strategic and financial objectives. Therefore, liquidity cannot be considered separately from capital resources that consist of current or potentially available funds for use in achieving long-range business objectives and meeting debt service and other commitments.

We have historically financed our working capital and capital expenditure requirements primarily through funds generated from operations and funds raised through issuance of securities. Our business requires a significant amount of working capital and capital expenditure for opening of new stores. Significant amounts of capital are also required when select freehold investments in retail real estate properties are committed. We believe that we will have sufficient capital resources from our operations, net proceeds of this Issue and other offerings of securities and other loans and borrowings to meet our capital requirements for at least the next 12 months.

Financial Condition and Liquidity

Net worth on a consolidated basis*:*

(₹In lakhs)

Particulars	**FY 10-11**	**FY 09-10**	**FY 08-09**
Share Capital	3,595.97	2703.51	1,953.29
Reserves & Surplus	95,978.18	56,631.08	57,950.02
Net Worth	99,574.15	59,334.59	59,903.31

The increase in share capital and reserves & surplus in FY 10-11 is primarily on account of a rights issue of cumulative compulsorily convertible preference shares aggregating to ₹ 48,965.55 lakhs.

The increase in share capital in FY 09-10 is primarily on account of issuance of 70,000 fully paid-up 0.1% cumulative redeemable preference shares of ₹ 1,000 each, pursuant to a scheme of amalgamation of Satnam Developers and Finance Private Limited and Satnam Realtors Private Limited with our Company.

Details of Assets as on March 31, 2011, March 31, 2010 and March 31, 2009:

(₹in lakhs)

Particulars	**FY 10-11**	**FY 09-10**	**FY 08-09**
Total Fixed Assets	70,197.57	48,082.54	37,718.04
Investments	13,528.50	18,104.71	24,208.80
Deferred Tax Asset	2,656.78	157.95	98.28
<u>Current Assets, Loans & Advances</u>			
Inventories	29,615.00	20,928.58	17,512.09
Sundry Debtors	2,487.96	1,552.24	1,333.07
Cash and Bank Balance	32,333.04	4,373.11	1,938.85
Loans and Advances	27,390.33	2,4524.17	21,553.62
Less: Current Liabilities and provision	46,493.72	30,060.96	23,818.37
Net Current Assets	45,3332.61	21,317.14	18,519.26
Total Assets (Net)	1,31,715.46	87,662.34	80,544.94

Our total assets were ₹1,31,715.46 lakhs in FY 10-11 as against ₹87,662.34 lakhs in FY 09-10 and ₹ 80544.94 lakhs in FY 08-09. This was on account of our expansion of retail space during the last two years.

Details of our outstanding indebtedness as on March 31, 2011, March 31, 2010 and March 31, 2009:

(₹In lakhs)

Particulars	FY 10-11	FY 09-10	FY 08-09
Secured Loans			
Non Convertible Debentures (Issue Jul'05)	-	6,550.24	6,550.24
Non Convertible Debentures - April 10 Series – I	10,000.00	-	-
Non Convertible Debentures September 08 Series – I	-	-	5,000.00
Non Convertible Debentures September 08 Series – II	-	5,000.00	5,000.00
Term loans from Banks	-	-	1,718.54
Cash Credit from Banks	2,626.50	1,305.09	2,287.28
Others	-	-	0.25
Sub Total (A)	**12,626.50**	**12,855.33**	**20,556.31**
Unsecured Loans			
Sales tax loan	-	1.82	5.24
Non Convertible Debentures October 09 Series – I	5,000.00	5,000.00	-
Non Convertible Debentures April 10 Series – 2	5,000.00	-	-
Non Convertible Debentures June 10 Series – 1	4,500.00	-	-
Non Convertible Debentures June 10 Series – 2	3,000.00	-	-
Commercial Paper	-	5,000.00	-
Inter Corporate Deposits	-	3,500.00	-
Others	558.26	18.35	-
Sub Total (B)	**18,058.26**	**13,520.17**	**5.24**
Total (A+B)	**30684.86**	**26,375.50**	**20,561.55**

For further details in relation to our outstanding indebtedness, please refer to the section titled "Financial Statements – Loan Funds" on page F-55.

Capital Expenditure

For the years ended March 31, 2011, 2010 and 2009, we spent ₹16,402.51 lakhs, ₹8,073.44 lakhs and ₹4,993.33 lakhs, respectively, on capital expenditures. The increase in the capital expenditure was on account of launch of new stores during the period. In FY 10-11, eleven Westside, four Star Bazaar, three Sisley and two Fashion Yatra were opened as against seven Westside, five Sisley, four Landmark, three Star Bazaar and two Fashion Yatra stores launched in FY 09-10.

Cash Flows:

The summary of the cash flow trends during the last three financial years is as depicted below:

(₹in lakhs)

Particulars	FY 10-11	FY 09-10	FY 08-09
Net Cash from/ (used in) Operating Activities	(5,828.82)	(765.91)	(5,673.43)
Net Cash from/ (used in) Investing Activities	(13,936.64)	(17,609.43)	10,925.67
Net Cash from/ (used in) Financing Activities	47,555.53	20,770.59	(5,231.28)
Net Cash increase / (decrease) at the end	27,789.27	2,392.69	53.09

Particulars	FY 10-11	FY 09-10	FY 08-09
of the period			

Contingent Liabilities

(*₹ in lakhs)*

Sr. No.	Particulars	2010-11	2009-10	2008-09
A	(i) Sales tax, excise and customs demands*	195.64	61.81	56.20
	(ii) Sales tax, excise and customs demands (net of tax)*	130.65	41.28	37.10
B	Income tax demands*	5,384.33	377.09	414.70
C	Claims made against the Company not acknowledged as debts*	5,514.42#	984.29	857.59

* *As a matter of abundant caution, a cumulative provision for contingencies of ₹ 205.00 lakhs has been made against items (a), (b) and (c) above, which are disputed by the Company*

\# *In respect of one of the Subsidiaries amount not ascertained*

INDUSTRY

The information in this section has been extracted from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. Industry sources are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investors should not place undue reliance on this information. Similarly, internal Company estimates, while believed by us to be reliable, have not been verified by any independent agencies.

Growth in Indian Economy

India's economy has undergone a substantial transformation since its independence in 1947. Given the trade liberalisation measures undertaken by India in 1992, India has witnessed a sustained growth of GDP over 1999 to 2010 and considerable progress has been made in loosening government regulations, particularly restrictions on private businesses. Some dimensions of this sustained high growth include those set out below:

- Currently, India is one of the fastest growing economies in the world
- Significant growth in the organised retail market in India including food & grocery, apparel and home furnishing and furniture.

The retail market in India offers significant opportunities for retailers & brands across categories. This is driven by factors such as a large consumer base, rising incomes & job opportunities, increasing consumer awareness, *etc.*

Organised Retail in India

The Indian retail market is large, but highly fragmented with very few large retailers. Modernisation of the Indian retail sector is expected to be reflected in rapid growth in sales of supermarkets, departmental stores and hypermarkets.

Organised retail penetration in India is low compared to other developed countries such as the United States. This indicates strong growth potential for organised retail in India given near double-digit economic growth projections for the coming decades.

The Indian retail market is in a nascent stage wherein unorganised players control the market. Organised retail in India is expected to increase significantly in the coming years.

The Indian retail sector is at an inflexion point, with many enabling conditions coming into existence e.g. favourable demographics, rising consumer incomes, real estate developments especially with emergence of new shopping malls, availability of better sourcing options both from within India and overseas, and changing lifestyle that bring the Indian consumer closer to the consumers in more developed markets and availability heightened usage of credit cards. All these changes are driving growth of the organised retail sector.

Macroeconomic Scenario and Growth Drivers

Increasing Urbanisation

India benefits from a large youth population that is being increasingly well absorbed into the workforce. During the last fifty years the population of India has grown close to two and half times, but urban India has grown by nearly five times. By 2020, almost 40% of the Indian population will be living in the urban centres (*Source: National Centre for Urban Management, Planning commission of India*).

Urban consumption has been repeatedly cited as the primary growth driver across sectors, and in many respects the following underlying trends seem to confirm this hypothesis:

- A more evolved consumption basket vis-à-vis the non-urban audience, with higher proportion of spend towards housing, travel, apparel and medical needs;
- Higher & growing proportion of people in middle and upper income classes;
- Superior and improving performance of the urban population in terms of 'quality of life' measures including infant mortality, birth rate and death rate.

The demand for the retail sector is largely driven by the urban sector as well as the literacy levels across the country.

Changing demographic profile

The Indian consumer is young; and has one of the youngest populations of the world as compared to the ageing population of USA, China, Japan, UK, *etc.*

India is witnessing a significant change in the age and income profiles of it's population, which is likely to lead to accelerated consumption over the next few years. A younger population tends to have higher aspirations, and will spend more as it enters the earning phase. Further, increase in consumer spends would be driven by nuclearisation of families, increasing population of working women and new job opportunities in emerging services sector such as IT enabled services, retails & food services, entertainment and financial services.

The relatively low median age of the population means a higher current consumption spends *vs.* savings, as a younger population has both, the ability and willingness to spend. Higher consumption spends has a direct relationship with the retail industry. The increased economic independence of women has redefined the rules of social behaviour and Family incomes have increased. Children too have become more aware of external environment and are more demanding due to growing media exposure in the form of dedicated channels. Rising income resulting in availability of higher levels of discretionary incomes with parents has made it easier for their demands to be accommodated.

Consumer Behaviour and spending

Rapid advances witnessed in the areas like IT enabled services, retailing & food services, entertainment and financial services have created a greater awareness about organised retail. These advances have led to a paradigm shift in the minds of people. Consumers are seeking convenience at their doorstep for purchases, but are willing to travel to exclusive destinations for valuable items.

A review of consumer spending reflects that the expenditure on ''lifestyle'' items such as vacations, eating out, *etc.* has increased, while that on savings and investments appears to be on a decline.

Lifestyles / Shopping habits

Global travel and the media have exposed Indians to "western" lifestyle. Opening up of the economy has led to an increase in the product choice available and modern retailers are experimenting with ways to deliver an international shopping experience to the consumer.

Brand / Price Sensitivity

Urban consumers today are relatively less price sensitive than a few years earlier. Some of the key factors behind this change are the growing number of double-income households, a decrease in the average size of the family and high media exposure. With the rise in disposable income level, the consumer is willing to spend more on personal needs and indulgences, leading to a propensity to consume rather than save.

Increased Propensity towards Disposability

Right from cars to cell phones to consumer durables, the new consumer is not averse to changing them more often than ever before. The corollary to the technological obsolescence faced is the psychological obsolescence that is witnessed in the apparel sector.

The Rise of the Self-Employed

The proportion of the self employed in urban India has risen, replacing the employed salary earner as the new 'mainstream market'. Unlike the salary earner, the self-employed are fast adopters of any productivity tools, like cell phones and two-wheelers that aid in their business / earning cycle.

Increased Credit Friendliness

There has been a dramatic shift in terms of how a consumer defines capital expenditure and revenue expenditure. Recently termed capital expenditure, *i.e.* money spent on buying a house, vehicle, jewellery, consumer durables has transformed into consumer revenue expenditure because of the easy availability of finance.

Pragmatism in Consumption and Preference for Value

Pragmatism in consumption and preference for 'real value' products and services is clear. The new consumers are not beguiled by brands that are low on functionality and high on image. Image, no doubt, has assumed greater significance, but not by obviating the need for quality. The aspirational youth, as they earn medium levels of income or nothing at all, are looking for increased value in their shopping. In the light of this, the winning retail formats of tomorrow will be those that deliver superior products (in terms of quality, uniqueness & range) and services (comprising availability, ambiance, convenience, privileges & location) at the best possible price, lower costs and superior value for money.

Structure of Indian Retail

Based on ownership and management style, the Indian retail industry can be classified as unorganised and organised. Unorganised retail outlets are owned and managed by a single person or group of persons. These outlets which employ unskilled labour but due to lack of capital are not able to expand into other places. Also the size of the store does not allow them to maintain a range of products. In contrast, organised retail outlets are owned and managed by a team of professionals. Given their background and training, they are able to provide quality service to their clients. Urban consumers are also getting used to shopping in organised retail outlets since they provide variety and convenience and services.

Evolution of the Indian Retail Industry

The Indian retail industry is evolving in line with changing customer aspirations across product groups, with modern formats of retailing emerging. This is in line with what has been observed in other developed markets.

Organised retailing in most economies has typically passed through four distinct phases in its evolution cycle. In the first phase, new entrants create awareness of modern formats and raise consumer expectations. In the second phase, consumers demand modern formats as the market develops – thereby leading to strong growth. As the market matures, intense competition forces retailers to invest in back-end operating efficiency. In the final phase, retailers explore new markets as well as inorganic opportunities as growth tapers off.

India is currently in the second phase of this evolution, with Indian customers becoming more demanding with their rising standard of living and changing lifestyles. Change in customers' focus from just buying to shopping (buying, entertainment and experience) has led to a pick up in the momentum of organised formats of retailing.

As the sector enters the third phase of evolution, supply chain management will attain top priority. Fierce competition will force retailers to quickly respond to changes in the market – bringing forth the importance of supply chain management in managing stock availability, supplier relationships, new value added services and cost cutting. Traditional retailers are expected to enhance their investments in supply chain, whilst new entrants are likely to look at supply chain first before rolling out their national reach. FDI, if allowed, will help bring in world class retail practices and also provide boost to the supply chain infrastructure.

Drivers for Retail Transformation in India

Quality real estate

Availability of quality retail space in the past has been one of the main constraints for the development of the organised retail sector in India. In the past, negative yield on leased property, lack of bank funding due to the unorganised property market resulted in a dearth of quality retail space in the country.

However, the success of select malls and shopping centers and the consequent upside witnessed by some developers, has attracted an increasing number of retail real estate developments especially in metro cities and towns. Most malls are coming up in the cities reflecting the purchasing power that exists. Pro-active steps taken by the government permitting use of land for commercial development in various cities including Mumbai and Delhi have also contributed to increased availability of retail space in the country.

On the other hand non-availability of relevant retail space continues to be a challenge, especially for larger formats in terms of:

- desirable location
- acceptable scheme and access
- sustainable economics

Also, retail developments in retailer friendly locations are difficult to come by given the relative attractiveness of alternate use developments say residential apartments.

Media Proliferation

The growing Indian media sector has played a major role in the growth of the organised retail sector. The increasing number of television channels, publications & radio channels has given a boost to the organised retail sector. Consumers are constantly being exposed to brand promotions and advertisements across product categories through the various media channels.

Financial Sector

The proliferation of credit cards and retail loans has also been one of the major boosters of the organised retail industry. Banks and financial institutions have joined hands with many of the retail players and are providing attractive offers on purchases. With issue of credit cards showing high growth rates, it is expected to play a vital role in the growth organized retail industry.

Formats in Organised Retail

Traditional retailers have been unable to keep pace with the changing needs of consumers, thereby creating a large addressable opportunity for corporate players aspiring to enter the industry. Each retailer must identify its compelling value proposition. Most existing formats have evolved to offer value propositions along price, convenience and specialisation.

Modern Retailing Formats

Format	Definition	Value Position
Supermarket / Convenience stores	Food and household Products	Convenience
Department Stores	Multiple product categories, usually lifestyle driven with apparel and accessories predominating	Service and choice
Hypermarkets/Discount Stores	Large stores in big box format, with volume based discounted prices	Price and choice
Specialty Stores / Category Killers	Extensive range of products under a single category	Service

Department stores

These large stores retail primarily non-food items such as apparel, footwear, accessories, cosmetics and household products. They stock multiple brands across product categories, though some of them focus on their own store label (on the lines of Westside). These stores are found on high streets and as anchors of shopping malls.

Several local department store chains have opened shop in India in the past few years. The convenience factor coupled with the aspirational perception of shopping in a department store has contributed to their growth.

The larger chains of department stores are present in the metros and mini metros.

Apparel dominates department stores sales in India

Apparel accounts for a significant part of the sales of department stores. However, non apparel lifestyle products such as cosmetics & perfumes, writing instruments, sunglasses, watches, fine jewellery, mobile phones, digital cameras and leather accessories have seen a higher growth in recent years. Spending on the non-apparel category has a direct correlation with increase in disposable income within the ‘consuming’ and ‘rich’ classes.

Primarily, the apparel segment drove the department stores in the initial phase. However, with increasing penetration of other lifestyle product categories, they are witnessing a gradual shift.

BUSINESS

The following information should be read together with the information contained in the sections titled "Risk Factors", "Industry", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Statements" on pages 12, 58, 41 and F-1, respectively, of this Placement Document. In this section "our Company" refers to the Company, while "we", "us" and "our" refers to our Company, its Subsidiaries and its Joint Ventures on a consolidated basis.

Overview:

Our Company is one of India's leading retailers and is a part of the Tata Group. We run a chain of Westside department stores across the country and are also increasing our foothold in the high volume hyper-market space, through the Star Bazaar format operated by our Subsidiary, Trent Hypermarket Limited. We also have presence in the 'books and entertainment' retailing space through another Subsidiary, Landmark Limited. As of December 31, 2011, our Promoters held 31.80% of our Company, of which 25.66% is held by Tata Sons Limited. The residual shareholding is publicly held.

In addition to the above, our Company operates a few small format stores under the Sisley banner, as a franchisee of Benetton in India. Also, our Company has entered into a joint venture with the Inditex Group of Spain in relation to opening retail stores under the Zara banner in India.

Our Company was originally incorporated as Lakme Limited ("Lakme") on December 5, 1952. Lakme was in the business of manufacturing, sale and export of cosmetics, toiletries and perfumery products. In 1998, Lakme decided to divest from its cosmetics business and decided to pursue the field of apparel retailing, given the absence of established brands in areas like ladies wear, kids wear, household and gift articles. As a result, it was decided that Lakme would establish a strong presence in the apparel and soft goods retailing market by opening a chain of departmental stores across the country, aimed at catering to requirements of customers in men's wear, ladies wear, kids wear, play shop, household, gift shop and lingerie.

Towards this end, in March 1998, Lakme acquired Littlewoods International (India) Private Limited ("**LIIPL**") from Littlewoods International Limited, U.K. LIIPL was in the business of retailing of readymade garments for men, ladies and children, household and gift items, accessories *etc*. In parallel, with effect from January 1, 1998, Lakme Exports Limited, a subsidiary of Lakme, was amalgamated with LIIPL and the merged entity was named as Trent Limited. Subsequently, with effect from July 1, 1998, Trent Limited was amalgamated with Lakme, and the name of Lakme Limited was changed to Trent Limited.

In October 2004, our Company entered the mass-retailing segment by opening a hypermarket store under the name and style of Star India Bazaar (now known as Star Bazaar), at Ahmedabad. Star Bazaar caters primarily to the SEC B & C population and currently there are 14 operating stores. The model offers a large assortment of products under one roof at prices mostly below Maximum Retail Price (MRP) under the promise of "Chhota Budget Lambi Shopping". The products offered include staples, food, perishables, beverages, cleaning aids, health & beauty products, houseware, consumer durables and apparel. As part of a portfolio reorganization exercise undertaken by our Company, the Star Bazaar business was transferred to a wholly owned Subsidiary, Trent Hypermarket Limited (THL) with effect from August 1, 2008. THL has since entered into a franchise and a wholesale supply arrangement with Tesco Plc. The exclusive franchise agreement is allowing the Star Bazaar business to access Tesco's retail expertise.

In August 2005, our Company entered the books and music retail market with the acquisition of 76% share in Landmark, a partnership firm, and acquired a further 3% share in March 2006. With effect from March 31, 2006, Landmark was converted into a limited company, Landmark Limited. Landmark had began operations in 1987 with its first store in Chennai with a floor space of 5500 sq. ft and over time emerged as one of the largest books and music retail chains in the country. In 2008 the residual stake held by the founders was also acquired by Trent together with its Subsidiaries. At present there are 17 large box stores, broadly varying in size from 10,000 sq. ft. to 30,000 sq. ft. Landmark has been introducing newer categories like gaming, technology, accessories and sports merchandize. What separates Landmark from other stores of its kind is the range and depth of its stock. Increasingly, the format is being shaped into a "family entertainment format" with focus on toys, front list adult & children's books, tech accessories & gaming and stationery. Following the induction of the TVS private equity fund as an investor in Landmark, our Company has (together with its Subsidiaries) a shareholding of 75.05%.

Across the various retail formats which we operate, we have over 100 stores with presence in 37 cities, employ over 6,000 people, and have a loyalty membership in the region of over 2.5 million customers.

Through the course of establishing ourselves in the retail space, we have received recognition by way of several awards and honours, such as,

- Brand Leadership Award – India Brand Summit 2003;
- Most Admired Fashion Retail Brand of the Year – Images 2004;
- Most Admired Large Format Retail Chain of the Year – Images 2005;
- Retailer of the year – Department Store Chain – Images 2005;
- The Preferred Chain Store of the year – Apex Awards 2005;
- Business Leadership Award for Retail Category – NDTV Profit Business Leadership Awards 2006;
- For active promotion of TBEM – TBEM 500 2007;
- Retailer of the year – Private Labels – Reid & Taylor 2008;
- Retailer of the year – Private Labels – Reid & Taylor 2009;
- Most Admired Large Format Retail Chain of the Year – Images 2009
- Most Admired Private Label Fashion Retailer of the Year – Images 2010;
- The best leisure store in Chennai – NDTV Hindu awards 2011; and
- Most admired Retailer of the year – Images 2011.

For the year ended March 31, 2011, our total income was ₹1,62,888.92 lakhs and our profit after tax was ₹147.47 lakhs. As at March 31, 2011, our total assets were ₹1,31,715.46 lakhs and our net worth was ₹99,574.15 lakhs.

Our CAGR of sales for the last three Financial Years is 27.42%.

Our Competitive Strengths

Our principal competitive strengths are as follows:

Early mover advantage

We started our retail business in 1998 with one Westside store in Bengaluru, which vested with the Company consequent to the acquisition of Littlewoods International (India) Private Limited ("LIIPL") from Littlewoods International Limited, U.K. As of February 29, 2012, we operate over 100 stores across our retail formats in 37 cities in India. Our early mover advantage has not only helped us develop a wide network of stores across India in various formats but also establish brand equity for our Company as well as for our private labels. It has also enabled us to lock in key locations for our stores at competitive rentals in various cities in India. Further, through our key retail locations, we have been able to access a large and loyal consumer base enabling our new formats easier acceptability and recognition.

Understanding of the retail sector and evolving needs of the Indian consumer

As one of India's leading retailers with over 14 years of organized retailing experience, we have developed a deep understanding of, the retail and consumption-led sectors in India. We believe that our insights into consumer behaviour have contributed to the development of our various retail formats and specialised businesses. This insight has enabled us to strategise, develop and promote new retail formats to cater to evolving needs of the Indian consumer.

We cater to consumer requirements across several consumer segments through our formats including Westside - private label fashion apparel & related merchandize, Star Bazaar -a discount hyper market offering, Landmark - books, toys, gaming and technology accessories.

We provide quality products at reasonable prices to our customers and believe that value for money, styling, a pleasant and comfortable shopping ambience, accompanied by courteous service has contributed to our formats being well accepted and recognised.

Range of products

Our merchandise ranges across apparel, accessories, staples, food, perishables, beverages, cleaning aids, health & beauty products, house ware, consumer durables, books, toys, gaming and technology accessories and is sold primarily under the banners of Westside, Star Bazaar and Landmark. We especially focus on unique offerings *via* our private labels. For instance, in our Westside stores some of our private labels ranges include "Westside", "SRC", "Richmond", "Gia", "2 Fast 4 U", "Ascot" and "Westsport". A key factor in Westside's performance has been its ability to manage steady increase in our volumes and churn, and, at the same time, maintain quality standards.

In addition to our product range, the services offered at our stores include assisted self-selection shopping, computerised billing, trial rooms, alteration services, customer services desks, exchange policies, gift wrapping and loyalty programs.

We provide quality products and services to our customers at reasonable prices. Value for money, styling, and a pleasant and comfortable shopping ambience, accompanied by courteous service has contributed to our products being well accepted and well recognised. We believe that the hallmark of a successful retail format is one that delivers superior products (in terms of quality, uniqueness and range) and services (comprising availability, ambience, convenience, privileges and location) at the best possible price.

Strong supply chain

Given the nature of the organized retailing industry, the ability to respond quickly to the fast changing customer tastes and preferences is a critical requirement of the supply chain. Ensuring availability of shelf space for our products requires quick turnaround times and a high level of coordination with suppliers. Furthermore, food and other grocery items, which are perishable have a limited shelf life, require efficient supply chain management. We outsource the supply chain management of certain of our perishable goods to third parties. Efficient supply chain management by us or by third parties is essential to avoid non-availability or loss of merchandise which could adversely affect our business and our results of operation.

In the case of the Westside format, we have aligned the management of our diverse supplier base to the geographical locations where clusters of our suppliers operate. Westside operates through seven regional sourcing offices for its apparel business – Delhi, Bengaluru, Kolkata, Tirupur, Jaipur, Ludhiana and Mumbai. We undertake constant review and improvement of the supplier selection processes, supplier partnering relationships and communication mechanisms. Monitoring of supplier performance ensures that we meet our operational requirements and quality control standards are upgraded periodically to reach the best in class. Towards this goal of continuous improvement, we have deployed a vendor management system to measure and monitor key performance parameters across the entire supply chain. In addition, our Company also uses suppliers as one of the sources of inputs on design, trends and fabrics, which forms an integral part of the strategic planning process.

In addition, with respect to Star Bazaar, Trent Hypermarket Limited has entered into a franchise and a wholesale supply arrangement with Tesco Plc., thereby allowing our Star Bazaar business to access Tesco's retail expertise and source merchandise from Tesco on a "preferred customer" and "preferred supplier" basis.

We continue to undertake various initiatives in further improving the efficiency of our supply chain which, we believe, will enable us to effectively replenish our store network and significantly improve merchandise availability levels in stores.

Experienced professional management team

We are managed by an experienced professional team. Our management team has an average of over 7 years of industry experience, with extensive management and operational experience in the retail sector. Our management team brings us industry experience and knowledge of relevant best practices, cost and operational efficiencies and marketing and business development initiatives. We believe that our management's expertise has played a key role in the growth of our business and in the development of consistent procedures and internal controls. In addition, the skills and diversity of our management team give us flexibility to respond to changes in the business environment.

Our management, supported by a capable and talented pool of employees, will continue to be an important driver of growth and success in all of our existing and new business ventures.

Shopping environment

We believe our focus on providing our customers a globally benchmarked shopping environment with the best in class service has been instrumental in our success. Our customer-focus is demonstrated by the initiatives taken to build and sustain relationships with customers by aiming for excellence in services at every customer touch point. It starts from understanding customers' expectations and converting the same into customer contact requirements that are then communicated to the frontline staff through training and coaching. We have continuously added and improved services, which have been customised to build relationships. The facilities at stores have been constantly improved based on the inputs of the customers, international consultants and learning from visits abroad.

The Westside stores broadly range in size from 10,000 sq. ft. to 30,000 sq. ft. and are located mostly in high street areas or malls to ensure easy access to the target audience. The stores are located and designed to provide great shopping experience to the target customers. Services offered at the stores include assisted self-selection shopping, computerised billing, trial rooms, alteration services, customer services desk and exchange policies, gift wrapping, and an attractive loyalty program.

Star Bazaar, the discount hypermarket format, is modeled to be family destination store for a wide range of essentials. Each Star Bazaar is intended to be a one stop shop offering a wide range of products including fresh foods – fruits, vegetables & non vegetarian products, dairy, home care, health and beauty products, apparel, home décor, gifts and household items. The Star Bazaar stores broadly range in size from 40,000 sq. ft. to 80,000 sq. ft. and are located mostly in densely populated areas or malls to ensure easy access to the target audience.

In Landmark stores, the core offer was in the books and music categories till recently. But with the de-growth of the music category and the challenges being faced in offline book retailing space – the format is being consciously reshaped to be a family entertainment offering with emphasis also on toys, gaming and tech accessories. The large box Landmark stores broadly range in size from 10,000 sq. ft. to 30,000 sq. ft. and again are located mostly in high street areas or malls to ensure easy access to the target audience.

The product mix and service features of Westside, Star Bazaar and Landmark undergo continuous transformation in order to meet customers' needs. Inputs for such changes come from a systematic process of review and elaborate listening and learning mechanisms.

Our association with the Tata brand

We benefit, reputationally, with customers throughout India as a result of being a member of the Tata group. We believe that Indian customers already associate the Tata brand name with reliability, trust and value. In addition, we believe that the Tata brand name is gaining significant international recognition due to the international growth strategies of the various entities promoted by Tata Sons Limited. We benefit from our use of the Tata brand name and believe that our association with the Tata group of companies significantly strengthens our competitive position in India. We expect to continue to benefit from the commitment of the Tata companies to promote the Tata brand name domestically and internationally.

In addition, we also benefit from the Tata Business Excellence Model, which is a framework used across the Tata group of companies to drive business excellence and facilitate communication and sharing of best practices amongst the group, and which focuses on certain key areas such as leadership, strategic planning, customer orientation, data analysis and information systems, human resources related process, work systems and performance across these areas.

Our Company has also adopted the Tata Code of Conduct and adheres to good corporate practices by way of a Tata Brand Equity and Business Promotion Agreement dated December 23, 1999, pursuant to which our Company can use and is associated with the Tata name, mark and marketing indicia in respect of our Company's products and services or other uses as applicable.

Customer loyalty

Customer focus is a value which is embedded in our mission statement and is strongly driven by the management team across the organisation. We believe that building long-term relationships with customers is critical to our future success. Initiatives are taken to build and sustain relationships with customers by aiming for excellence in services at every customer touch point.

We have well defined customer segmentation processes for determination of target segments. We have customized the industry proven method of segmenting (by age, gender, income, household composition, education levels, and proximity to stores), for analysing buying patterns and defining expectations of its customers. We have multiple listening and learning processes which provide inputs on understanding customers' expectations which are subsequently converted into customer contact requirements that are then communicated to the frontline staff through training and coaching. We have continuously added and improved innovative product lines, new services and have made innovative infrastructure changes to build relationships.

One of the major initiatives undertaken to build long term relationships with customers are our loyalty programs, which have been devised based on best practices of international retailers. The loyalty programs include the Clubwest program in Westside stores, the 'Clubcard' program for our hypermarket customers and the 'Fellowship' program in our Landmark stores. The loyalty programs help build relationships by giving the organisation an understanding of the customer profile, his/her buying habits and preferences, and buying behavior. Our Company also extends benefits like – regular customised communications, advance intimation of events and promotions at stores.

Our Company has around 14.5 lakh customers enrolled in the customer loyalty program called the "Clubwest Program" which contributes to a significant portion of our Company's revenue. Also we have around 11.4 lakh and 1 lakh customers enrolled in the Star Bazaars Clubcard and Landmark's the Fellowship loyalty programs, respectively.

Our Retail Formats and Related Strategies

Westside

An operating store in Bengaluru and the knowledge of the retail industry in LIIPL provided our Company with a sound foundation and our foray into the apparel retail business was made under the brand, "Westside". In a span of 14 years Westside has positioned itself as one of the leading organised apparel retailers in India.

Westside has uniquely positioned itself as a chain of stores offering private labels. Hence, over 80% of the products at Westside are made or procured as per Westside specifications and sold exclusively at Westside stores under the Westside (or a Westside owned) label. The product offering is wide (and has been continuously increasing) and covers apparel and home goods. The apparel offering includes clothing and accessories for a wide range of occasions, *viz.* office, casual, evening/club, innerwear, *etc.*, for all members of the family. The home goods' offering includes soft goods like linen, towels, *etc.* and hard goods like crockery, décor products, *etc.* Westside has also introduced footwear and continues to explore other potential categories.

The fashion apparel industry is characterised by short product life cycles and high obsolescence, thus making exceptionally high churn of products, a business imperative. A key factor in Westside's performance has been its ability to manage simultaneous and significant increase in the volume and churn, and at the same time maintain quality standards.

The market catered to by Westside has been chosen after carrying out extensive consumer research and doing the socio-economic classification of the target consumer. In a period of 14 years, not only has the number of markets addressed increased from two to 34, but the product offering in each market has also increased.

The Westside stores broadly range in size from 10,000 sq. ft. to 30,000 sq. ft. and are located mostly in high street areas or malls to ensure easy access to the target audience. The stores are located and designed to provide great shopping experience to the target customers. Services offered at the stores include assisted self-selection shopping, computerised billing, trial rooms, alteration services, customer services desks and exchange policies, gift wrapping, loyalty program *etc.* We vary the size of planned Westside stores based on various factors including the immediate micro-market, mall vs standalone presence and leasehold economics. However, empirical evidence seems to suggest a size in the region of fifteen to twenty thousand square feet selling area is preferable, as lifestyle department stores much larger in area face viability issues (and therefore limit the geographies that can be viewed as markets), and conversely those much smaller offer customers too limited a range for them to be attractive destinations for shopping.

Our Company has carved out a name for itself using a different business model of uniquely positioning Westside as a chain of stores offering private label products such as "Westside", "SRC", "Richmond", "Gia", "2 Fast 4 U", "Ascot" and "Westsport". Westside is ranked in the top quartile in terms of proportion of private label merchandise to overall revenues. We believe higher private label content facilitates not only realization of better margins but also affords other benefits like control over the merchandize design and quality – which should allow for a better competitive position over the medium term. At the same time, the intent is to make the offering complete and collectively more attractive through the inclusion of select brands that account for around 20% of the overall merchandize range on offer.

As of February 29, 2012, our Company has expanded its Westside stores in the major metros and mini-metros of India to 62 stores, and is present in 34 cities including nine franchisees.

Star Bazaar

After having established our name in the apparel sector, we expanded our focus to the food and grocery business as a part of our strategy. This was done to tap the huge potential lying in the food and grocery business with our target segment being the SEC B and C population. Star Bazaar was chosen after a thorough study of the hypermarkets and supermarkets models and is modeled to be a one stop shop offering a wide range of products including fresh foods – fruits, vegetables and non vegetarian products, dairy, home care, health and beauty products, apparel, home décor, gifts and household items. This large assortment of products is offered under one roof under the promise of '*Chhota* Budget *Lambi* Shopping'. Star Bazaar also includes a large range of fashionable in-house garments for men, women and children, exclusively available at the store.

In order to provide the value for money through this format, there is a strong thrust on private labels. To add to the branded products offering in the store, Star Bazaar offers private labels at lower prices. Currently, we have private labels in food, non-food (cleaning aids), consumer durables, apparel, luggage and house wares. In the recent quarters, Tesco branded/ sourced private label products have also been introduced and they have seen an encouraging response from customers.

As part of a portfolio reorganisation exercise undertaken by our Company in 2008 the Star Bazaar business was transferred to Trent Hypermarket Limited, a wholly owned Subsidiary with effect from August 1, 2008. The independent status post the transfer has continued to enable sharper management focus.

Trent Hypermarket Limited has a franchise and a wholesale supply arrangement with Tesco Plc of U.K. and its wholly owned subsidiary Tesco Hindustan Wholesaling Private Limited in respect of the Star Bazaar business. The exclusive franchise agreement allows the Star Bazaar business access to Tesco's extensive retail expertise and technical capability including state of the art IT systems, processes and best practices in functions like marketing, stock management, retail information systems and supply-chain infrastructure services to drive the growth of the hypermarket business. Under the wholesale supply arrangement, Star Bazaar also sources merchandise from Tesco thereby benefiting from Tesco's sourcing capability and supply chain expertise.

The plan and key initiatives in respect of the Star Bazaar format include:

- Large box format – as with the existing store portfolio, the intent in the medium term is to continue to focus on rollout of large box (around fifty thousand square feet) Star Bazaar stores, especially given the need to contain per square foot rentals.
- Local sourcing and consumer catchment – establishing robust regional sourcing arrangements is seen to be inevitable in-order to service a chain of large hypermarkets in a profitable manner. Also, primarily from a traffic and consumer behavior perspective, we do not see 'outside city limits' stores being sustainable and hence the intent is to continue to focus on the immediate hinterland of a proposed store and the catchment it affords.
- Emphasis in Star Bazaar to be on Food as well as Non-Food merchandize – this from a gross margin as well as from range availability perspective for the customer.
- Own label offerings – over time as the branding of the stores get entrenched, emphasis would be on increasing the contribution of 'own label' offerings across categories, as we do not see undue resistance from customers in respect of value offerings and this again should contribute to making the business more economically sustainable.

As of date, we operate 14 stores of Star Bazaar across Mumbai, Bengaluru, Ahmedabad, Aurangabad, Surat, Pune, Kolhapur and Chennai.

Landmark

In August 2005, our Company entered the books and music retail market with the acquisition of 76% share in Landmark, a partnership firm, and acquired a further 3% share in March 2006. With effect from March 31, 2006, Landmark was subsequently converted into a limited company, Landmark Limited. In 2008, the residual stake held by the promoters was also acquired by our Company together with its Subsidiaries. Following the induction of the TVS private equity fund as an investor in Landmark, our Company has (together with its Subsidiaries) a shareholding of 75.05%.

At present there are 17 large box stores, broadly varying in size from 10,000 sq. ft. to 30,000 sq. ft. Landmark has been introducing newer categories like gaming, technology, accessories and sports merchandize. What separates Landmark from other stores of its kind is the range and depth of its stock. Increasingly, the format is being shaped into a "family entertainment format" with focus on toys, front list adult & children's books, tech accessories & gaming and stationery.

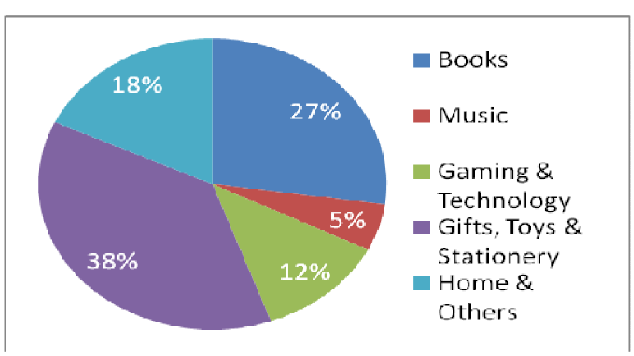
The principle factors that have impacted reported performance in recent periods are as below:

- Decline of especially the music category wherein digital downloads have for the most part become the norm, including through mobile phone platforms;
- Under performance of select mature stores vis-à-vis expectations; the key contributing factors include the opening of a competing mall location in the relevant Chennai micro-market, internal supply chain challenges given legacy IT systems and timely merchandize availability issues at the store level;
- Under performance of select large box new stores, as these stores take longer to reach break-even sales volumes; key contributing factors include slow ramp-up of immediate mall occupancy, operational mall maintenance and timely merchandize availability issues;
- On the other hand encouraging off-take of certain new categories of focus like gaming, sports merchandise and select tech-accessories; also, the part monetization of a freehold property significantly buffered reported performance.

Key observations and intent on approach in respect of the Landmark format:

- As a retailer of books, Landmark has maintained its leadership (in value terms) and continues to offer the largest collection of books in the country; further in order to address the growing market for books through the internet, the Company is investing in a significantly refurbished and improved online offering of "landmarkonthenet.com";
- Structural changes have been concluded to address the issue of non-viable stores in Tier 2 locations and the results on this front have been mostly positive; also, the gaming and tech zones introduced in select Landmark stores have witnessed an encouraging response from customers and we believe this would be a significant growth window over the medium term.
- Music as a category is de-growing consequent to increasing access of such content through other channels; in this context Landmark has been consciously introducing newer categories like gaming, technology accessories and sports merchandize. Also, it is relevant to observe that Landmark already derives its income from a wide mix of categories as depicted in the chart below, and is consequently less exposed to the risk of systemic de-growth in one of the categories like music.

Landmark's FY10-11 Revenue Mix



- Other than as exceptions in select Tier 1 locations, empirical evidence suggests that "large box" presence (greater than 25000 square feet stores) with a Landmark offering may not be viable given:
  – the skewed rental economics vis-à-vis expected sales density; across retail formats beyond certain threshold limits of area, sales do not increase proportionately with increase in store area footprint;
  – the decline in the range of music & video titles that warrant to be on offer, given the off-take through other channels like internet and mobiles;
  – the lack of a critical mass of general English books reading audience in Tier 2 locations.

Hence, the intent is to concentrate presence in Tier 1 cities in the near to medium term and also optimize store size to ensure realization of a fair return on investment.

Overall, we believe the Landmark format would prove to be sustainable over the medium term with steps being taken to:

– grow existing & select new categories with significant growth headroom;
– optimize store sizing, merchandize range and look & feel;
– improve timely availability at the store level of relevant merchandize;
– build an adequate supply chain infrastructure and a more robust & scalable technology platform.

Sisley

Our Company operates small format stores under the Sisley banner, as a franchisee of Benetton in India. While the performance of these stores in FY10-11 continued to be negative, consequent to the efforts taken by the management to shift/ or otherwise negotiate better rental arrangements, as also better off-take for the merchandize *vis-à-vis* the corresponding prior period, the performance at the store level had witnessed an improvement. Despite these efforts, the format has not turned profitable, primarily on account of high real estate charges. In this context, our Company has reviewed the way-forward with Benetton and is in the process of substantially restructuring the franchisee operations.

Fashion Yatra

Over the last 3 years, we had launched five stores under the banner 'Fashion Yatra'. This format was an attempt to test the viability of a lower end, primarily fashion apparel offering, to address Tier 3 cities and towns. This was also based on the presumption that a format in the nature of Westside may not be well received in Tier 3 markets.

The intent was to initially test the format from a market acceptance perspective, and accordingly scale-up operations if the management was convinced of the sustainability of this format over time. While the initial response to Fashion Yatra stores was encouraging, the overall format continued to incur losses disproportionate to its revenues. On the other hand, Westside stores that were opened in similar markets have witnessed significantly stronger customer response and also do not involve separate buying and merchandising infrastructure. In the above backdrop and also the continued losses being incurred – the company has decided to wind-down this format and focus on the flagship Westside offering in the department store space. This exercise is expected to be concluded by the end of this Financial Year.

Common Strategies Across our Retail Formats

We intend to maintain and enhance our position as a leading retail player through continued focus on the Indian market and investing further in our strengths to grow our business. The key elements of our business approach include:

Actively operate and manage our retail formats

Given our experience and expertise with our various retail formats, we will, wherever possible, aim to maximise our returns through the mentoring and active management of our retail formats. We intend to promote or hold significant stake in each of our Subsidiaries and Joint Ventures, and to exert operational control or influence over them through, amongst other methods, maintaining shareholding, board or senior executive representation as well as placing persons in management or advisory roles. We expect to influence the business strategy and decision-making of our Subsidiaries and Joint Ventures through operational management and the exercise of customary shareholders' rights commensurate with the level and type of our participation in the business.

We may also pursue appropriate longer-term value creation strategies which may unlock the value of certain of our retail formats after taking into account factors such as the stage of development of the relevant retail format and general market conditions.

Increasing our penetration in existing cities and expanding our reach across the country

We believe that our retail format offers significant opportunities in India with changing consumer aspirations as well as drive for a better lifestyle. We believe that a younger population with higher disposable incomes and willingness to experiment would drive customer aspirations for lifestyle products and comfort with modern retail offerings.

Increasing our penetration in existing cities with a larger number of stores will enable us to penetrate into new catchment areas within these cities and optimize our infrastructure. In addition to our existing cities, we believe that expanding our reach to cover additional cities, which are typically satellite cities, will enable us to reach out to a larger population and become a preferred shopping destination for their lifestyle needs. As a result, we will focus on opportunities in markets which are consumer driven and have high growth potential. We believe that our retail formats will benefit from the rising incomes in these satellite cities and the resultant changes in consumption patterns.

In the above context, in the current financial year we have opened the following stores covering both our existing cities and newer markets:

- Westside stores: Bhopal (DB Mall), Mumbai (Infinity Mall – Malad), Varanasi (Dhanushree Complex), Pune (Phoenix Market City), Delhi (Moments Mall), Mumbai (R-City Mall – Ghatkopar), Bilaspur (City Mall) and Udaipur (RKay Mall) taking the total number of operational Westside stores to 62.
- Star Bazaar stores: Ahmedabad (Kalasagar), Surat (Imperial Mall), Pune (Market City), Kolhapur (Ghatge Patil complex) taking the total number of operational Star Bazaar stores to 14.

Expanding the retail products under our private labels and enhance the brand equity of such labels

In addition to the retailing of products under various brands, we offer products in fashion and consumer durables under our private labels. These private labels help us offer better value proposition to the customers for various products. Our private label initiative and focus offers us a differentiating factor as compared to our competition and at the same time helps us improve margins and strengthen our merchandise mix.

Our leading formats with brand equity provide our private labels a unique opportunity to be retailed along with other branded products. Further, we intend to acquire, develop, strengthen and promote private labels in various lines of businesses like fashion, general merchandise, home and FMCG products. We intend to further develop private labels like "Westside", "Star Bazaar", "SRC", “Richmond”, “Gia”, ”2 Fast 4 U”, “Ascot” and “Westsport” by expanding their reach across consumer segments.

Increasing our share in the consumer spend through increase in our customer base, customer loyalty and expansion of our operations

We intend to enhance our customer base through increasing our presence in various cities in India, and also drive cross spending across our various retail formats. In the case of Star Bazaar stores, we are specifically focusing to achieve dominant share of consumption spending in the following states to start with – Gujarat, Tamil Nadu, Karnataka and Maharashtra. On the other hand we are pursuing a pan-India approach in the case of Westside stores and more selective presence in the case of the Landmark format.

We intend to increase our share in the consumer spending in India by primarily adding new categories to our existing product range to cater to consumers across target markets. We also leverage our existing customer base by cross selling our products sold through various formats through initiatives like issuing cross format discount vouchers.

To expand our operations, we intend to continue to identify properties that we believe may be viable retail property spaces at strategic locations and enter into arrangements to lock such properties for our stores to be launched in the future. We are at various stages of negotiations to enter into arrangements for locking such retail property for our future requirements to open stores and expand our formats. This will enable us to maintain our position as a leading retailer in India, as well as grow our market share by being present at strategic retail locations. In this context, we have reasonable visibility in terms of property pipeline to open about 10 and 5 stores in each of next two Financial Years under the Westside and Star Bazaar banners respectively.

To develop best talent and skilled workforce and inculcate best business practices

We believe that the key to our success will be our ability to continue to maintain and grow a team of talented and experienced professionals. We have been successful in building such a team and intend to continue placing special emphasis on managing attrition and attracting, training and retaining our employees. We intend to recruit best talent available across various industries, train them as per our value system and provide them opportunities to learn, experiment and innovate. We intend to continue to encourage our employees to be enterprising and contribute constructively to our business through effective training and management.

Business Operations

Sourcing and Merchandising

The key supplier partnering process is based on the selection of the preferred supplier base, involvement of suppliers in planning, active process of interaction, mutual discussion on pricing, transparency and the Tata values practiced by Trent.

The buyers and sourcing managers are in regular touch with these suppliers and provide techno-commercial inputs to these suppliers. Through a systematic process the senior management meets suppliers. The Sourcing and Buying team communicates with suppliers through the VMS, telephony and personal contacts. To augment the relationship Vendors Meets are organized and annual vendor satisfaction survey is conducted to listen from the suppliers. Through the process of active engagement with suppliers Trent has established partnering relationships and also gets inputs for learning, innovation and improvement.

Supply Chain Management and Support Services

With our Company having taken upon itself the mission of "*offering best-in-class products and services at affordable prices*" the ability of the supply chain to deliver quality products, on time and at competitive costs is a key requirement. Fiora Services Limited (FSL), a subsidiary company, was set up as a part of the strategy to create an agile and fast responsive supply chain and also provide support services. Over the last few years FSL has evolved into a comprehensive backend service provider for the Company's various retail formats. Services managed by FSL include – supply chain & warehouse management (for Westside, Sisley & incrementally for Landmark), accounting services (for all formats) and human resources management relating to front-end staff in our various formats.

The management and development of the supply chain for the Westside business is based on the fashion content of the product. Our Company's products can be classified as either 'basic' or 'fashion'. Basic product lines are typically high volume, low fashion content while fashion lines have lower volume runs and require higher value addition. As such, suppliers of fashion lines have high design empathy and provide higher design inputs; have flexible manufacturing facilities with shorter lead times and high unit value realisations. Suppliers of basic merchandise, on the other hand, operate on economies of scale. They have lower unit value realisations, their manufacturing setups are capital and technology intensive and often, very inflexible.

Given the nature of the lifestyle apparel industry, the ability to respond quickly to the fast changing customer tastes and preferences is a critical requirement of the supply chain. In this context, our Company has aligned the management of its diverse supplier base to the geographical locations where clusters of these suppliers operate. It operates through 7 regional sourcing offices for its apparel business – Delhi, Bengaluru, Kolkata, Tirupur, Jaipur, Ludhiana and Mumbai. This infrastructure supports both the Westside and Star Bazaar formats in respect of their apparel sourcing requirements. Our Company uses the suppliers as one of the sources of inputs on design, trends, and fabrics, which forms an integral part of the strategic planning process, and leads to learning and sharing. For the branded goods (as compared private labels) our Company has tie-ups with the brand owners or with the distributors enjoying the total margins.

Supplier selection processes, supplier partnering relationships and communication mechanisms have been improved and strengthened over a period of time. Monitoring of supplier performance is done to ensure meeting operational requirements and the Quality Control standards have been upgraded periodically to reach the best in class. As a part of continuous improvement, Trent has deployed a *Vendor Management System* for Apparel business – a software developed exclusively for it, to measure and monitor key performance parameters across the entire supply chain.

Supply chain in the case of the hypermarket business is predominantly managed by a wholly owned subsidiary of Tesco Plc pursuant to a wholesale supply arrangement entered into by Trent Hypermarket Lmited. Sourcing merchandise from Tesco is aiding the Star Bazaar to leverage Tesco's sourcing capability and supply chain expertise on a "preferred customer" and "preferred supplier" basis. Use of system applications and products has facilitated the auto generation of purchase orders for certain goods triggered by using the inventory management module in SAP.

Key Joint Ventures, Strategic Alliances and Associations

Joint Venture with Inditex Group of Spain – The Company has entered into a Joint Venture (JV) with the Inditex group with a shareholding of 51% (Inditex):49% (Trent). The JV entity (Inditex Trent Retail India Private Limited) endeavors to open Zara stores in India over the next three to four years in the major metro cities. During FY09-10 the Company has invested ₹ 3,175.20 lakhs in the JV. The JV entity currently operates seven Zara stores in Delhi, Mumbai, Bangalore and Pune and the initial customer response has been very encouraging and the JV entity (Inditex Trent Retail India Private Limited) recorded revenues of ₹ 14,700.74 lakhs in FY10-11. 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 its other retail operations. Separately, the Company has also entered into a Memorandum of Understanding (MOU) with the Inditex Group to develop and promote Massimo Dutti stores in India. As per the MOU signed, ZARA Holding BV (an Inditex Group company) would hold 51% and Trent Ltd., would hold 49% in the proposed JV Company.

Association with Tesco Plc – Trent Hypermarket Limited has a franchise and a wholesale supply arrangement with Tesco Plc of U.K. and its wholly owned subsidiary Tesco Hindustan Wholesaling Private Limited in respect of the Star Bazaar business. The exclusive franchise agreement allows the Star Bazaar business access to Tesco's extensive retail expertise and technical capability including state of the art IT systems, processes and best practices in functions like marketing, stock management, retail information systems and customer services to drive the growth of the hypermarket business. Under the wholesale supply arrangement, Star Bazaar also sources merchandise from Tesco thereby benefiting from Tesco's sourcing capability and supply chain expertise.

Agreement with Xander – The Company has entered into an agreement with The Xander Group Inc., a global private equity firm. The Xander Group Inc. through one or more of its Fund vehicles is involved in the development of an institutional retail real estate portfolio in India in partnership with high quality Indian developers. In certain of these projects, the Company/ subsidiaries may have anchor retailer rights and obligations. Also, in the context of this arrangement, Trent Hypermarket Limited (THL) has a Joint Venture (Virtuous Shopping Centres Private Limited (VSCPL)) for development of shopping centers where Star Bazaar would be the anchor occupant. Trent Hypermarket Limited currently holds 66.66% stake in VSCPL and has to date committed to one freehold shopping center development as part of this JV arrangement. Under the relevant JV agreement, commensurate with agreements of this nature, THL and the Fund have certain rights and obligations, also covering certain affirmative and exit related rights, including in respect of select strategic actions by VSCPL or by the THL/ Company in the context of the VSCPL business.

TVS PE Fund's investment in Landmark – Following the induction of the TVS private equity fund as an investor in Landmark in Financial Year 2009-10, our Company has (together with its Subsidiaries) a shareholding of 75.05%. Under the relevant agreement, commensurate with financial investments of this nature, the Company and the Fund inter-se have certain rights and obligations, also covering certain affirmative and exit related rights for the Fund, including in respect of select strategic actions by Landmark Limited or by the Company in the context of the Landmark business.

Under the strategic arrangements entered into by us, including the joint venture with Industria De Diseño Textil, Sociedad Anónima (Inditex) to open Zara stores in India; the strategic alliance with Xander Investment Management (Xander) with respect to retail real estate development; the strategic association inter-alia involving a franchise and wholesale supply arrangement with Tesco PLC for our Star Bazaar hypermarket business; and the shareholders' arrangement with a private equity fund managed by the TVS Group – TVS Shriram Growth Fund I for our Landmark business, we realize certain benefits and have access to certain opportunities, but at the same time are also subject to additional risks and uncertainties.

Present and future acquisitions and strategic alliances may entail certain exposures, including if any of our alliance counterparties seek exit in full or in part or seek increased participation in the context of prevailing arrangements, we may have to review and substantially change our strategy with respect to the concerned business. Further, foreign investment in multi-brand retail in India is currently prohibited and in single-brand retail is restricted and subject to the fulfillment of certain conditions and prior approval of the Government. Any change thereof in the relevant regulations may require us to take cognizance of such change and revisit relevant strategic alliance arrangements as appropriate, under the applicable regulatory framework, and modify our strategy subject to prevailing regulations with respect to various retail formats and ownership structure.

Advertising and Publicity

We currently follow a 360 degree marketing approach, which means that we advertise through most of the mediums of communication through media, being television, press, radio, outdoor advertising, internet and mobile. Apart from the round the year advertising, we also undertake special advertising and marketing in event of a launch of any products or formats.

We undertake various types of promotional activities for our formats based on consumer buying cycles like monthly grocery purchase cycle and festive purchase cycles. Further, we also undertake promotional activities in non-buying cycles by organizing 'end of season' sales at our formats catering to fashion. We also organize promotional events like Author visits in Landmark, mini fashion events in Westside especially during store opening in new cities, Kids fest in Star Bazaar *etc.* Promotional events at stores are also slated to coincide with launch of new categories like for instance the introduction of the Gourmet West food offering in Westside stores.

Intellectual Property

Our leading formats with brand equity provide our private labels a unique opportunity to be retailed along with other branded products. Further, we intend to acquire, develop, strengthen and promote private labels in various lines of businesses like fashion, general merchandise, home and FMCG products. We intend to further develop private labels like "Westside", "Star Bazaar", "SRC", "Richmond", "Gia", "2 Fast 4 U", "Ascot", "Nuon" and "Westsport" by expanding their reach across consumer segments. Increasingly, we are recognizing the need to clearly sub-segment our offerings in-store (for instance clear delineation of the Ascot offer, which is targeted at a more premium and formal men's wear seeking audience vis-à-vis say Nuon which is meant to be a unisex young fashion casual range).

Our Company has over 90 distinct trademarks registered under various classes under the Trade Marks Act being used or proposed to be used as private labels.

Competition

As the industry is highly fragmented, we face competition from local stores, who may, for a variety of reasons such as easier access and personal relationship with customer may be able to cater to local demands better than us. Further, the introduction of foreign participation in the retail sector will result in the entry of multinational retail companies into the Indian market. International competitors may enjoy many of the same advantages that we do and may have lower cost structures, enabling them to compete vigorously *vis-à-vis* pricing. As a result of competition, we may have to price our products at prices that reduce our margin and, at the same time, increase our advertising and distribution expenditure, which may adversely affect our business costs and profits. Competition from these competitors may adversely impact our revenues. Global companies are significantly larger than us and have significantly stronger international market positions, production capacities and greater financial resources than we do.

Internal Controls and Adequacy

Our 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 and is carried out partly by internal resources and the balance activity is outsourced to CA firms. As part of the effort 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 and accounting related areas, apart from security related measures.

Information Technology

We use information technology for information gathering at the source, analysis and faster decision-making across the organisation. Information technology is also used extensively to ensure control over operations that are spread across 37 cities of the country.

The Company has entered into a strategic long term arrangement with Tata Consultancy Services to manage all it Information Technology related requirements including in respect of the warehouse management system, business support analytics, accounting systems and store level systems. Investment in retail management software has helped the organisation automate processes like point of sale, purchase order management, inventory management, goods allocation, receipts and transfer of goods, planned pricing of goods, analysis and reporting. This system has been upgraded to keep current with changing business and technological requirements.

As a part of ensuring robust access and visibility a virtual private network has been setup and is being used between our head office and all remote locations. This network is aimed at improving availability, timeliness, reliability, and security of the information. We have implemented a web based vendor management system to enhance communication with suppliers and improve the supply chain responsiveness. Also, consequent to the recent transition of the Landmark format from a legacy system to the SAP ERP platform – we now have all our major retail formats (Westside, Star Bazaar and Landmark) on the SAP ERP platform.

Human Resources

We believe that people are one of our greatest assets and that training is an investment for organizational excellence. A lot of emphasis continues to be placed on training and development of store staff and also on the development of leadership skills. Our Company has taken several new initiatives to ensure that the knowledge gained is institutionalized and integrated with the processes & embedded into the relevant IT systems.

As on February 29, 2012 the staff strength across various formats including corporate staff was over 6,000.

Insurance

We have insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with industry standards in India.

We have insured all our stores, distribution centres, warehouses, registered offices, branch offices and other assets against fire accidents, robbery, burglary, house breaking and such other loss and damage to property and allied risks. We review the adequacy of the insurance cover at periodic intervals. We are mostly covered for losses caused by accident, fire, flood, riot, strike, terrorism and malicious damage, for liability to our customers and third parties and in select locations for anticipated loss of profit. For our employees, we have group accidental policies and medical insurance policies. We review the adequacy of the insurance cover at periodic intervals.

Notwithstanding our insurance coverage, damage to any of our stores or other properties as a result of occurrences such as fire, explosion, power loss, telecommunications failure, intentional unlawful act, human error or natural disaster or terrorism, or any decline in our business as a result of any threat of war, outbreak of disease or epidemic could nevertheless have an adverse effect on our financial condition and results of operations to the extent that such occurrences disrupt the normal operation of our business. For further details, please see "*Risk Factors — Our operations are subject to various* *business risks and there may be inadequate insurance coverage to cover our economic losses as well as certain other risks including those pertaining to claims by third parties and litigation*" on page 19 of this Placement Document.

Properties

Our businesses are primarily undertaken through 61 stores of Westside, 13 stores of Star Bazaar, 22 stores of Landmark. These stores are spread across the country and, in most cases as of December 31, 2011, are operated from leased/ licensed (including variations like revenue share based arrangements) premises (83), from owned premises (five stores) and in certain cases by our franchisees (eight). The form of legal arrangements are determined and entered into based on the peculiarities of each property/ counterparty related considerations and preferences. In addition to our stores set out above, we operate a few warehouses across the country to service our various retail formats and also own certain of our offices.

Subsidiaries & Joint Ventures

The following are the Subsidiaries and Joint Ventures of our Company as of February 29, 2012:

Sr. No.	Name of Entity	Shareholding of the Company (direct and indirect)	Relationship with the Company	Details of Business
1.	Trent Hypermarket Limited	100%	Subsidiary	Retailing
2.	Landmark Limited	75.05 %	Subsidiary	Retail- books and music retail market
3.	Trent Brands Limited	100%	Subsidiary	Licensing of Trademarks, Technologies, Research and Development
4.	Fiora Services Limited	89.88%	Indirect subsidiary	Consultancy, business process and outsourcing services
5.	Westland Limited	96.64 %	Subsidiary	Publication & distribution of books
6.	Nahar Retail Trading Services Limited	100 %	Subsidiary	Retail trading
7.	Fiora Link Road Properties Limited	100 %	Subsidiary	Real estate
8.	Trent Global Holdings Limited	100%	Subsidiary	Investment holding company

Sr. No.	Name of Entity	Shareholding of the Company (direct and indirect)	Relationship with the Company	Details of Business
9.	Landmark E-Tail Private Limited	100 %	Subsidiary	Retail- books and music retail market
10.	Virtuous Shopping Centres Limited	66.66%	Indirect Subsidiary	Construction Development
11.	Commonwealth Developers Private Limited	66.66 %	Indirect Subsidiary	Construction Development
12.	Inditex Trent Retail India Private Limited	49%	Joint Venture	Retail-clothing
13.	Trexa ADMC Private Limited	50 %	Joint Venture	Investment Management

Social Responsibility

Corporate sustainability at our Company integrates economic progress, environmental concerns as well as social commitment. As a retail organisation, having a trained talent pool with a strong orientation for customer service is very important to our business. Our Company decided to address this challenge by tapping into the huge pool of talent available from the underprivileged sections of society. This initiative called *Saksham* (Sanskrit for capable) was pioneered to enhance the employability skills and provide gainful employment to the underprivileged sections of society. In 2010-11, this initiative yielded 449 employable aspirants out of which, 370 have gained employment so far. This programme supports our affirmative action policy that encourages and recognises equal employment opportunity to underprivileged sections of society.

We understand our responsibility as a good corporate citizen to help strengthen the communities in which we live and work. We encourage our employees to become involved in the communities by lending their voluntary support by conducting knowledge sharing sessions to the *Saksham* programme. These programmes enrich the quality of life and opportunities for all.

REGULATIONS AND POLICIES

The operations of our stores are subject to various shops and commercial establishment laws. All promotional activities are governed by regulations, which are strictly adhered to. We adhere to financial discipline as prescribed under various acts, such as the income tax and sales tax acts, *etc.* All statutory acts related to the management of our employees and their benefits are also adhered to.

The significant legislations applicable to us include:

- Shops and Establishments Acts of various states where our stores are located:
- Municipal laws of various states where our stores are located;
- Food Safety and Standards Act, 2006;
- The Contract Labour (Regulation and Abolition) Act, 1970;
- The Employee's State Insurance Act, 1948;
- Employee's Provident Funds and Miscellaneous Provisions Act, 1952;
- The Minimum Wages Act, 1948; and
- The Maternity Benefit Act, 1961.

We have a dedicated secretarial and legal department that ensures the compliance of all legal and regulatory requirements. The provisions of Company law and all other regulations prescribed by SEBI, the listing agreement with the concerned stock exchanges for adequate disclosure to investors are adhered to. We also have a separate internal audit department, which reports, suggests and facilitates compliance as a proactive measure.

As a part of our relationships with our vendors, we strongly encourage our partners to adhere to all applicable regulations while manufacturing and delivering products. We have always been proactive with respect to the concerns of our consumers, consultants, employees and vendors. During the planning and construction of our stores, we ensure that environmental issues like noise levels, vibration levels, and light intensity are taken care of. To offer a great shopping experience, we use the learning acquired from visits to international retail stores, and customer feedback to ensure greater care and safety of consumers visiting our stores.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The general supervision, direction and management of our operation and business is vested in our Board, which exercises its powers subject to our Memorandum and Articles of Association and the requirements of Indian laws. Under the Companies Act, we are required to have not less than three directors and not more than 15 directors. Currently, our Company has seven non executive directors. Mr. Farrokh K. Kavarana is the Chairman on our Board.

The following table sets forth details regarding the Board of Directors as at the date of this Placement Document:

Sr. no.	Directors	Age	Details	Qualifications
1.	**Mr. Farrokh K. Kavarana**	67	***DIN***: 00027689 ***Designation***: Non-Independent Non-Executive Chairman ***Term:*** Appointed with effect from November 1, 2004. ***Occupation***: Company Director ***Address***: CCI Chambers, Flat no. 9, 5th Floor, Dinshaw Wacha Road, Mumbai - 400 020	Bachelors Degree in Commerce, MBA (Wharton School, University of Pennsylvania), F.C.A. (England and Wales).
2.	**Mr. Noel N. Tata**	55	***DIN***: 00024713 ***Designation***: Non-Independent Non-Executive Vice Chairman ***Term:*** Appointed with effect from August 19, 2010 on rotational basis ***Occupation***: Company Director ***Address:*** Windmere 55, Cuffe Parade Mumbai – 400 005	B.A. (Eco) Sussex, IEP, INSEAD, France
3.	**Mr. Aspy D. Cooper**	71	***DIN***: 00026134 ***Designation***: Independent Non-Executive Director ***Term:*** Appointed with effect from May 29, 1984 on rotational basis. ***Occupation***: Chartered Accountant	Bachelors Degree in Commerce, A.C.A.

Sr. no.	Directors	Age	Details	Qualifications
			Address: 47, Cuffe Parade, Mumbai - 400 005	
4.	**Mr. Khushroo N. Suntook**	76	***DIN*****:** 00025818 ***Designation***: Independent Non-Executive Director ***Term:*** Appointed with effect from August 24, 1995 on rotational basis. ***Occupation***: Company Director ***Address:*** 25, Lands End, Doongersi Road, Mumbai - 400 006	Bachelors Degree in Arts, LL.B., FCS
5.	**Mr. Zubin S. Dubash**	52	***DIN*****:** 00026206 ***Designation***: Independent Non-Executive Director ***Term:*** Appointed with effect from April 26, 2010 on a rotational basis. ***Occupation***: Company Director ***Address:*** 301/ 302, Anand Bhavan, Babulnath, 2nd Cross Lane, Chowpathy, Mumbai - 400 001	Bachelors Degree in Commerce, MBA (Wharton School, University of Pennsylvania), A.C.A. (England and Wales).
6.	**Mr. Bhaskar Bhat**	57	***DIN*****:** 00148778 ***Designation***: Non-Independent Non-Executive Director ***Term:*** Appointed with effect from September 27, 2010 on a rotational basis. ***Occupation***: Company Director ***Address:*** No.884 Chaitanya Plot, Indiranagar Ist Stage, Bangalore, 560038	IIT Chennai, IIM Ahmedabad

Sr. no.	Directors	Age	Details	Qualifications
7.	**Mr. Simon N. Susman**	61	***DIN*:** 03503013 ***Designation***: Independent Non-Executive Director ***Term:*** Appointed with effect from May 11, 2011 on a rotational basis. ***Occupation***: Company Director ***Address:*** Po Box 680, Cape Town, Cape Town, 8000, South Africa	St.Andrew's college, Grahamstown (Mat.)

Set out below is table evidencing changes in the composition of the Board of Directors and Key Manegerial Personnel over the last three years:

Name of Directors/ Key Managerial Personnel	Change
Mr. N. A. Soonawala	Resigned as a Director with effect from March 31, 2010
Mr. Zubin S. Dubash	Appointed as an Additional Director with effect from April 26, 2010
Mr. Noel N. Tata	Resigned as the Managing Director with effect from August 11, 2010. He was appointed as an Additional Director from August 12, 2010 to August 18, 2010, *i.e.* up to the date of the Company's AGM. Thereafter, he was appointed as an Additional Director and Vice Chairman with effect from August 19, 2010.
Mr. Bakhtiar. S. Bhesania	Resigned as a Director with effect from August 18, 2010
Mr. Bhaskar Bhat	Appointed as an Additional Director with effect from September 27, 2010
Mr. Simon N. Susman	Appointed as an Additional Director with effect from May 11, 2011
Mr. Philip N. Auld	Appointed as a Manager under the Companies Act with effect from May 1, 2011

Nationality

All the Directors of our Company are Indian nationals except Mr. Simon N. Susman who is a national of South Africa.

Brief profiles

Mr. Farrokh K. Kavarana is a Non-Independent Non-Executive Chairman of the Company. He is a B.Com (Hons.) from the University of Bombay, an M.B.A., Wharton School, University of Pennsylvania and an F.C.A., (England and Wales). He is a Director of Tata Sons Ltd., Tata Industries Ltd. and also the Chairman and Director of several other Tata Companies in India and overseas. He has around 40 years of valuable experience in the field of Finance and Management.

Mr. Noel N. Tata is a Non-Independent Non-Executive Vice Chairman of the Company. He is a Graduate of Sussex University, U.K. and IEP (INSEAD). He has worked for two years with Nestle, U.K., as a product manager. He has also worked as a Senior General Manager with Tata Exports Limited (now Tata International Limited) for 13 years. He had been the Managing Director of the Company for around 11 years till August 2010, and is currently the Managing Director of Tata International Limited. He has around 30 years of varied business experience including in the retail sector.

Mr. Aspy D. Cooper is an Independent Non-Executive Director of the Company. He is a B.Com and also a member of the Institute of Chartered Accountants of India. He has around 45 years of varied experience in field of finance and management.

Mr. Khushroo N. Suntook is an Independent Non-Executive Director of the Company. He is a B.A, LL.B. and a Fellow Member of the Institute of Company Secretaries of India. He has around 50 years of vast experience in business administration, sports and art management. At present, he is the Chairman of the National Centre for the Performing Arts.

Mr. Zubin S. Dubash is an Independent Non-Executive Director of the Company. He is a B.Com, M.B.A. (Wharton) and an A.C.A. (England and Wales). He has over 28 years of varied experience in the field of finance and business development.

Mr. Bhaskar Bhat is a Non-Independent Non-Executive Director of the Company. He is a B.Tech (Mechanical Engineering) degree holder of IIT - Madras and a post graduate diploma holder in Management from IIM - Ahmedabad. Having started his career in 1978 with Godrej & Boyce Manufacturing Co. Limited, he moved on after five years and joined the Tata Watch Project, now known as Titan Industries Limited. He has around 34 years of experience in the field of Sales & Marketing, HR, International Business, *etc*. At present, he is the Managing Director of Titan Industries Limited.

Mr. Simon N. Susman is an Independent Non-Executive Director of the Company. He has around 40 years of overseas experience in retail business. Currently, he is the Non-Executive Chairman on the board of Woolworths Holdings Limited, South Africa and is a director of several eminent companies overseas.

Profiles of Key Managerial Personnel

Mr. Philip N. Auld, Chief Executive Officer of our Company, was appointed as a Manager of our Company with effect from May 1, 2011 pursuant to the provisions of Section 269 of the Companies Act. He has more than 30 years of international experience in the retail industry. His career spans several world-class organizations and marquee brands, both in the UK and other European markets. Starting with Marks and Spencer in 1980, his career has spanned across various other organizations such as B&Q plc, Asda plc, Claudia Strater and M&S Mode.

Borrowing Powers of the Directors

Presently, as per the provision of Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of the Company is authorized to borrow to an extent of its paid-up capital and free reserves (not being reserves set apart for any specific purpose).

Nomination of Special Director

Tata Sons Limited has the right to nominate one Director ("**Special Director**") to the Board. Mr. Farrokh K. Kavarana, is the current Special Director. Apart from this, there are no arrangements or understandings with any major shareholder, customer, supplier or other pursuant to which any of the Directors was selected as a director or member of senior management.

Contract Providing Termination Benefits

None of the Directors have entered into any contract with the Company which provides for benefits to the Directors upon termination.

Shareholding of Directors

As on December 31, 2011 the details of the Equity Shares and preference shares held by our Directors was as follows:

Sr. No.	Particulars	No. of Equity Shares	Percentage	No. of Compulsory Convertible Preference Shares Series B	Percentage (including underlying Equity Shares assuming full conversion of warrants and convertible securities as a % of diluted share capital)
1.	Kushroo N. Suntook	440	0.00	80	0.00
2.	Noel N. Tata	74,004	0.31	14,689	0.31

Remuneration and benefits to our Directors

The Directors' remuneration and sitting fees paid / payable in the financial year 2010-11 is given below:

Non-Executive Directors

Name of the Director	Commission for the FY 2009-2010 paid in 2010-2011 (in ₹)	Sitting Fees for attending Board and Committee Meetings for FY 2010-2011 (in ₹)
Mr. Farrokh. K. Kavarana	6,50,000	2,06,000
Mr. Noel N. Tata*	N.A.	1,50,000
Mr. Aspy D. Cooper	6,00,000	3,10,000
Mr. Khushroo N. Suntook	5,50,000	2,60,000
Mr. Zubin S. Dubash (with effect from April 26, 2010)	N.A.	1,70,000
Mr. Bhaskar Bhat (with effect from September 27, 2010)	N.A.	20,000
Mr. Simon N. Susman (with effect from May 11, 2011)	N.A.	N.A.

* Resigned as the Managing Director with effect from August 11, 2010. He was appointed as an Additional Director from August 12, 2010 to August 18, 2010, *i.e.* up to the date of the Company's AGM. Thereafter, he was appointed as an Additional Director and Vice Chairman with effect from August 19, 2010. The details of the remuneration paid to him during the FY 2010-11 in his capacity as Managing Director is as under:

Name	Salary (₹ in lakhs)	Perquisites & allowances (₹ in lakhs)	Commission (₹ in lakhs)
Mr. Noel N. Tata	32.09	105.54	75.00 (for the FY 2009-10)

Remuneration to Manager

Mr. Philip N. Auld, Chief Executive Officer of Company, was appointed as a 'Manager' of the Company for a period of three years commencing from May 1, 2011 pursuant to the provisions of Section 269 of the Companies Act, 1956. The approval of the shareholders and the Central Government for his appointment and the remuneration has been obtained.

Interest of Directors

All the Directors, including our independent directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association. All the non-executive Directors of our Company are entitled to sitting fees for every meeting of the Board or a committee thereof.

All the Directors of our Company, including independent and non-independent directors, may also be deemed to be interested to the extent of Equity Shares, if any, held by them or by companies, firms and trusts in which they are interested as directors, partners, members or trustees and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

All our Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective declarations. Except as otherwise stated in this Placement Document, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Placement Document in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them.

There are no existing loans which the Directors have taken from our Company.

Except as stated in the section titled "Financial Statements- Related Party Transactions" beginning on page F-39, and to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

Corporate Governance

Overview

Our Company is in compliance with the corporate governance regime in accordance with the guidelines imposed by the SEBI, the BSE, the NSE and other regulatory authorities in India.

We have complied with the mandatory requirements relating to corporate governance detailed in Clause 49 of the Listing Agreement, including those relating to composition of the board of directors and the constitution of committees.

None of the Directors of the Company is a member of more than 10 Committees or a chairman of more than five committees across all the companies in which he is a director

Our Company has maintained an optimum combination of Non-Executive Directors. As of date, the Board consists of seven Non-Executive Directors of which four Directors are independent. During FY 2010-2011, the Board of Directors of our Company met eight times.

Committees of our Board

A brief description of each of our committees is set forth below:

Audit Committee

The Committee comprises four Directors. The names of the Committee members are as below:

Name of Member	Category
Mr. Aspy D. Cooper (Chairman)	Independent Non-Executive
Mr. Noel N. Tata	Non-Independent Non-Executive
Mr. Khushroo N. Suntook	Independent Non-Executive
Mr. Zubin S. Dubash	Independent Non-Executive

The Audit Committee deals with various aspects of financial statements, adequacy of internal controls, various audit reports, compliance with accounting standards and our Company's financial and risk management policies. It reports to the Board of Directors about its findings and recommendations pertaining to above matters.

Shareholder's / Investor's Grievances Committee

The composition of the Shareholder's / Investor's Grievances Committee is as under:

Name of Member	Category
Mr. Farrokh K. Kavarana (Chairman)	Non-Independent Non-Executive
Mr. Bhaskar Bhat	Non-Independent Non-Executive

The committee overseas the redressal of investors' complaints pertaining to securities transfers, dividend payments, non-receipt of annual reports, issue of duplicate certificates and other miscellaneous complaints. During the year 2010- 2011, our Company received 39 complaints. As on March 31, 2011, there were no unresolved complaints.

Remuneration Committee

The composition of the Remuneration Committee is as under:

Name of Member	Category
Mr. Aspy D. Cooper (Chairman)	Independent Non-Executive
Mr. Farrokh K. Kavarana	Non-Independent Non-Executive
Mr. Bhaskar Bhat	Non-Independent Non-Executive
Mr. Khushroo N. Suntook	Independent Non-Executive
Mr. Zubin S. Dubash	Independent Non-Executive

The objective of the Remuneration Committee of the Company is to review the remuneration and commission, and retirement benefits payable to the Executive Directors and to deal with matters pertaining to Employees' Stock Option Scheme, *etc*.

The remuneration of the Executive Directors is decided by the Board, based on the recommendation of the Remuneration Committee, within the ceilings fixed by the shareholders of the Company. The Company pays remuneration by way of salary, perquisites and allowances (fixed component), and commission (variable component) to its Executive Directors. Annual increments are decided by the Remuneration Committee with the salary scale approved by the members and are effective from 1st April annually. The Remuneration Committee decides on the commission payable to the Executive Directors on determination of profits for the financial year in terms of the provisions of the Companies Act, 1956. The remuneration by way of commission to the Non-Executive Directors is distributed to them based on their attendance and contribution at the Board and certain Committee meetings, as well as time spent on operational matters other than at the meetings.

Investment Committee

The composition of the Investment Committee is as under:

Mr. Farrokh K. Kavarana
Mr. Noel N. Tata
Mr. Khushroo N. Suntook
Mr. Zubin S. Dubash

The Committee monitors and optimizes returns from investments of surplus funds of the Company.

Property Committee

The composition of the Property Committee is as under:

Mr. Noel N. Tata
Mr. Zubin S. Dubash

The objective of the Committee is to facilitate prompt approvals to the operating department for taking premises on leave and license basis, appointment of a franchisee for its stores, *etc.*

Borrowing Committee

The composition of the Borrowing Committee is as under:

Mr. Farrokh K. Kavarana
Mr. Noel N. Tata
Mr. Aspy D. Cooper

The objective of the Borrowing Committee is to borrow money from banks, financial institution, *etc.* from time to time as per the requirements.

Ethics & Compliance Committee

The composition of the Ethics & Compliance Committee is a under:

Mr. Farrokh K. Kavarana
Mr. Aspy D. Cooper

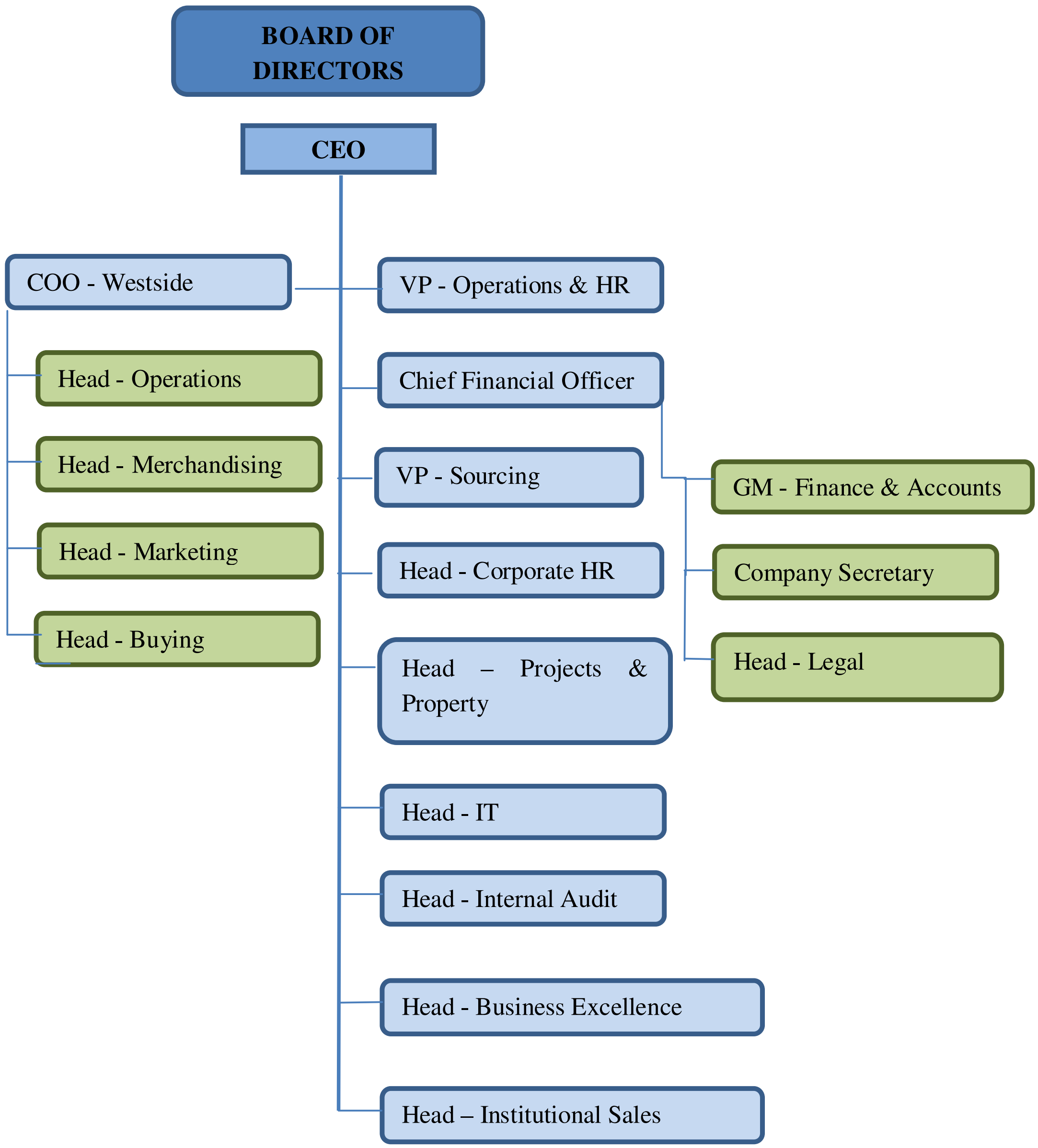
The committee looks after the issues pertaining to ethics and other compliance matters.

Code of Conduct

Our Company has adopted the Tata Code of Conduct for its Executive Directors, senior management personnel and other executives of the Company. The Company has received confirmations from the senior management personnel regarding compliance of the Code for the year ended March 31, 2011. The Company has also adopted the Code of Conduct for Non-Executive Directors of the Company. The Company has received confirmations from the Non-Executive Directors regarding compliance of the Code for the period ended March 31, 2011. Both the Codes are posted on the website of the Company.

ORGANISATIONAL STRUCTURE AND PRINCIPAL SHAREHOLDERS

Organisational Structure



Shareholding pattern of our Company as on December 31, 2011

Category code	Category of Shareholder	No. of shareholders	Total No. of shares	No. of shares held in dematerialised form	Total Shareholding as a % of total number of shares		Shares pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+C)	No. of Shares	As a %
(A)	**Shareholding of Promoter and Promoter Group**							
(1)	**Indian**							
(a)	Individuals / Hindu Undivided Family	0	0	0	0.00	0.00	0	0.00
(b)	Cental Government / State Governments(s)	0	0	0	0.00	0.00	0	0.00
(c)	Bodies Corporate	7	7794298	7794298	31.80	31.80	0	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0.00	0	0.00
(e)	Any Other (specify)	0	0	0	0.00	0.00	0	0.00
Sub-Total (A) (1)		7	7794298	7794298	31.80	31.80	0	0.00
(2)	**Foreign**							
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0.00	0	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
(c)	Institutions	0	0	0	0.00	0.00	0	0.00
(d)	Any Other (specify)	0	0	0	0.00	0.00	0	0.00
Sub-Total (A) (2)		0	0	0	0.00	0.00	0	0.00
Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)		7	7794298	7794298	31.80	31.80	0	0.00
(B)	**Public Shareholding**							
(1)	**Institutions**							
(a)	Mutual Funds / UTI	46	4788807	4784558	19.54	19.54	0	0.00
(b)	Financial Institutions / Banks	24	85586	83975	0.35	0.35	0	0.00
(c)	Cental Government / State Governments(s)	0	0	0	0.00	0.00	0	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	0.00
(e)	Insurance Companies	5	706129	706029	2.88	2.88	0	0.00
(f)	Foreign Institutional Investors	44	2307495	2305195	9.42	9.42	0	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00
(h)	Any Other (specify)	0	0	0	0.00	0.00	0	0.00
					0.00	0.00	0	0.00
Sub-Total (B) (1)		119	7888017	7879757	32.19	32.19	0	0.00
(2)	**Non-Institutions**							
(a)	Bodies Corporate	725	2416933	2409224	9.86	9.86	0	0.00
(b)	Individuals -							
i	Individual shareholders holding nominal share capital up to ₹1 lakh	35244	5144099	4186878	20.99	20.99	0	0.00

Category code	Category of Shareholder	No. of shareholders	Total No. of shares	No. of shares held in dematerialised form	Total Shareholding as a % of total number of shares		Shares pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+C)	No. of Shares	As a %
ii	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	12	1185842	1185842	4.84	4.84	0	0.00
(c)	Any Other (Trusts)	10	2006	1975	0.01	0.01	0	0.00
d)	Directors and relatives	3	77096	77096	0.31	0.31	0	0.00
Sub-total (B) (2)		35994	8825976	7861015	36.01	36.01	0	0.00
Total Public Shareholding (B) = (B)(1)+(B)(2)		36113	16713993	15740772	68.20	68.20	0	0.00
TOTAL (A)+(B)		36120	24508291	23535070	100.00	100.00	0	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0.00	0	0.00
1	Promoter and Promoter Group	0	0	0	0.00	0.00	0	0.00
2	Public	0	0	0	0.00	0.00	0	0.00
GRAND TOTAL (A)+(B)+(C)		36120	24508291	23535070	100.00	100.00	0	0.00

Statement showing shareholding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Promoter and Promoter Group" as of December 31, 2011

Sr. No.	Name of the shareholder	Total Shares held		Shares pledged or otherwise encumbered			Details of warrants		Details of convertible securities		Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		No. of Shares	As a % of grand total (A)+(B)+(C)	No.	As %	As % of grand total (A)+(B)+(C) of sub-clause (I)(a)	No. of warrants held	As a % total no. of warrants of the same class	No. of convertible securities held	As a % total no. of convertible securities of the same class	
1	Tata Sons Limited	6289343	25.66	0	0.00	0.00	0	0.00	1228374	27.60	25.96
2	Tata Investment Corporation	1104665	4.51	0	0.00	0.00	0	0.00	212008	4.76	4.55

Sr. No.	Name of the shareholder	Total Shares held		Shares pledged or otherwise encumbered			Details of warrants		Details of convertible securities		Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		No. of Shares	As a % of grand total (A)+(B)+(C)	No.	As %	As % of grand total (A)+(B)+(C) of sub-clause (I)(a)	No. of warrants held	As a % total no. of warrants of the same class	No. of convertible securities held	As a % total no. of convertible securities of the same class	
	Limited										
3	Af-Taab Investment Company Limited	399990	1.63	0	0.00	0.00	0	0.00	72724	1.63	1.63
4	Titan Industries Limited	300	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00
	Total	**7794298**	**31.80**			**0.00**	**0**	**0.00**	**1513106**	**33.99**	**32.14**

Shareholding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Public" and holding more than 1% of the total number of shares as of December 31, 2011

Sr. No.	Name of the shareholder	No. of Shares held	Shares as a % of total no. of shares {*i.e.*, Grand Total (A)+(B)+(C) indicated in statement at para (I)(a) above}	Details of warrants		Details of convertible securities		Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				No. of warrants held	As a % total no. of warrants of the same class	No. of convertible securities held	As a % total no. of convertible securities of the same class	
1	Reliance Capital Trustee Co. Ltd A/C Reliance equity Opportunities Fund	1334889	5.45	0	0.00	367005	8.24	5.88
2	Sundaram Mutual Fund A/C Sundaram Select	910553	3.72	0	0.00	194789	4.38	3.82

Sr. No.	Name of the shareholder	No. of Shares held	Shares as a % of total no. of shares {*i.e.*, Grand Total (A)+(B)+(C) indicated in statement at para (I)(a) above)	Details of warrants		Details of convertible securities		Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				No. of warrants held	As a % total no. of warrants of the same class	No. of convertible securities held	As a % total no. of convertible securities of the same class	
	Midcap							
3	Siddhartha Yog	888774	3.63	0	0.00	161594	3.63	3.63
4	Dodona Holdings Limited	618868	2.53	0	0.00	112520	2.53	2.53
5	Derive Trading P Ltd	575028	2.35	0	0.00	148533	3.34	2.50
6	Sbi Life Insurance Co. Ltd	517629	2.11	0	0.00	0	0.00	1.79
7	Dsp Blackrock Small And Mid Cap Fund	463291	1.89	0	0.00	95614	2.15	1.93
8	Reliance Capital Trustee Co. Ltd. - A/C Reliance Tax Saver (Elss) Fund	409760	1.67	0	0.00	69680	1.57	1.66
9	Dsp Blackrock Equity Fund	382402	1.56	0	0.00	76122	1.71	1.58
10	Government Pension Fund Global	352306	1.44	0	0.00	0	0.00	1.22
11	Bright Star Investments Pvt Ltd	285235	1.16	0	0.00	35891	0.81	1.11
12	The Royal Bank Of Scotland Plc As Depositary Of First State Global Emerging Markets Fund Asub Fund Of First State Investments Icvc	275187	1.12	0	0.00	0	0.00	0.95
13	Periar Trading Company Private Ltd	260121	1.06	0	0.00	51634	1.16	1.08
14	Reliance Capital Trustee Co Ltd A/C-Reliance Regular Savings Fund-Balanced Option	250111	1.02	0	0.00	0	0.00	0.86
15	The Royal Bank Of Scotland Plc As Depositary Of First State Indian Subcontinent Fund A Subfund Of First State Investments Icvc	248929	1.02	0	0.00	0	0.00	0.86
16	The Royal Bank Of Scotland Plc As Depositary Of First State Indian Subcontinent Fund A Subfund Of First State Investments Icvc	248929	1.02	0	0.00	0	0.00	0.86

Sr. No.	Name of the shareholder	No. of Shares held	Shares as a % of total no. of shares {*i.e.*, Grand Total (A)+(B)+(C) indicated in statement at para (I)(a) above)	Details of warrants		Details of convertible securities		Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				No. of warrants held	As a % total no. of warrants of the same class	No. of convertible securities held	As a % total no. of convertible securities of the same class	
17	Jaguar Services Pvt Ltd	223348	0.91	0	0.00	58231	1.31	0.97
18	Hdfc Trustee Company Limited - Hdfc Prudence Fund	15470	0.06	0	0.00	74444	1.67	0.31
Total		**8260830**	**33.71**	**0**	**0.00**	**1446057**	**32.49**	**33.52**

Statement showing Shareholding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category "Public" and holding more than 5% of the total number of shares of the Company

Sr. No.	Name of the shareholder	No. of Shares held	Shares as a percentage of total no. of shares {*i.e.*, Grand Total (A)+(B)+(C) indicated in statement at para (I)(a) above)	Details of warrants		Details of convertible securities		Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				No. of warrants held	As a % total no. of warrants of the same class	No. of convertible securities held	As a % total no. of convertible securities of the same class	
1	Reliance Capital Trustee Co. Ltd A/C Relianceequity Opportunities Fund	1334889	5.45	0	0.00	367005	8.24	5.88
Total		1334889	5.45	0	0.00	367005	8.24	5.88

Human Resources

We believe that people are one of our greatest assets and that training is an investment for organizational excellence. A lot of emphasis continues to be placed on training and development of store staff and also on the development of leadership skills. Our Company has taken several new initiatives to ensure that the knowledge gained is institutionalized and integrated with the processes & embedded into the relevant IT systems.

As of February 29, 2012, the staff strength across our various retail formats including corporate staff was over 6,000.

LEGAL PROCEEDINGS

Except as described below, our Company and / or its Subsidiaries are not involved in any legal proceedings, and no proceedings are threatened, which may have, or have had, during the 12 months preceding the date of this Placement Document, a material adverse effect on the business, properties, financial condition or operations of our Company and its Subsidiaries.

Litigation involving the Company

1. Our Company has received a notice **("Notice")** under the Apprentice Act, 1961 **("Apprentice Act")** in relation to allegations of non-compliance with the Apprentice Act by our Company at its Westside store located at Ahmedabad. The Notice is in respect of a case filed by Mr. D. P. Makwana, Deputy Apprenticeship Advisor, on October 12, 2009, bearing case number 21280/09 before the Judicial Magistrate First Class, Ahmedabad on account of our Company's failure to appoint apprentices in accordance with the provisions of the Apprentice Act.

2. The Delhi Pollution Control Committee filed a complaint before the Chief Judicial Magistrate, Tis Hazari Court (**"Complaint"**), alleging violation of the Environment (Protection) Act, 1986, on account of the usage of plastic bags by the Westside, Rajouri store of our Company. In this regard, our Company received a summons on August 24, 2011 and the case is scheduled to be heard before the Chief Judicial Magistrate, Tis Hazari Court on March 24, 2012.

3. The Food Inspector, Food and Drugs Administration filed a case bearing number No. 4714 of 2008 on August 8, 2008, before the VI Metropolitan Magistrate Court, Ahmedabad, against our Company alleging sale of adulterated foods by the Company in violation of the provisions of the Prevention of Food Adulteration Act, 1954, as amended **("PFA Act").** The case was filed in respect of a sample of 'Mix Fruit Juice (Leh Berry) 1 litre Tetra Pack' collected from Star Bazaar, Ahmedabad store on September 26, 2007 of which our Company was only a retailer and not a manufacturer. The sample was forwarded to the Public Analyst by the Food Inspector. The report of the Public Analyst disclosed the presence of synthetic colour beyond PFA limits. Our Company and certain Directors on January 19, 2012, filed a petition under the Criminal Procedure Code before the High Court of Gujarat at Ahmedabad for quashing the complaint. In this regard, an interim Order was passed by the High Court of Gujarat staying the proceedings before the Magistrate Court till the next date of hearing, which is scheduled to be on March 21, 2012.

Litigation involving Trent Hypermarket Limited

1. Mr. M. N. Choudhary, Food Inspector, Food and Drugs Administration filed this case on June 6, 2011 before the Chief Judicial Magistrate, Thane Court against Star Baazar as well as the manger of the store and the Directors of THL, alleging adulteration of food in violation of the provisions of the Prevention of Food Adulteration Act, 1954. The case is in respect of a sample of 'Black Pepper (Whole)' collected by the Food Inspector from Star Bazaar, Korum Mall, Thane on September 20, 2010. THL and its Directors are in the process of filing an application under the Code of Criminal Procedure before the Bombay High Court to quash the complaint.

Litigation involving Trent Brands Limited

1. In the assessment year 1999-00, Trent Brands Limited **("TBL")** sold certain trademarks and considered the profit on the sale as a capital gain exempt from tax. In the assessment order, the assessing officer considered the profit from sale of trademarks as business income and raised a demand of ₹ 3,815 lakh. In appeals ITA no. 2147/DL/2003 and ITA no. 3185/DL/2008, filed by TBL with Delhi Income Tax Tribunal, the Income Tax Appellate Tribunal **("ITAT")** upheld TBL's contention that the profit on the sale of trademarks was a capital gain and is exempt from tax. Against this decision of the ITAT, the Income Tax Department through the Commissioner of Income Tax has filed appeals bearing ITA nos. 417, 437 and 459 of 2010 before the Delhi High Court and such appeals are currently pending.

ISSUE PROCEDURE

Set forth below is a brief summary intended to present a general outline of the procedure relating to the bidding, payment, Allocation and Allotment of Equity Shares in the Issue. The procedure followed in the Issue may differ from the one mentioned below and prospective investors are assumed to have appraised themselves of such procedure from the Company or the BRLMs. Prospective investors are advised to inform themselves of any restrictions or limitations that may be applicable to them.

Summary of SEBI Regulations for a QIP

The Issue is being made to QIBs in reliance upon Chapter VIII of the SEBI Regulations, pursuant to which a listed company in India may issue equity shares /fully convertible debentures/partly convertible debentures/non-convertible debentures with warrants or any other security (other than warrants) which are convertible into or exchangeable with equity shares at a later date to QIBs, provided that

- a special resolution approving the QIP has been passed by the shareholders of the Company;
- equity shares of the same class of such company are listed on a stock exchange in India that has nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the special resolution;
- such company complies with the minimum public shareholding requirements set out in the SCRR; and
- At least 10% of the securities issued to QIBs must be allotted to mutual funds, provided that, if this portion, or any part thereof, to be allotted to mutual funds, remains unsubscribed, it may be allotted to other QIBs. A QIB has been specifically defined under Regulation 2 (1)(zd) of the SEBI Regulations and not otherwise excluded pursuant to Regulation 86(1)(b) of the SEBI Regulations.

Investors are not allowed to withdraw their Bids after the closure of the Issue.

There is a minimum pricing requirement under the SEBI Regulations. In this regard, neither the Issue Price shall be less than the average of the weekly high and low of the closing prices of the related Equity Shares quoted on the stock exchange during the two weeks preceding the relevant date.

The "relevant date" referred to above means the date of the meeting in which the Board of Directors or the committee of Directors duly authorized by the Board decides to open the Issue and "stock exchange" means any of the recognized stock exchanges on which the Equity Shares are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the relevant date.

The securities must be allotted within twelve months from the date of the shareholders' resolution approving the QIP. The securities issued pursuant to a QIP must be issued on the basis of a preliminary placement document and a placement document that shall contain all material information including the information specified in Schedule XVIII of the SEBI Regulations. The preliminary placement document is a private document provided to less than 50 investors through serially numbered copies and is required to be placed on the website of the concerned stock exchanges and of the issuer with a disclaimer to the effect that it is in connection with an issue to QIBs and no offer is being made to the public or to any other category of investors.

Pursuant to the provisions of Section 67 of the Companies Act, for a transaction that is not a public offering, an invitation or offer may not be made to more than 49 persons.

The minimum number of allottees with respect to each security offered by way of a QIP shall not be less than:

- two, where the issue size in relation to such security is less than or equal to ₹250 crores; and
- five, where the issue size in relation to such security is greater than ₹250 crores.

No single allottee shall be allotted more than 50% of the issue size.

QIBs that belong to the same group or that are under common control shall be deemed to be a single allottee.

The aggregate of the proposed QIP and all previous QIPs made in the same financial year shall not exceed five times the net worth of the issuer as per the audited balance sheet of the previous financial year. The issuer shall furnish a copy of the preliminary placement document to each stock exchange on which its Equity Shares are listed.

Equity Shares allotted to a QIB pursuant to a QIP shall not be sold for a period of one year from the date of Allotment except on the floor of a recognized stock exchange in India.

The Company has received the in-principle approval of the Stock Exchanges under Clause 24(a) of the Listing Agreements. The Company has also filed a copy of the Preliminary Placement Document with each of the Stock Exchanges.

Issue Procedure

1. The Company and the BRLMs shall circulate the serially numbered Preliminary Placement Document either in electronic form or physical form to a maximum of 49 QIBs.

2. The BRLMs shall deliver to the QIBs a Bid cum Application Form. The list of QIBs to whom the Bid cum Application Form is delivered shall be determined by the Company in consultation with the BRLMs. **Unless the Preliminary Placement Document and the Bid cum Application Form is numbered serially and addressed to a particular QIB, no invitation to subscribe shall be deemed to have been made**. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person.

3. QIBs may submit the Bids through the Bid cum Application Form during the Bidding Period to the BRLMs.

4. ***Bid cum Application form***

4.1. QIBs would have to indicate the following in the Bid:

    (a) Complete official name of the QIB to whom Equity Shares are to be Allotted;

    (b) Number of Equity Shares;

    (c) Price at which they offer to apply for the Equity Shares, which shall be any price as may be determined by the Company in consultation with the BRLMs at or above the Floor Price, which for this Issue, is ₹911.94; and

    (d) Depository account details to which the Equity Shares should be credited.

5. Once the duly filled Bid cum Application Form is submitted by the QIB, the same is not permitted to be withdrawn after the Bid Closing Date. The Bid Closing Date shall be notified to the Stock Exchanges and the QIBs shall be deemed to have been given notice of such date after the receipt of the Bid cum Application Form.

6. Upon the receipt of Bid cum Application Form, the Company in consultation with the BRLMs, shall determine the final terms of the Equity Shares to be issued. On determination of the final terms and the QIBs to whom Allocation shall be made, such QIBs shall be sent the Confirmation of Allocation Note ("**CAN**") along with a serially numbered Placement Document either in electronic form or through physical delivery. The decision of the Company in this regard shall be at its sole and absolute discretion. The CAN shall contain details like the number of Equity Shares allocated to the QIB, the details of the amounts payable by the QIB for Allotment in its name and the Pay-In Date as applicable to the respective QIB. The dispatch of the CAN by the Company shall be deemed to constitute a binding obligation on each QIB to pay the entire Issue Price for all the Equity Shares allotted to such QIB.

7. Upon receipt of the CAN, each QIB shall make the payment of the application monies for the number of Equity Shares indicated in the CAN at the Issue Price, to the Escrow Account by the Pay-In-Date, as specified in the CAN sent to the respective QIBs, only through electronic transfer.

8. Upon receipt of the application monies from the QIBs, the QIP Committee or the Board of the Company will approve the Allotment pursuant to a resolution. The Company shall not allot Equity Shares to more than 49 QIBs to whom an invitation or offer has been made. The Company will inform the Stock Exchanges of the details of the Allotment.

9. After receipt of the in principle listing approvals of each of the Stock Exchanges, the Company shall credit the Equity Shares into the Depository Participant accounts of the QIBs in accordance with the details submitted by the QIBs in the Bid cum Application Form.

10. The Company shall then apply for the final trading and listing permissions from the Stock Exchanges. The Equity Shares that have been credited to the Depository Participant accounts of the QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

11. The Stock Exchanges shall notify the trading permissions, which are ordinarily available on their websites, and the Company shall communicate the receipt of the trading permissions from the Stock Exchanges to the BRLMs. The Company and the BRLMs shall not be responsible for any delay or non-receipt of the communication of the trading permissions from either of the Stock Exchanges or any loss arising from such delay or non-receipt. Upon receipt of such permission, the Company shall intimate to the BRLMs and each of the QIBs who have been Allotted Equity Shares in the Issue.

Qualified Institutional Buyers

Only QIBs as defined in Regulation 2 (1)(zd) of the SEBI Regulations, and not otherwise excluded pursuant to Regulation 86 (1)(b) of Chapter VIII of the SEBI Regulations, are eligible to invest.

Currently, under Regulation 2 (1)(zd) of the SEBI Regulations, a QIB means:

- a mutual fund, venture capital fund and foreign venture capital investor registered with SEBI;
- a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with SEBI;
- a public financial institution as defined in section 4A of the Companies Act;
- a scheduled commercial bank;
- a multilateral and bilateral development financial institution;
- a state industrial development corporation;
- an insurance company registered with Insurance Regulatory and Development Authority ("**IRDA**");

- a provident fund with minimum corpus of ₹25 crores;
- a pension fund with minimum corpus of ₹25 crores;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Central Government published in the Gazette of India;
- Insurance funds setup and managed by army, navy or air force of the Union of India; and
- Insurance funds set up and managed by the Department of Posts, India

Under Regulation 86 (1)(b) of the SEBI Regulations, no Allotment shall be made, either directly or indirectly, to any QIB who is a promoter or any person related to the promoter(s) of the Company. For this purpose, any QIB who has all or any of the following rights shall be deemed to be a person related to the promoters:

- rights under a shareholders' agreement or voting agreement entered into with promoters of the Company or persons related to the promoters of the Company;
- veto rights; or
- the right to appoint a nominee director on the Board of the Company,

unless a QIB has acquired any of these rights in its capacity as a lender to the Company and such QIB does not hold any shares in the Company.

Only persons resident in India, as defined under FEMA, and who are eligible to invest in the Equity Shares under applicable law, and have not been prohibited by the SEBI from buying, selling or dealing in securities can participate in this Issue.

The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after this Placement Document is filed with the Stock Exchanges. QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to Bid. QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the Takeover Code.

A minimum of 10 per cent of the Equity Shares in this Issue shall be Allotted to Mutual Funds. If no Mutual Fund is agreeable to take up the minimum portion as specified above, such minimum portion or part thereof may be Allotted to other QIBs by the Company.

Affiliates or associates of the BRLMs, who are QIBs, may participate in the Issue in compliance with applicable laws.

Application and Bidding

Bid cum Application Form

QIBs shall only use the serially numbered Bid cum Application Form supplied by the BRLMs in either electronic form or by physical delivery for the purpose of making a Bid (including the revision thereof) in terms of the Preliminary Placement Document.

By making a Bid (including the revision thereof) for Equity Shares pursuant to the terms of the Preliminary Placement Document, each QIB will be deemed to have made the following representations and warranties and the representations, warranties and agreements made under the section "*Notice to Investors*" on page i of this Placement Document.

QIBS WOULD NEED TO PROVIDE THEIR DEPOSITORY ACCOUNT DETAILS, THEIR

DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM. QIBS MUST ENSURE THAT THE NAME GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details given above.

Submission of Bid cum Application Form

All Bid cum Application Forms shall clearly indicate that the application is for subscribing to the Equity Shares.

All Bid cum Application Forms shall be duly completed with information including the name of the QIB, the price and the number of Equity Shares bid for. The Bid cum Application Form shall be submitted to the BRLMs either through electronic form or through physical delivery at any of the following addresses:

Name: Standard Chartered Securities (India) Limited
Address: 1st Floor, Standard Chartered Tower, 201B/1, Western Express Highway, Goregaon (East), Mumbai - 400 063, Maharashtra, India
Contact Person: Mr. Thilan Kiridena
Email address: trent_qip@sc.com
Phone: +91 22 4205 6115
Fax: +91 22 6155 4899

Name: JM Financial Consultants Private Limited
Address: 141 Maker Chambers III, Nariman Point, Mumbai – 400 021, India
Contact Person: Ms. Neha Agarwal
Email address: trentqip@jmfinancial.in
Phone: +91 22 6630 3030
Fax: +91 22 2202 8224

The BRLMs shall not be required to provide any written acknowledgement of the Bid. Submission of a Bid cum Application Form by a QIB shall be deemed to be a valid, binding and irrevocable offer from the QIB to pay the entire Issue Price for its shares of Allotment (as indicated by the CAN) and shall become a binding contract between the QIB and the Company upon issuance of CAN by the Company in favor of the QIB.

Pricing and Allocation

Build up of the book

The QIBs shall submit their Bids (including revisions thereof) through the Bid cum Application Form within the Bidding Period to the BRLMs who shall maintain the book.

Price discovery and allocation

The Company, in consultation with the BRLMs, has finalized the Issue Price. After finalization of the Issue Price, the Company has updated the Preliminary Placement Document with the Issue details and shall file this Placement Document with the Stock Exchanges.

Method of Allocation

The Company shall determine the Allocation for the purposes of sending CANs, in consultation with the BRLMs on a discretionary basis, in compliance with Chapter VIII of the SEBI Regulations.

Bids received from the QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such QIBs will be made at the Issue Price. Allocation shall be determined at the sole and absolute discretion of the Company in consultation with the BRLMs to a maximum of 49 QIBs. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

THE DECISION OF THE COMPANY AND THE BRLMs IN RESPECT OF ALLOCATION SHALL BE BINDING ON ALL QIBS. QIBS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS DISCRETIONARY AND QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID BIDS AT OR ABOVE THE ISSUE PRICE. NEITHER THE COMPANY NOR THE BOOK RUNNING LEAD MANAGERS IS OBLIGED TO ASSIGN ANY REASONS FOR SUCH NON-ALLOCATION.

CAN

Based on the Bids received, the Company in consultation with the BRLMs, in their sole and absolute discretion, shall decide the list of QIBs to whom the serially numbered CAN shall be sent containing details of the Equity Shares allocated to them and the details of the amounts payable by them by the Pay-In Date for Allotment of the Equity Shares in their respective names. Additionally, the CAN would include details of the bank account for transfer of funds to be done electronically, the Pay-In Date as well as the probable designated date, being the date of credit of the Equity Shares to the investor's demat account, as applicable to the respective QIBs.

The eligible QIBs would also be sent a serially numbered Placement Document either in electronic form or by physical delivery, along with a serially numbered CAN.

The dispatch of the serially numbered Placement Document and the CAN by the QIB shall be deemed a valid, binding and irrevocable contract for the QIB to furnish all details that may be required by the Company and the BRLMs and to pay the entire Issue Price for the Equity Shares allocated to such QIB.

QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/allotted to them pursuant to this Issue.

Bank Account for Payment of Application Money

The Company has opened a special bank account (the "**Escrow Account**") with Citibank N.A. (the "**Escrow Bank**") in terms of the arrangement between the Company, the BRLMs and the Escrow Bank. The QIBs will be required to deposit the entire amount payable for the Equity Shares allocated to it by the Pay-In Date as mentioned in the respective CAN.

If the payment is not made favoring the Escrow Account within the time stipulated in the CAN, the Bid of the QIB and the CAN is liable to be cancelled.

In case of cancellations or default by the QIBs, the Company, in consultation with the BRLMs, has the right to reallocate the Equity Shares, at the Issue Price, among existing or new QIBs at its sole and absolute discretion.

Payment Instructions

The payment of application money shall be made by the QIBs in the name of "Trent-QIP Escrow Account" as per the payment instructions provided in the CAN.

QIBs may make payment only through electronic fund transfer.

Designated Date and Allotment of Equity Shares

The Company will endeavor to complete the Allotment of the Equity Shares by the probable designated date for those QIBs who have paid subscription money as stipulated in the respective CANs. The Equity Shares will not be allotted unless the QIBs pay the Issue Price, in the Escrow Account as stated above.

Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

The Company reserves the right, at its sole and absolute discretion, to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.

Following Allotment and credit of Equity Shares into the QIBs Depository Participant account, the Company would apply for the trading permissions from the Stock Exchanges.

The Escrow Bank shall not release the monies lying to the credit of the Escrow Account to the Company until such time that the Company delivers to the Escrow Bank the listing and trading permissions of the Stock Exchanges for the Equity Shares offered in this Issue.

In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by the Company or the BRLMs.

In the event that the Company is unable to issue and allot the Equity Shares offered in the Issue or on cancellation of the Issue, the money received from you shall be refunded to you.

Other Instructions

Permanent Account Number or PAN

Each QIB should mention its Permanent Account Number (PAN) allotted under the I.T. Act. Applications without this information will be considered incomplete and are liable to be rejected. **It is to be specifically noted that applicant should not submit the GIR number instead of the PAN as the Bid cum Application Form is liable to be rejected on this ground.**

Right to Reject Bids

The Company, in consultation with the BRLMs, may reject Bids, in part or in full, without assigning any reasons whatsoever. The decision of the Company and the BRLMs in relation to the rejection of a Bid shall be final and binding.

Equity Shares in dematerialized form with NSDL or CDSL

The Allotment of Equity Shares in this Issue shall be only in a de-materialized form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

A QIB applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of NSDL or CDSL prior to making the Bid.

Allotment to a successful QIB will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the QIB.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with the NSDL and the CDSL. All the stock exchanges where the Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.

The trading of the Equity Shares would be in dematerialized form only for all QIBs in the cash segment of each of the Stock Exchanges.

The Company will not be responsible or liable for the delay in the credit of the Equity Shares due to errors in the Bid cum Application Form or on part of the QIBs.

PLACEMENT AND LOCK-UP

Placement Agreement

The BRLMs have entered into the Placement Agreement with the Company, pursuant to which the BRLMs have agreed to place, on a reasonable efforts basis, up to such number of Equity Shares, the aggregate subscription amount of which shall be ₹250 crore, to QIBs, pursuant to Chapter VIII of the SEBI Regulations.

The Placement Agreement contains customary representations and warranties, as well as indemnities from the Company and is subject to termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

The Preliminary Placement Document and this Placement Document have not been, and will not be, registered as a prospectus with the Registrar of Companies and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than QIBs.

In connection with the Issue, the BRLMs (or their respective affiliates) may, for their own accounts, enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the BRLMs may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the BRLMs may purchase Equity Shares and be allocated Equity Shares for proprietary purposes and not with a view to distribution or in connection with the issuance of P-Notes.

Lock-up

The Company has agreed with the BRLMs that it will not for the duration of the Lock-Up Period, without the prior written consent of the BRLMs, directly or indirectly:

- offer, issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be deemed to be beneficially owned), with respect to any of the foregoing; or
- enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described above is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise); or
- deposit Equity Shares with any other depositary in connection with a depositary receipt facility; or
- publicly announce any intention to enter into any transaction falling within any of the above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of a issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within any of the above.

The above restrictions do not apply to the issuance of any Equity Shares pursuant to this Issue.

INDIAN SECURITIES MARKET

The information in this section has been extracted from publicly available documents from various sources, including officially prepared materials from SEBI, the BSE and the NSE and has not been independently verified by the Company, the BRLMs or their affiliates or advisers.

The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai.

Stock Exchange Regulation

India's stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Stock Exchange Division, under the SCRA and the SCRR. The SCRA and the SCRR along with the rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership and the manner in which contracts are entered into, settled and enforced between members.

The SEBI Act granted powers to SEBI to regulate the Indian securities markets, including stock exchanges and other intermediaries in the capital markets, to promote and monitor self-regulatory organizations, to prohibit fraudulent and unfair trade practices and insider trading and to regulate substantial acquisitions of shares and takeovers of companies. SEBI has also issued guidelines and regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisition of shares and takeovers of companies, buyback of securities, delisting of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, FIIs, credit rating agencies and other capital market participants.

SEBI has also set up a committee for the review of Indian securities laws, which has proposed a draft Securities Bill. The draft Securities Bill, if enacted in its present form may result in a substantial revision in the laws relating to securities transactions in India. The Companies Bill, 2011 was affirmed by the cabinet of ministers on November 24, 2011. Thereafter, the Companies Bill, 2011 was been introduced in the Parliament and tabled in the Lok Sabha on December 14, 2011.

Listing

The listing of securities on recognized Indian stock exchanges is regulated by the SCRA, the SCRR and the listing agreement of the respective stock exchanges, under which the governing body of each stock exchange is empowered to suspend trading of or dealing in a listed security for breach of a company's obligations under such agreement, subject to the company receiving prior notice of such intent of the stock exchange and upon granting a hearing in the matter.

In the event that a suspension of a company's securities continues for a period in excess of three months, the company may appeal to the Securities Appellate Tribunal established under the SEBI Act to set aside the suspension. SEBI has the power to vary or set aside the decision of stock exchange decisions in this regard. SEBI also has the power to amend such listing agreements and the bye-laws of the stock exchanges in India.

Minimum Public Float

In order to ensure availability of floating stock of listed companies, the SCRR was amended in 2010 to provide for, amongst other things, a minimum public shareholding of at least 25% to be maintained by every listed company other than public sector companies.

As per the SCRR, every listed company, other than public sector companies, is required to increase its public shareholding to at least 25% within three years from June 4, 2010, *i.e.* the date of the amendment to the SCRR.

Subsequent to the amendments to the SCRR, the Listing Agreement was consequently amended on December 16, 2010 to reciprocate the amendments to the SCRR. Subsequently, on February 8, 2012 the Listing Agreement was amended to provide for additional means to comply with the minimum public shareholding requirements. As a result, in addition to public issues by way of either a fresh issue or an offer for sale by the promoters, a listed company having a public shareholding of less than 25% can undertake an institutional placement programme, *i.e.* a public issue to QIBs in accordance with the provisions of the SEBI Regulations.

In addition to the above liberalisation, SEBI has done away with the requirement for obtaining the prior approval of the specific stock exchange, in the event a promoter of a listed company having a public shareholding of less than 25% desires to sell its shares through the secondary market to comply with the SCRR and has instead, introduced a separate trading window for the consummation of such transactions pursuant to a circular dated February 1, 2012. Furthermore, this window is also available to all promoter(s)/ promoter group entities of top 100 companies based on average market capitalization of the last completed quarter.

Delisting

The provisions of the Securities and Exchange Board of India (Delisting of Shares) Regulations, 2009, as amended (the "**Delisting Regulations**") and the SCRR govern voluntary and compulsory delisting of equity shares of listed Indian companies from any of the recognized stock exchanges. A company may voluntarily delist from a stock exchange provided that (a) the securities of the company have been listed for a minimum period of three years on any recognized stock exchange, (b) the delisting has been approved by two-thirds of the public shareholders, and (c) the company, the promoter and/or the director of the company provide an exit opportunity and purchase the outstanding securities from those holders who wish to sell them at a price determined in accordance with the Delisting Regulations, provided further that the condition in (c) above may be dispensed with by SEBI if the securities remain listed on the NSE or the BSE.

In the event a company seeks to voluntarily delist from a stock exchange, it is required to provide an exit opportunity to the other shareholders (the "Delisting Offer") and seek the in-principle approval of the stock exchange. This exit opportunity involves a price discovery process known as the "book building process". A Delisting Offer can be launched by any promoter seeking to delist the securities of the company. The Delisting Offer needs to be supported by a resolution approved by the Board of Directors and a resolution approved by three-fourths of the shareholders of the listed company through a postal ballot. In addition, the special resolution of the shareholders can be acted upon if, and only if, the votes cast by public shareholders in favor of the proposal amount are at least two times the number of votes cast by public shareholders against it (promoters and holders of depository receipts are considered non-public shareholders). Following the approval of the shareholders, the promoter would issue a public announcement (*i.e.* a public notice) in relation to the Delisting Offer. The offer price shall have a floor price which shall be determined in the manner provided in the Delisting Regulations.

The Delisting Regulations and the SCRR empower the stock exchanges to delist the securities of companies on certain grounds, including if a company is incurring losses during the preceding three consecutive years and has negative net worth; the trading in the securities of the company has remained suspended for a minimum period of six months; the securities of a company have remained infrequently traded during the preceding three years; the company or any of its promoters or directors have been convicted for failure to comply with any provisions of the SEBI Act or the Depositories Act or rules and regulations made thereunder and awarded a punishment of not less than three years; or there has been failure to raise the public shareholdings within a specified time to the minimum level applicable to the company under its listing agreement. Any order for compulsory delisting can be made only after considering representations received from aggrieved persons. These guidelines also provides that in the event that the securities of a company are delisted by a stock exchange, the fair value of securities shall be determined by an independent valuer appointed by the stock exchange from a panel of experts selected by the stock exchange. If a listed company is delisted by the stock exchange, the listed company can file an appeal before the Securities Appellate Tribunal. The Delisting Regulations do not permit the listing of Shares once delisted for a period of 5 years (in a voluntary delisting) and 10 years (if the stock exchanges initiate the delisting).

Index Based Market Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers for most stocks, which do not allow transactions beyond a certain level of price volatility. An index based market-wide (equity and equity derivatives) circuit breaker system has been implemented and additionally, there are currently in place varying individual scrip-wise bands.

The index -based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a coordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or NIFTY of the NSE, whichever is breached earlier.

The Indian stock exchanges can also exercise the power to suspend trading during periods of market volatility. Trading on Indian stock exchanges is subject to margin requirements imposed by stock exchanges that are required to be paid by stockbrokers. At the discretion of stock exchanges and under instructions from SEBI, stock exchanges can also impose ad hoc margins for specific stocks in the event of extreme volatility in price movements.

Disclosures under the Companies Act and Securities Regulations

Under the Companies Act, a public offering of securities in India must be made by means of a prospectus, which must contain information specified in the Companies Act and the SEBI Regulations, as amended. The prospectus must be filed with the registrar of companies having jurisdiction over the place where a company's registered office is situated. A company's directors and promoters may be subject to civil and criminal liability for misrepresentation in a prospectus. The Companies Act also sets forth procedures for the acceptance of subscriptions and the allotment of securities among subscribers and establishes maximum commission rates for the sale of securities. SEBI has issued detailed guidelines concerning disclosure by public companies and investor protection.

The SEBI Regulations permit companies to price their domestic issues of securities freely.

Public limited companies are required under the Companies Act and SEBI Regulations to prepare, file with the Registrar of Companies and circulate to their shareholders audited annual accounts which comply with the Companies Act's disclosure requirements and regulations governing their manner of presentation and which include sections pertaining to corporate governance, related party transactions and the management's discussion and analysis as required under the listing agreement. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of its listing agreement with the relevant stock exchange. Accordingly, companies are now required to publish unaudited financial statements (subject to a limited review by the company's auditors) on a quarterly basis and are required to inform stock exchanges immediately regarding any stock price sensitive information.

The Institute of Chartered Accountants of India (the "ICAI") and SEBI have implemented changes which require Indian companies to account for deferred taxation, to consolidate their accounts with subsidiaries, to provide sector reporting, to increase their disclosure of related party transactions from April 1, 2001 and to account for investments in associated companies and joint ventures in consolidated accounts and interim financial reporting from April 1, 2002. As of April 1, 2003, accounting of intangible assets is also regulated by accounting standards set by ICAI and as of April 1, 2004 accounting standards regulate accounting for impairment of assets.

Indian Stock Exchanges

As of January 8, 2012, there are 20 stock exchanges in India. Most of the stock exchanges have their own governing board for self-regulation. A number of these exchanges had been directed by SEBI to file schemes for demutualization as a measure of moving towards greater investor protection. By way of its order dated May 20, 2005, SEBI has notified the BSE (Corporatisation and Demutualisation) Scheme, 2005. On August 29, 2005, SEBI notified the Corporatisation and Demutualisation Schemes of ten other stock exchanges.

The BSE and NSE together hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalization and trading activity.

NSE

Our Equity Shares are listed in India on the NSE. The NSE was established by financial institutions and banks to provide nationwide on-line satellite-linked, screen-based trading facilities to market makers, to provide electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. Deliveries for trades executed "on-market" are exchanged through the National Securities Clearing Corporation Limited. After recognition as a stock exchange under the SCRA in April 1993, the NSE commenced operations in the wholesale debt market segment in June 1994 and operations in the derivatives segment in June 2000.

The NSE launched the NSE 50 index, now known as S&P CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 1996 and has a wide network in major metropolitan cities, screen based trading and a central monitoring system.

In December 31, 2011, the average daily traded value of the capital market segment was ₹ 8,995 crores. As of December 31, 2011, there were 1,640 listed companies trading on the NSE. As of December 31, 2011, the estimated market capitalisation of stocks trading on the NSE was ₹5,232,273 crores. (Source: www.nseindia.com)

BSE

Our Equity Shares are also listed in India on the BSE. Established in 1875, it is the first stock exchange in India to have obtained permanent recognition in 1956 from the Government of India under the SCRA and has evolved over the years into its present status as the largest stock exchange in India. As of December 31, 2011, the average daily traded value of the capital market segment was ₹ 1,880 crores. As of December 31, 2011 there were ₹2,966 scrips traded on the BSE. As of December 31, 2011 the estimated market capitalisation of stocks trading on the BSE was ₹5,348,644.80 crores. (Source*: www.bseindia.com*)

Internet-Based Securities Trading and Services

SEBI approved Internet trading in January 2000. Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by the SEBI. The NSE became the first exchange to grant approval to its members for providing Internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE and the BSE.

Trading Hours

Trading on both the NSE and the BSE occurs from Monday through Friday, between 9:00 a.m. and 3:30 p.m. The NSE and the BSE are closed on public holidays. Pursuant to a circular dated October 23, 2009, the SEBI has permitted all the recognized stock exchanges to set their trading hours (in the cash and derivatives segments), subject to the conditions that, the trading hours are between 9 a.m. and 5 p.m. and such stock exchange has in place risk management systems and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, in 1995, the BSE replaced its open outcry system with the BSE On-line Trading facility. This automated screen based trading system was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in facilitating settlement cycles and improving efficiency in back-office work.

Electronic trading was introduced in India by the NSE , which developed its technology in-house. The NSE introduced for the first time in India, fully automated screen based trading, which uses a modern, fully computerized trading system designed to offer investors across the length and breadth of the country a safe and easy way to invest. The NSE trading system, which is called the "National Exchange for Automated Trading" ("NEAT") is a fully automated screen based trading system, which adopts the principle of an order driven market. The derivatives turnover on the NSE has surpassed the equity market turnover. The turnover of derivatives on the NSE increased from ₹ 23,654 million in 2000-2001 to ₹176,636,647 million in 2008-2009.

Stock Market Indices

There is an array of indices of stock prices on the NSE. The popular indices are the S&P CNX Nifty, CNX Nifty Junior, S&P CNX Defty, S&P CNX 500, CNX Midcap and CNX 100.

The following two indices are generally used for tracking the aggregate price movements on the BSE.

- The BSE Sensitive Index, or Sensex, consists of listed shares of 30 large market capitalization companies. The companies are selected on the basis of market capitalization, liquidity and industry representation. Sensex was first compiled in 1986 with the fiscal year ended March 31, 1979 as its base year. This is the most commonly used index in India.
- The BSE 100 Index (formerly the BSE National Index) contains listed shares of 100 companies including the 30 companies in the Sensex. The BSE 100 Index was introduced in January 1989 with the fiscal year ended March 31, 1984 as its base year.

Takeover Code

On September 23, 2011, SEBI issued the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**Takeover Code**"), replacing, in entirety, the erstwhile SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997. The Takeover Code came into force on October 22, 2011.

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the Takeover Code, which prescribes certain thresholds or trigger points that give rise to these obligations, as applicable. Once equity shares are listed, the provisions of the Takeover Code will apply to any acquisition of the Company's equity shares / voting rights / control.

The significant features of the Takeover Code are as follows:

Ownership Trigger: The Takeover Code has set the ownership trigger for a mandatory open offer at 25% of the equity shares / voting rights in a target company.

Minimum Size: The minimum size of an open offer is 26%.

Ability to Creep: An acquirer who, together with persons acting in concert with him, has acquired / holds 25% or more of the equity shares / voting rights in a target company, has the ability along with the persons acting in concert with him to acquire only up to an additional 5% equity shares / voting rights in such target company in any given financial year. Any acquisition in excess of this limit would trigger the requirement to make a mandatory open offer.

Indirect Acquisitions: The Takeover Code specifically defines and includes the concept of an "indirect acquisition", which has been clarified as meaning the acquisition of equity shares or voting rights in, or control over, any company or other entity, that would enable any person to exercise or direct the exercise of: (a) voting rights in a target company in excess of the thresholds specified under the Takeover Code; or (b) "control" over a target company.

Further, under the Takeover Code an "indirect" acquisition would be deemed to be a "direct" acquisition if the proportionate net asset value, sales turnover, or market capitalization of the target company, as a percentage of the consolidated net asset value, consolidated sales turnover, or enterprise value (as relevant) of the entity/business being acquired, is in excess of 80% (on the basis of the most recent audited annual financial statements of the target company).

Open Offer Price for Direct/Deemed Direct Acquisitions: In the case of a direct acquisition, or a deemed direct acquisition of equity shares or voting rights in, or control over a target company, the offer price shall be the highest of the following:

a) the highest negotiated price per equity share of the target company (for any acquisition under the agreement attracting the obligation to make the open offer);

b) the volume-weighted average price paid or payable for acquisitions, whether by the acquirer or by any person acting in concert with him, during the 52 weeks immediately preceding the date of the public announcement;

c) the highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during the 26 weeks immediately preceding the date of the public announcement;

d) the volume-weighted average market price of such equity shares for a period of 60 trading days immediately preceding the date of the public announcement, as traded on the stock exchange where the maximum volume of trading in the equity shares of the target company are recorded during such period (provided such equity shares are frequently traded); and

e) in the case of an indirect acquisition (where the proportionate net asset value/sales turnover/market capitalization of the target company as a percentage of the consolidated net asset value/consolidated sales turnover/enterprise value of the entity/business being acquired is in excess of 15%) the per equity share price of the target company as contained in the letter of offer.

The Takeover Code also provides for a methodology for arriving at the open offer price with regard to equity shares that are not frequently traded, by taking into account valuation parameters that include book value, comparable trading multiples and other such customary parameters.

Open Offer Price for Indirect Acquisitions: In the case of an indirect acquisition of equity shares or voting rights in, or control over a target company, the offer price shall be the highest of:

a) the highest negotiated price per equity share of the target company (for any acquisition under the agreement attracting the obligation to make the open offer);

b) the volume-weighted average price paid or payable for acquisitions, whether by the acquirer or by any person acting in concert with him, during the 52 weeks immediately preceding the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or decision to make the primary acquisition is announced in the public domain;

c) the highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during the 26 weeks immediately preceding the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or decision to make the primary acquisition is announced in the public domain;

d) the volume-weighted average market price of such equity shares for a period of 60 trading days immediately preceding the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or decision to make the primary acquisition is announced in the public domain, as traded on the stock exchange where the maximum volume of trading in the equity shares of the target company are recorded during such period (provided such equity shares are frequently traded);

e) in the case of an indirect acquisition (where the proportionate net asset value/sales turnover/market capitalization of the target company as a percentage of the consolidated net asset value/consolidated sales turnover/enterprise value of the entity/business being acquired is in excess of 15%) the per equity share price of the target company as contained in the letter of offer; and

f) the highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, between the earlier of, (i) the date on which the primary acquisition is contracted, and (ii) the date on which the intention or the decision to make the primary acquisition is announced in the public domain, and (iii) the date of the public announcement of the open offer for shares of the target company.

Mode of Payment: Under the Takeover Code, an acquirer has the flexibility, in certain cases, to make payment(s) pursuant to an open offer in modes in addition to / other than by cash, by way of issue, exchange or transfer of (a) listed share; (b) debt instruments (with at least an investment grade rating); and/or (c) convertible debt securities (convertible into listed shares). Provided further that in relation to (a) and (c) immediately above, the Takeover Code provides for certain addition qualifications, such as requiring the shares to be listed, frequently traded, and having already been listed for at least two years prior to the date of the public announcement, *etc.* Furthermore, the issue of convertible securities as consideration for an open offer would be classified as a "preferential allotment" and would be subject to the requirements in relation thereto, such a floor price computation, lock-in period, *etc.*

Voluntary Offers: The Takeover Code specifically deals with and provides for "voluntary offers". Pursuant to the Takeover Code, an acquirer (together with persons acting in concert with him), holding at least 25% of the equity shares / voting rights in a target company, is entitled to make a voluntary open offer in relation to such target company, provided that the minimum size of such an open offer is at least 10%. It may be noted however, that an acquirer shall only be entitled to make such a voluntary open offer if he and/or any person acting in concert with him has not acquired any equity shares of the target company in the immediately preceding 52 weeks (without triggering the obligation to make a mandatory open offer). Further, during the period of six months following the completion of a voluntary open offer, the acquirer and any person acting in concert with him is prohibited from acquiring any further equity shares of the target company, except pursuant to another voluntary open offer.

Exemptions: The Takeover Code provides exemptions from the requirement to make an open offer in certain cases, primarily being, in the case of:

a) inter-se transfers between immediate relatives;

b) inter-se transfers amongst persons named as promoters and disclosed as such in filings made pursuant to the Listing Agreement or the Takeover Code for not less than three years prior to the proposed acquisition;

c) inter-se transfers amongst persons acting in concert and disclosed as such in filings made pursuant to the Listing Agreement or the Takeover Code for not less than three years prior to the proposed acquisition;

d) inter-se transfers between a company, its subsidiaries, its holding company and other subsidiaries of such holding company;

e) acquisitions in the ordinary course of business by an underwriter / stock broker / merchant banker / market maker, *etc.*;

f) acquisitions in the ordinary course of business by (i) a scheduled commercial bank acting as an escrow agent; or (ii) a scheduled commercial bank or a public financial institution pursuant to the invocation of a pledge;

g) a scheme of merger/arrangement not involving the target company, provided that (i) the aggregate cash and cash equivalent component of consideration is less than 25% of the consideration under scheme; and (ii) after implementation, persons directly or indirectly holding 33% of voting rights in target company are same as persons who held entire voting rights before the scheme;

h) rights issues (provided that in the event that a shareholder acquires shares in a target company in excess of his entitlement, such issuance shall only be exempt if the acquirer has not renounced any of his entitlements in such rights issue, and the price at which the rights issue is made not being higher than the price of the shares of the target company prior to such rights issues (as per the prescribed formula);

i) a buy-back of shares, provided that the acquirer has not voted in favor of such buy-back; and

j) acquisition of shares from a domestic or foreign venture capital fund (registered with SEBI as such) by the promoters of the target company.

Non-Compete Fee: The Takeover Code has eliminated the ability for an acquirer to pay a separate non-compete fee to the promoters of a company. Therefore if any non-compete and/or other fee is paid to the promoters of the target company, the same will need to be added to the offer price.

Competing Offers: A competing offer may be made within 15 working days of the date of the detailed public statement being made by the acquirer who has made the first public announcement.

Board Recommendation: The Takeover Code has made it mandatory for the board of a target company to appoint a committee of independent directors to provide reasoned recommendations on an open offer to its shareholders.

Withdrawal: Under the Takeover Code, an open offer can be withdrawn if:

a) any statutory approval required for the open offer or for effecting the acquisitions attracting the obligation to make an open offer under the Takeover Code have been refused. This is subject to the requirement for such approval having been specifically disclosed in the detailed public statement and the letter of offer;

b) death of the acquirer, being a natural person; and

c) if any condition in the underlying agreement is not met for reasons outside the reasonable control of the acquirer and consequently if such agreement is rescinded. This is subject to such conditions being disclosed in the detailed public statement and the letter of offer.

Insider Trading Regulations

The SEBI (Prohibition of Insider Trading) Regulations, 1992 (the "Insider Trading Regulations) require any person who holds more than 5% of the outstanding shares or voting rights in any listed company to disclose to the company the number of shares or voting rights held by such person on becoming such holder within two working days of:

- the receipt of intimation of allotment of shares; or
- the acquisition of the shares or voting rights, as the case may be.

On a continuous basis any person who holds more than 5% of the shares or voting rights in any listed company is required to disclose to the company the number of shares or voting rights held by such person and change in shareholding or voting rights (even if such change results in the shareholding falling below 5%) and any such change in such holding since last disclosure made, where such change exceeds 2% of the total shareholding or voting rights in the company. Such disclosure is required to be made within two working days of either: (i) the receipt of intimation of allotment of shares; or (ii) the acquisition or sale of shares or voting rights, as the case may be.

Further, all directors, promoters and officers of a listed company are required to disclose to the company the number of shares or voting rights held and positions taken derivatives by such person in such company within two working days of becoming a director, promoter or officer of such company. All directors, promoters and officers of a listed company are also required to make periodic disclosures of their shareholding in the company as specified in the Insider Trading Regulations.

Depositories

In August 1996, the Indian Parliament enacted the Depositories Act which provides a legal framework for the establishment of depositories to record ownership details and effect transfers in electronic book -entry form. SEBI has framed the Securities and Exchange Board of India (Depositories and Participants) Regulations 1996 which provide for the formation of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, the company, the beneficial owners and the issuers. The depository system has significantly improved the operations of the Indian securities markets.

Trading of securities in book-entry form commenced in December 1996. In January 1998, SEBI notified scripts of various companies for compulsory dematerialized trading by certain categories of investors such as foreign institutional investors and other institutional investors and has also notified compulsory dematerialized trading in specified scripts for all retail investors. SEBI has subsequently significantly increased the number of scripts in which dematerialized trading is compulsory for all investors. Under the Depositories Act and guidelines issued by SEBI, the company shall give the option to subscribers/shareholders to receive the security certificates and hold securities in dematerialized form with a depositary.

However, even in the case of scripts notified for compulsory dematerialized trading, investors, other than institutional investors, may trade in and deliver physical shares on transactions outside the stock exchange where there are no requirements to report such transactions to the stock exchange and on transactions on the stock exchange involving lots of less than 500 securities.

Transfers of shares in book -entry form require both the seller and the purchaser of the Shares to establish accounts with depositary participants registered with the depositaries established under the Depositories Act. Upon delivery, the shares shall be registered in the name of the relevant depositary on the company's books and this depositary shall enter the name of the investor in its records as the beneficial owner, thus effecting the transfer of beneficial ownership. The beneficial owner shall be entitled to all rights and benefits of a shareholder and be subject to all liabilities in respect of his/her shares held by a depositary. Every person holding equity share capital of the company and whose name is entered as a beneficial owner in the records of the depository is deemed to be a member of the concerned company.

The Companies Act compulsorily provides that Indian companies making any initial public offerings of securities for or in excess of ₹10 crores should issue the securities in dematerialized form.

DESCRIPTION OF THE EQUITY SHARES

Set forth below is certain information relating to the share capital of the Company including a brief summary of some of the provisions of the Memorandum and Articles of Association of the Company and the Companies Act relating to the rights attached to the Equity Shares.

General

The Company's authorized share capital is ₹56,00,00,000 comprising 3,20,00,000 Equity Shares of ₹ 10 each, 50,00,000 unclassified shares of ₹ 10/- each, 70,000 cumulative redeemable Preference Shares of ₹ 1,000 each and 1,20,00,000 cumulative convertible Preference Shares of ₹ 10 each.

Pursuant to a meeting dated March 2, 2012, our Board has re-classified 20,00,000 unclassified shares of ₹ 10/- each into 20,00,000 Equity Shares of ₹ 10/- each.

Dividends

Under the Companies Act unless the Board recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Under the Company's Articles, the Company in general meeting may, subject to Section 205 of the Companies Act declare dividends, to be paid to members according to their respective rights and interests in the profits but subject to any law of the time being in force and may fix the time for payment. The Company in general meeting may declare a lower, but not higher, dividend than that recommended by the Board. The profits of the Company, subject to any special rights relating thereto created or authorized to be created by the Memorandum or the Articles and subject to the provision of any law for the time being in force, shall be divisible among the members in proportion to the amount of capital paid-up on the Equity Shares held by them respectively. In addition, the Board may declare and pay interim dividends.

The dividends can only be paid in cash to shareholders listed on the register of shareholders on the date which is specified as the "record date" or "book closure date", and in case of unregistered transfers, where the instrument of transfer has been delivered to the Company for registration, the Company shall comply with Section 205 of the Companies Act by transferring such dividend to a special account unless the Company is authorized by the registered holder in writing to pay such dividend to the transferee mentioned in the instrument. No shareholder is entitled to a dividend while any amount is due from him to the Company either in respect of such Equity Shares or otherwise, either jointly or alone. This amount may be deducted from the interest or dividend payable to the shareholder without prejudice to any other remedy of the Company. However, once the amount is declared, there shall be no forfeiture of unclaimed dividends. Any dividend remaining unpaid or unclaimed after having been declared by the company shall be dealt with by the Company in accordance with Section 205A, 205B and 205C of the Companies Act.

Dividends must be paid by cheque or warrant sent through the post to the registered address of the member or person entitled, or in case of joint holders to that one first named in the register in respect of joint holding. Every such cheque shall be made payable to the order of the person to whom it is sent.

Under the Companies Act, the Company may only pay a dividend in excess of 10% of paid-up capital in respect of any year out of the profits of that year after it has transferred to the reserves of the Company a percentage of its profits for that year ranging between 2.5% to 10% depending on the rate of dividend proposed to be declared in that year. The Companies Act further provides that if the profit for a year is insufficient, the dividend for that year may be declared out of the accumulated profits earned in previous years and transferred to reserves, subject to the following conditions: (i) the rate of dividend to be declared may not exceed the lesser of the average of the rates at which dividends were declared in the five years immediately preceding the year, or 10% of paid-up capital; (ii) the total amount to be drawn from the accumulated profits from previous years may not exceed an amount equivalent to 10% of paid-up capital and reserves and the amount so drawn is first to be used to set off the losses incurred in the financial year before any dividends in respect of preference or equity shares; and (iii) the balance of reserves after withdrawals must not be below 15% of paid-up capital.

Capitalization of Reserves

The Company's Articles state that the Board of Directors, pursuant to any general meeting of the Company, may resolve that any moneys, investment or other assets forming part of the undivided profits of the Company standing to the credit of the reserve fund, including any sum transferred to such fund upon realization of capital gain on transfer of assets of the Company or any company and available for dividend or representing premium received on the issue of shares and standing to the credit of the share premium account be, capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportion on the basis that they become entitled thereto as capital and that all or any part of such capitalized fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture stock of the company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares or debentures or debenture stock, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.

Any issue of bonus shares would be subject to the guidelines issued by the SEBI in this regard. The relevant SEBI Regulations prescribe that no company shall, pending conversion of convertible securities, issue any shares by way of bonus unless similar benefit is extended to the holders of such convertible securities, through reservation of shares in proportion to such conversion. Further, for the issuance of such bonus shares a company should not have defaulted in the payment of interest or principal in respect of fixed deposits and interest on existing debentures or principal on redemption of such debentures. The declaration of bonus shares in lieu of dividend cannot be made. The bonus issue must be made out of free reserves built out of genuine profits or share premium account collected in cash only.

Further, a company should have sufficient reason to believe that it has not defaulted in respect of the payment of statutory dues of the employees such as contribution to provident fund, gratuity and/or bonus.

An issuer, announcing a bonus issue after the approval of its board of directors and not requiring shareholders' approval for capitalisation of profits or reserves for making the bonus issue, shall implement the bonus issue within 15 days from the date of approval of the issue by its board of directors However, in the event that the company is required to seek shareholders' approval for capitalisation of profits or reserves for making the bonus issue, the issuance of bonus shares must be implemented within two months from the date of approval by the board of directors.

Pre-Emptive Rights and Alteration of Share Capital

Subject to the provisions of the Companies Act, the Company, in general meeting, may increase its share capital by issuing new shares on such terms and with such rights as the Company, by action of shareholders in a general meeting, determines, which may vary from the original issue in terms of rights as to dividend, voting or otherwise in accordance with such rules and subject to such conditions as may be prescribed. In this regard, the laws require that for a company to Equity Shares in this Issue with differential voting rights the company must have had distributable profits in terms of the Companies Act for a period of three financial years and have not defaulted in filing annual accounts and annual returns for the immediately preceding three years. Whenever the capital of the company has been increased through such resolution, the directors shall comply with the provisions of Section 97 of the Companies Act.

As per Section 81 of the Companies Act, such new shares shall be offered to the persons, who at the date of the offer are holders of equity shares in the Company in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and limiting a time, being not less than 30 days from the date of the offer within which such offer, if not accepted, will be deemed to have been declined. After such date the Board may dispose of the shares offered in respect of which no acceptance has been received, in such manner as they think most beneficial to the Company. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favor of any other person acceptable to the Board.

Under the provisions of Section 81(1A) of the Companies Act, new shares may be offered to any persons whether or not those persons include existing shareholders, in any manner whatsoever, if a special resolution to that effect is passed by the shareholders of the Company in a general meeting. Where no such special resolution is passed, if the vote cast (show of hands or on poll) in favor of the proposal contained in the resolution moved at the general meeting sanctioning the issue of such shares (including the casting vote, if any of the chairman) by members who, being entitled to do so vote in person, or where proxies are allowed by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied, on an application made by the Board in that behalf that the proposal is most beneficial to the company. Notwithstanding this but subject to Section 81(3) of the Companies Act, the Company may increase its subscribed capital on exercise of an option attached to the debenture issued or loans raised by the Company to convert such debentures or loans into shares, or to subscribe for shares in the Company.

The Company can also alter its share capital by way of a reduction of capital subject to Sections 78, 80 and 100 to 105 of the Companies Act, or by undertaking a buy-back of shares under the prescribed SEBI Regulations and subject to the approvals and terms and conditions as prescribed under Section 77A, 77AA and 77B of the Companies Act.

The Articles of the Company provide that the Company, in a general meeting may consolidate or sub-divide its share capital, sub-divide its shares or any of them into shares of smaller amounts than fixed by the Memorandum.

Preference Shares

Subject to Section 80 of the Companies Act, any new shares may be issued as preference shares which are or at the option of the company are liable to be redeemed, and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption subject to the following the conditions: Under the Companies Act, the Company may issue redeemable preference shares but (i) no such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividends or out of the proceeds of a fresh issue of shares made for the purposes of the redemption; (ii) no such shares shall be redeemed unless they are fully paid; (iii) the premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's share premium account before the shares are redeemed; (iv) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividends, be transferred to a reserve fund, to be called the Capital Redemption Reserve Account, a sum equal to the nominal amount of the shares redeemed; (v) subject to the provisions of Section 80 and 80A of the Companies Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may determine; and (vi) whenever the Company shall redeem any redeemable preference shares, the Company shall, within one month thereafter, give notice thereof to the Registrar of Companies as required by Section 95 of the Act. Preference shares must be redeemable before the expiry of a period of 20 years from the date of their issue.

The Articles provide for the rights, privileges and conditions attached to our Company's cumulative convertible preference shares including but not limited to the right to a fixed preferential dividend, priority in ranking to Equity Shares in the event of winding up *etc.*

General Meetings of Shareholders

In accordance with Section 166 of the Companies Act, the Company must hold an Annual General Meeting of the Company (an "Annual General Meeting") each year within 15 months of the previous Annual General Meeting or within six months after the end of each accounting year, whichever is earlier, unless extended by the Registrar of Companies at the request of the Company for any special reason. Every member of the Company shall be entitled to attend every general meeting either in person or by proxy, and the auditor of the Company shall have the right to attend and to be heard at any general meeting on any part of the business which concerns him as auditor. The Board may convene an extraordinary general meeting of shareholders when necessary or at the request of a shareholder or shareholders holding in the aggregate not less than 10% of the issued paid-up capital of the Company in accordance with Section 169 of the Companies Act.

Written notices convening a meeting setting out the date, place and agenda of the meeting must be given to members at least 21 days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice if consent is received from all shareholders in the case of an Annual General Meeting, and from shareholders holding not less than 95% of the paid-up capital of the Company, in the case of any other general meeting. A document may be served by the Company on any member thereof and the notice of every meeting of the Company shall be given to every member in any manner authorized by and as provided in sections 53 and 172 of the Companies Act. The accidental omission to give notice of any meeting to or the non-receipt of any notice by the member or other person to whom it should be given shall not invalidate the proceedings at the meetings. Currently, the Company gives written notices to all members and, in addition, gives public notice of general meetings of shareholders in a daily newspaper of general circulation in Mumbai. General meetings are generally held in Mumbai.

A company intending to pass a resolution relating to matters such as, but not limited to, amendment in the objects clause of the Memorandum, buy-back of shares under the Companies Act, giving loans or extending guarantees in excess of limits prescribed under the Companies Act, and guidelines issued thereunder, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in the general meeting of the company. If the resolution is assented to by a requisite majority of shareholders by means of a postal ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf.

Voting Rights

Subject to the provisions of the Companies Act and the Articles, votes may be given either personally or by proxy, or in the case of a body corporate, a duly authorized representative under Section 187 of the Companies Act.

At a general meeting, upon a show of hands, every member holding shares and entitled to vote and present in person has one vote. Before, or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting by his own motion, and shall be ordered to be taken by him on a demand made in that behalf by the persons or person as may be provided by the Companies Act. This demand for a poll may be withdrawn at any time by the persons or person who made that demand. A poll demanded on any other question (not being a question relating to the election of the Chairman) shall be taken at such time not being later than forty eight hours from the time when the demand was made, as the Chairman may direct. The Chairman shall be sole judge for the validity of both a vote on a show of hands as well as a vote on a poll. The Chairman of the meeting has a casting vote.

A proxy may not vote the shares except on a poll. Ordinary resolutions may be passed by simple majority of those present and voting. Special resolutions require that the votes cast in favor of the resolution must be at least three times the votes cast against the resolution. The Companies Act provides that to amend the Articles a special resolution is required to be passed in a general meeting. Certain instances, including dissolutions, merger or consolidation of the Company, transfer of the whole or a significant part of the business of the Company to another company or taking over the whole of the business of any other company and, in any case where shareholding of public financial institutions and banks exceeds 25%, appointment of statutory auditors, require a special resolution.

A shareholder may exercise his voting rights by proxy to be given in the form required by the Articles of the Company. Any member entitled to vote at a meeting of the Company is entitled to appoint another person as his proxy to attend and vote on a poll instead of himself, but a proxy so appointed does not have the right to speak at the meeting. Every notice convening a meeting of the Company shall state that a member entitled to attend and vote at the meeting is entitled to appoint a proxy and that the proxy need not be a member of the Company. The instrument appointing a proxy is required to be lodged with the Company at least 48 hours before the time of the meeting in accordance with Schedule IX of the Companies Act as far as possible. Every member who is entitled to vote at the meeting shall be entitled from a period beginning 24 hours prior to the time fixed for the meeting and concluding at the end of the meeting, to inspect the proxies lodged at the meeting during business hours, provided that three days' written notice is given to the Company. A shareholder may, by a single power of attorney, grant a general power of representation regarding several general meetings of shareholders. A corporate shareholder is also entitled to nominate a representative to attend and vote on its behalf at general meetings. A shareholder which is a legal entity may appoint an authorized representative who can vote in all respects as if a member both on a show of hands and a poll. However, no member shall be entitled to vote at any general meeting either personally or by proxy or as proxy for another member or be reckoned in a quorum while any call or other sum shall be due and payable to the Company in respect of any of the shares of such member or in respect of any shares on which the Company has or had exercised any right of lien.

Register of Shareholders and Record Dates

The Company is obliged to maintain a register of shareholders at its Registered Office in Mumbai. With the approval of its shareholders by way of a special resolution and with prior notice to the Registrar of Companies, the Company may maintain the register of shareholders at some other place in the same city. The register and index of beneficial owners maintained by a depositary under the Depositories Act is deemed to be an index of members and register and index of debenture holders. In the case of shares held in physical form, the Company registers transfers of shares on the register of shareholders upon lodgment of the share transfer form duly complete in all respects accompanied by a share certificate or, if there is no certificate, the letter of allotment in respect of shares transferred, together with duly stamped transfer forms. In respect of electronic transfers, the depository is the registered owner in the books of the Company and transfers shares by entering the name of the purchaser in its books as the beneficial owner of the shares. Every person holding securities of the company and whose name is entered as a beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner is entitled to all the rights and benefits as well as the liabilities with respect to the shares that are held by the depository. Transfer of beneficial ownership through a depository is exempt from any stamp duty but each depository participant may have its own depository charges. A transfer of shares by way of a stock transfer form attracts stamp duty at the rate of 0.25% of the transfer price.

For the purpose of determining the shareholders, the register may be closed for periods not exceeding 45 days in any one year or 30 days at any one time at such times, as the Board may deem expedient in accordance with the provisions of the Companies Act. Under the Listing Agreements of the Stock Exchanges on which the Company's outstanding Shares are listed, the Company may, upon at least seven working days' advance notice to such stock exchanges, set a record date and/or close the register of shareholders in order to ascertain the identity of shareholders. The trading of shares and the delivery of certificates in respect thereof may continue while the register of shareholders is closed.

Under the Companies Act, the Company is also required to maintain a register of debenture holders.

Annual Report and Financial Results

The Annual Report must be laid before the Annual General Meeting. This includes certain financial information about the Company such as the audited financial statements as of the date of closing of the financial year, a corporate governance section and management's discussion and analysis, and is sent to the shareholders of the Company.

Under the Companies Act, the Company must file the Annual Report with the Registrar of Companies within seven months from the close of the accounting year or within 30 days from the date of the annual general meeting, whichever is earlier. As required under the Listing Agreements with the Stock Exchanges, copies are required to be simultaneously sent to the Stock Exchanges. The Company must also publish its financial results in at least one English language daily newspaper circulating in the whole or substantially the whole of India and also in a newspaper published in the language of the region where the Registered Office of the Company is situated.

The Company files certain information on-line, including its Annual Report, six-month and quarterly financial statements and the shareholding pattern statement, in accordance with the requirements of the Listing Agreements and as may be specified by the SEBI from time to time.

Transfer of Shares

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by the SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownerships of shares held through a depository are exempt from stamp duty. The Company has entered into an agreement for such depository services with National Securities Depository Limited and the Central Depository Services India Limited.

SEBI requires that the Company's Equity Shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. The Company shall keep a book called the register of transfer in which every transfer or transmission of shares will be entered.

The shares are freely transferable, subject only to the provisions of the Companies Act, under which, if a transfer of shares contravenes the SEBI provisions or the regulations issued under it, or the Sick Industrial Companies (Special Provisions) Act, 1985 ("SICA"), or any other similar law, the Company Law Board may, on an application made by a company, a depository incorporated in India, an investor, the SEBI or other parties, direct a rectification of the register of members. If a company without sufficient cause refuses to register a transfer of shares within two months from the date on which the instrument of transfer is delivered to the company, the transferee may appeal to the Indian Company Law Board seeking to register the transfer of equity shares. The Company Law Board may, in its discretion, issue an interim order suspending the voting rights attached to the relevant equity shares before completing its investigation of the alleged contravention. Under the Companies (Second Amendment) Act, 2002, the Indian Company Law Board will be replaced with the National Company Law Tribunal.

Pursuant to the Listing Agreements, in the event the Company has not effected the transfer of shares within one month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of one month, the Company is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay.

The Companies Act provides that the shares or debentures of a publicly listed company shall be freely transferable. However, the Board may, subject to Section 111 of the Companies Act, at any time in their absolute and uncontrolled discretion by giving reasons decline to register shares. However, this may not be done on the grounds that the transferor is indebted to the Company on any account whatsoever. Notice of such refusal must be sent to the transferee within two months of the date on which the transfer was lodged with the company.

A transfer may also be by transmission. Subject to the provisions of the Company's Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Board, upon producing such evidence that he sustains the character in respect of which he proposes to act under the Article, or his title, as the Board thinks sufficient, be registered as a member in respect of such shares, or may, subject to the regulations as to transfer contained in the Articles, transfer such shares.

Acquisition by the Company of its own Shares

A company is prohibited from acquiring its own shares unless the consequent reduction of capital is effected by an approval of at least 75% of its shareholders, voting on the matter in accordance with the Companies Act and sanctioned by the High Court of Judicature in the city where the company's registered office is located. Subject to certain conditions, a company is prohibited from giving, whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person for any shares in the company or its holding company.

However, pursuant to the Companies Act by way of Section 77A, 77AA and 77B, a company has been empowered to purchase its own shares or other specified securities out of its free reserves, or the securities premium account or the proceeds of the issue of any shares or other specified securities (other than from the proceeds of an earlier issue of the same kind of shares or other specified securities proposed to be bought back) subject to certain conditions, including:

- the buy-back should be authorized by the Articles of Association of the company;
- a special resolution has been passed in the general meeting of the company authorizing the buy-back;
- the buy-back is limited to 25% of the total paid-up capital and free reserves;
- the debt owed by the company is not more than twice the capital and free reserves after such buy-back; and
- the buy-back is in accordance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulation, 1998.

The condition mentioned above in (ii) would not be applicable if the buy-back is for less than 10% of the total paid-up equity capital and free reserves of the company and provided that such buy-back has been authorized by the board of directors of the company. A company buying back its securities is required to extinguish and physically destroy the securities so bought back within seven days of the last date of completion of the buy-back. Further, a company buying back its securities is not permitted to buy back any securities for a period of one year from the buy-back and to issue securities for six months. Every buy-back must be completed within a period of one year from the date of passing of the special resolution or resolution of the Board, as the case may be.

A company is also prohibited from purchasing its own shares or specified securities through any subsidiary company, including its own subsidiary companies, or through any investment company (other than a purchase of shares in accordance with a scheme for the purchase of shares by trustees of or for shares to be held by or for the benefit of employees of the company) or if the company is defaulting on the repayment of deposit or interest, redemption of debentures or preference shares or payment of dividend to a shareholder or repayment of any term loan or interest payable thereon to any financial institution or bank, or in the event of non-compliance with certain other provisions of the Companies Act.

Liquidation Rights

Subject to the rights of creditors, of employees and of the holders of any other shares entitled by their terms of issue to preferential repayment over the shares, in the event of a winding-up of the Company, the holders of the shares are entitled to be repaid the amounts of capital paid up or credited as paid up on such shares. All surplus assets after payments due to employees, the holders of any preference shares and other creditors belong to the holders of the equity shares in proportion to the amount paid up or credited as paid up on such shares, respectively, at the commencement of the winding-up. In case assets available are insufficient to repay the whole of the paid up capital, the assets shall be so distributed such that the losses are borne to the extent possible by the shareholders in the ratio of capital contributed. In case any of the shares involve a liability to call or otherwise, any person may, within ten days after the passing of the resolution, by notice in writing direct the liquidators to sell his proportion and pay him the net proceeds and the liquidator shall, if practicable, act accordingly.

The division of assets on winding up, if thought expedient, may subject to the provisions of the Companies Act, be otherwise than in accordance with the legal rights of the contributories (except when unalterably fixed by the Memorandum) and in particular, any class may be given preferential or special rights which may be excluded altogether or in part but any contributory who is prejudiced by the same would have a right to dissent and possess ancillary rights as though such determination were a special resolution under Section 494 of the Companies Act.

TAXATION

The information provided below sets out the possible tax benefits available to the investors in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of Equity Shares, under the current tax laws presently in force in India. Several of these benefits are dependent on the Company or the investors fulfilling the conditions prescribed under the relevant tax laws. Hence the ability of the Company or the investors to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may not choose to fulfill. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares, particularly, in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

Indian Taxation

The following is a summary of the material Indian tax consequences of owning and disposing of Equity Shares purchased in this Issue.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF SECURITIES IN YOUR PARTICULAR SITUATION.

I. INCOME TAX

1. Taxation of Dividends

Dividends on shares received from an Indian company on which dividend distribution tax has been paid are exempt from tax in the hands of the shareholders. However, the Indian Company distributing dividends is subject to a distribution tax at the rate of 16.995%. In terms of the IT Act, any expenditure incurred to earn the dividend income is not allowable expenditure for deduction of expenses.

2. TAXATION OF CAPITAL GAINS

Equity Shares held by a resident investor for a period of more than 12 months shall be treated as long-term capital assets and the amount of gain on sale of such Equity Shares will be treated as long-term capital gain. If the Equity Shares are held for a period of 12 months or less than 12 months, the capital gain arising on the sale thereof is to be treated as short-term capital gain.

The amount of gain on the disposition of an equity share must be computed by converting the cost of acquisition and full value of the consideration received as a result of such disposition.

3. LONG-TERM CAPITAL GAINS

(a) Long term capital gains being gains on sale of listed shares held for a period of more than twelve months would not be taxable provided Securities Transaction Tax ("**STT**") has been paid on the same;

(b) Long term capital gains realized on sale of listed Indian shares not routed through a recognised stock exchange in India and therefore not subject to STT would be taxed as under:

(i) @ 20% (plus applicable surcharge and education cess)after deducting from the sales proceeds the indexed cost of acquisition; or

(ii) @10%(plus applicable surcharge and education cess) after deducting from the sale proceeds the cost of acquisition without indexation.

4. SHORT-TERM CAPITAL GAINS

(a) Short-term capital gains being gains on sale of listed shares, held for a period of twelve months or less, will be taxed at the rate of 15% (plus applicable surcharge and education cess) provided STT has been paid on the same;

(b) In the event that sale is otherwise than on a stock exchange and as a result no STT is paid, short-term gain is subject to tax at the rate of 30% (plus applicable surcharge and education cess).

II. STT

All transactions pertaining to equity shares entered on a recognized stock exchange in India will be subject to STT levied on the transaction value.

(a) Delivery based transactions

In case of purchase/sale of listed equity shares which is settled by way of actual delivery or transfer of the equity share, STT will be levied at the rate of 0.125% on both the buyer and seller of the equity share.

(b) Non-delivery based transactions

In case of sale of equity shares settled otherwise than by way of actual delivery or transfer of the equity share, STT will be levied at the rate of 0.025% on the seller of the equity share.

(c) Taxability of STT

In case of income being treated as trading income, STT paid can be claimed as deductible expenditure in computing taxable income from business.

III. WEALTH TAX

Wealth-tax is not levied on investment in equity shares under section 2(ea) of the Wealth-tax Act, 1957.

IV. GIFT TAX

Gift-tax is not levied on gift of Equity Shares in the hands of the donor as well as the donee because the provisions of the Gift-tax Act, 1958 have ceased to apply in respect of gifts made on or after 1st October, 1998.

The foregoing does not purport to be a complete analysis of the potential tax considerations relating to the Issue, and should not be construed as tax advice/opinion. Prospective investors should consult their own tax advisors as to the particular tax considerations applicable to them relating to the purchase, ownership and disposition of the Equity Shares, including the applicability of the local tax laws or non-tax laws, any changes in applicable tax laws and any pending or proposed legislation or regulations.

INDEPENDENT ACCOUNTANTS

N.M. Raiji & Co., Chartered Accountants, have audited the consolidated and standalone financial statements of our Company as of and for the years ended March 31, 2009, 2010 and 2011.

GENERAL INFORMATION

1. Trent Limited was incorporated under the laws of India on December 5, 1952. The Registered Office of Trent Limited is Bombay House, 24 Homi Mody Street, Mumbai 400 001, Maharashtra, India and its CIN is L24240MH1952PLC008951.

2. The Issue was authorized and approved by the Board of Directors on September 29, 2011 and approved by the shareholders through postal ballot proceedings dated November 14, 2011.

3. We shall apply for in-principle approvals to list the Equity Shares on the BSE and the NSE.

4. Copies of the Company's Memorandum and Articles of Association will be available for inspection during usual business hours on any weekday (except Saturdays and public holidays) at its Registered Office.

5. We have obtained all consents, approvals and authorizations required in connection with this Issue.

6. There has been no significant change in our financial or trading position since December 31, 2011.

7. Except as disclosed in this Placement Document, there are no litigation or arbitration proceedings against or affecting us or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue of Equity Shares.

8. Our auditors are N.M. Raiji & Co., who have audited our Audited Consolidated Financial Statements and our Audited Standalone Financial Statements and have prepared our Company's December Limited Review and have consented to the inclusion of their audit report and their review report in this Placement Document.

9. The Company confirms that it is in compliance with the minimum public shareholding requirements as required under the terms of the SCRR.

10. The Floor Price for the Issue is ₹911.94.

DECLARATION

All the relevant provisions of the Companies Act, 1956 and the guidelines issued by the Government or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Placement Document is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules and regulations made or guidelines issued thereunder, as the case may be. The Company further certifies that all statements in this Placement Document are true and correct.

Signed by:
Trent Limited

Mr. Philip N. Auld	M. M Surti
Manager	**Company Secretary**

Date: March 14, 2012

Place: Mumbai

TRENT LIMITED
A TATA ENTERPRISE

INDEX TO FINANCIAL STATEMENTS

AUDITORS' REPORT

To
The Board of Directors
Trent Limited,

Dear Sirs,

We have examined the attached Balance Sheets of **Trent Limited** (the Company) as at 31st March, 2011, 31st March, 2010 and 31st March, 2009 and also the Profit and Loss Account and the Cash Flow Statements for the years ended on these dates and the accompanying notes and schedules (together comprising the Financial Statements), as set out in the accompanying Preliminary Placement Document. These Financial Statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these Financial Statements based on our examination.

The figures disclosed in the Financial Statements are extracted / reformatted from the Audited Financial Statements for the respective years and our opinion stated herein is based on the opinion as reported by us for each of the years. In forming our opinion, we conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that in our opinion and to the best of our information and according to the explanations given to us, the Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

i. in the case of the Balance Sheets, of the state of affairs of the Company as at 31st March, 2011, 2010 and 2009;
ii. in the case of the Profit and Loss Account, of the profit of the Company for the years ended on 31st March, 2011, 2010 and 2009; and
iii. in the case of the Cash Flow Statements, of the cash flows of the Company for the years ended on these dates.

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

Y.N. Thakkar
Partner
Membership No.33329

Mumbai,

TRENT LIMITED

Balance Sheet as at

		Schedule	Page	**31.03.2011 Rupees in lakhs**	31.03.2010 Rupees in lakhs	31.03.2009 Rupees in lakhs
	SOURCES OF FUNDS :					
1.	SHAREHOLDERS' FUNDS :					
	(a) Capital	A	F-8	**3,595.97**	2,703.51	1,953.29
	(b) Reserves and Surplus	B	F-9	**1,04,599.39**	61,347.00	58,723.44
				1,08,195.36	64,050.51	60,676.73
2.	LOAN FUNDS:	C	F-10			
	(a) Secured Loans			**10,000.00**	11,550.24	16,550.24
	(b) Unsecured Loans			**17,500.00**	13,501.82	5.24
				27,500.00	25,052.06	16,555.48
3.	Deferred Tax Liability (Net) (Note 4, Page F-32)			**-**	191.82	21.92
4.	TOTAL FUNDS EMPLOYED			**1,35,695.36**	89,294.39	77,254.13
	APPLICATION OF FUNDS:					
5.	FIXED ASSETS:	D	F-11			
	(a) Gross Block			**33,018.79**	26,013.65	13,730.84
	(b) Less: Depreciation			**6,627.06**	5,359.42	4,244.77
	(c)Net Block			**26,391.73**	20,654.23	9,486.07
	(d) Capital Work-in-Progress			**2,783.03**	1,690.29	1,382.62
				29,174.76	22,344.52	10,868.69
6.	INVESTMENTS	E	F-12 – F-24	**42,496.87**	39,517.59	39,585.16
7.	DEFERRED TAX ASSET (NET)			**2,056.32**	-	
8.	CURRENT ASSETS, LOANS AND ADVANCES:					
	(a) Inventories	F	F-25	**13,057.32**	9,648.33	8,597.50
	(b) Sundry Debtors	G	F-25	**666.18**	308.62	376.28
	(c)Cash and Bank Balances	H	F-25	**30,034.16**	911.69	1,288.27
	(d) Loans and Advances	J	F-27	**46,214.00**	34,235.39	30,959.22
				89,971.66	45,104.03	41,221.27
9.	Less: CURRENT LIABILIITES AND PROVISIONS:					
	(a) Liabilities	K	F-28	**14,127.56**	11,672.61	9,139.66
	(b) Provisions	L	F-28	**13,876.69**	5,999.14	5,281.33
				28,004.25	17,671.75	14,420.99
10.	NET CURRENT ASSETS			**61,967.41**	27,432.28	26,800.28
11.	TOTAL ASSETS (NET)			**1,35,695.36**	89,294.39	77,254.13

(For Schedule 'M' and notes see Page F-29 to F-43)

TRENT LIMITED

Profit And Loss Account for the year ended

		Schedule	Page	**2010-11 Rupees in lakhs**	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
INCOME :						
1.	INCOME FROM OPERATIONS	2	F-6	**71,671.21**	58,748.10	51,460.91
2.	OTHER INCOME	3	F-6	**5,142.93**	2,251.73	3,198.88
3.	TOTAL INCOME			**76,814.14**	60,999.83	54,659.79
EXPENDITURE:						
4.	OPERATING AND OTHER EXPENSES	1	F-5	**68,349.28**	55,362.51	50,777.55
5.	DEPRECIATION			**1,362.65**	1,185.09	923.34
				69,711.93	56,547.60	51,700.89
6.	INTEREST	4	F-7	**784.29**	604.82	131.30
7.	TOTAL EXPENDITURE			**70,496.22**	57,152.42	51,832.19
PROFIT BEFORE TAXES AND EXCEPTIONAL ITEM				**6,317.92**	3,847.41	2,827.60
8.	EXCEPTIONAL INCOME/ (EXPENSES)	5	F-7	**(284.00)**	1,137.59	-
PROFIT BEFORE TAXES				**6,033.92**	4,985.00	2,827.60
9.	PROVISION FOR TAXATION					
	CURRENT TAX			**1,223.73**	814.69	196.39
	(EXCESS)/SHORT TAX PROVISION FOR PRIOR YEARS (NET)			**7.59**	(94.04)	154.89
	MAT CREDIT ENTITLEMENT			**(808.24)**	(302.95)	(126.30)
	FRINGE BENEFIT TAX				-	65.00
	DEFERRED TAX			**1,307.13**	545.27	171.85
				1,730.21	962.97	461.83
PROFIT FOR THE YEAR AFTER TAXES				**4,303.71**	4,022.03	2,675.55
10.	BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR			**3,726.79**	2,053.67	2,402.63
11.	BALANCE TRANSFERRED ON AMALGAMATION (refer note 26 , page F-43)			**-**	72.67	-
PROFIT AVAILABLE FOR APPROPRIATION				**8,030.50**	6,148.37	5,078.18
12.	**APPROPRIATIONS:**					
	(i) GENERAL RESERVE			**500.00**	403.00	268.00
	(ii) DEBENTURE REDEMPTION RESERVE			**500.00**	500.00	1,500.00
	(iii) DIVIDEND PAID – EQUITY SHARES			**1.42**	-	
	(iv) PROPOSED DIVIDEND – EQUITY SHARES			**1,504.27**	1,302.28	1,074.31
	(v) PROPOSED DIVIDEND – PREFERENCE SHARES			**1.23**	0.01	-
	(vi) TAX ON DIVIDEND			**244.46**	216.29	182.20
	(vii) BALANCE CARRIED TO BALANCE SHEET			**5,279.12**	3,726.79	2,053.67
				8,030.50	6,148.37	5,078.18
14.	**Earning Per share (Rs.)** (Note 24, Page F-42)					
	Basic			**21.46**	20.53	13.70
	Diluted			**19.60**	20.41	13.70

(For Schedule ‘M’ and notes see Pages F-29 to F-43)

TRENT LIMITED

Schedule forming part of the Profit and Loss Account

Schedule '1' (Item no. 4, Page F-4)

OPERATING AND OTHER EXPENSES

		Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
(1)	RAW MATERIALS CONSUMED	**217.96**	177.26	209.36
(2)	PURCHASE OF FINISHED PRODUCTS	**36,756.05**	28,581.93	28,099.70
(3)	PAYMENTS TO AND PROVISIONS FOR EMPLOYEES			
	(a) Salaries, Wages, Bonus, etc (Refer note Schedule "B" Page F-9)	**4,913.93**	3,679.80	3,435.74
	(b) Contribution to Provident, Superannuation and Gratuity Funds	**298.55**	209.93	240.93
	(c) Workmen and Staff Welfare Expenses	**283.19**	233.06	248.75
		5,495.67	4,122.79	3,925.42
(4)	OTHER EXPENSES			
	(a) Processing Charges	**193.73**	169.23	145.50
	(b) Packing Materials Consumed	**339.68**	207.57	212.34
	(c) Power and Fuel	**2,387.79**	2,190.47	2,008.75
	(d) Repairs to Building	**1,804.54**	1,476.55	1,069.94
	(e) Repairs to Machinery	**285.25**	214.95	189.03
	(f) Repairs others	**592.27**	457.36	303.75
	(g) Rent	**4,000.83**	3,349.73	2,860.25
	(h) Rates and Taxes	**746.50**	588.06	410.84
	(i) Insurance	**64.48**	69.78	53.47
	(j) Advertisement and Sales Promotion	**4,694.70**	4,474.41	4,539.20
	(k) Travelling Expenses	**429.95**	294.24	238.41
	(l) Professional and Legal Charges	**665.33**	539.22	457.75
	(m) Printing and Stationery	**142.87**	106.81	75.71
	(n) Bank Charges	**445.50**	345.71	301.32
	(o) Postage, Telegrams and Telephones	**383.32**	286.59	271.96
	(p) General Expenses (Refer Note5 (i) Page F-32)	**3,064.54**	2,289.98	1,904.87
	(q) Retail Business Fees	**4,097.04**	3,393.36	2,970.05
	(r) Sales tax paid	**3,882.65**	2,841.90	2,557.97
	(s) Directors' Fees	**13.12**	11.98	9.70
	(t) Commission to Non Whole Time Directors	**52.86**	30.00	21.88
	(u) Excess of Cost over Fair Value of Current Investments	**-**	0.02	-
	(v) Loss on Sale of Fixed Assets Sold/Discarded (Net)	**-**	82.91	179.41
	(w) Loss on Sale of Long Term Investments (Net)	**10.81**	142.72	-
		28,297.76	23,563.55	20,782.10
(5)	FREIGHT AND FORWARDING CHARGES	**1,053.03**	655.68	623.27
(6)	CHANGES IN FINISHED PRODUCTS			
	Accretion to stocks deducted	**(3,471.19)**	(1,738.70)	(2,862.30)
		68,349.28	55,362.51	50,777.55

TRENT LIMITED

Schedule forming part of the Profit and Loss Account

Schedule '2' (Item no. 1, page F-4)
INCOME FROM OPERATIONS

		Rupees in lakhs	Previous Year Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
(1)	Sales	**67,395.10**	54,260.40	49,636.57
(2)	Other Operating Income			
	(a) Display and Sponsorship Income	**117.48**	19.64	176.42
	(b) Commission on sales	**449.53**	365.69	458.02
	(c) Discounts and Fees	**1,005.22**	822.36	227.25
	(d) Rent received	**2,051.27**	1,592.64	60.90
	(e) Others	**652.61**	1,687.37	901.75
		4,276.11	4,487.70	1,824.34
		71,671.21	58,748.10	51,460.91

Schedule '3' (Item No. 2, page F-4)
OTHER INCOME

		Rupees in lakhs	Previous Year Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
(1)	Interest on Loans and Advances- Gross [For 2010-11: Tax deducted at source: Rs.225.93 Lakhs] [For 2009-10: Tax deducted at source: Rs. 153.39 Lakhs] [For 2008-09: Tax deducted at source: Rs. 211.49 Lakhs]	**2,305.17**	1,340.75	945.20
(2)	Interest /Deposits with Banks- Gross [For 2010-11: Tax deducted at source: Rs.4.66 Lakhs] [For 2009-10: Tax deducted at source: Rs.5.18 Lakhs] [For 2008-09: Tax deducted at source: Rs.4.00 Lakhs]	**855.82**	46.18	30.89
(3)	Income from Current Investments – Non trade			
	(a) Dividend on Current Investments	**720.22**	344.43	1,058.10
	(b) Profit on sale of current investment (Net)	**516.92**	308.53	431.60
		1,237.14	652.96	1,489.70
(4)	Interest on Long Term Investments – Gross	**-**	-	0.50
(5)	Dividend on Long Term Investments – Gross			
	(a) Trade	**-**	1.50	3.00
	(b) Subsidiaries	**-**	-	2.23
	(c) Others	**20.32**	159.41	268.81
		20.32	160.91	274.04
(6)	Profit on sale of fixed assets (Net)	**724.42**	-	408.60
(7)	Excess provision no longer required written back	**-**	50.93	49.95
(8)	Miscellaneous Income	**0.06**	-	
		5,142.93	2,251.73	3,198.88

TRENT LIMITED

Schedule forming part of the Profit and Loss Account

Schedule '4' (Item No. 6, page F-4)
INTEREST EXPENSE

		Rupees in lakhs	Previous Year Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
(a)	Debentures	**597.57**	131.00	131.00
(b)	Fixed Loans	**167.40**	473.81	-
(c)	Others	**19.32**	0.01	0.30
		784.29	604.82	131.30

Schedule '5' (Item No.8, page F-4)
EXPECTIONAL INCOME / (EXPENSES)

		Rupees in lakhs	Previous Year Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
INCOME				
	Profit on Sale of Minority stake in subsidiary Landmark Limited	**-**	1,137.59	-
			1,137.59	-
EXPENSES				
(a)	Provision for contingency for disputed expenses	**84.00**	-	-
(b)	Provision for Diminution in value of Investments in Joint Venture Trexa ADMC Private Limited	**200.00**	-	-
		284.00	-	-
	Net Income / (Expense)	**(284.00)**	1,137.59	-

Schedule forming part of the Balance Sheet

Schedule 'A' (Item No.1 (a), Page F-3)
CAPITAL

	As at 31.03.2011 Rupees in Lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
AUTHORISED:			
3,20,00,000 Equity Shares of Rs.10/- each (2009-2010: 2,40,00,000 Equity Shares of Rs.10/- each) (2008-2009: 2,00,00,000 Equity Shares of Rs.10/- each)	**3,200.00**	2,400.00	2,000.00
50,00,000 Unclassified Shares of Rs.10/- each (2009-2010: 50,00,000 Unclassified Shares of Rs.10/- each) (2008-2009: 50,00,000 Unclassified Shares of Rs.10/- each)	**500.00**	500.00	500.00
70,000 Preference Shares of Rs.1000/- each (2009-2010: 70,000 Preference shares of Rs. 1000/- each) (2008-2009: Nil)	**700.00**	700.00	-
1,20,00,000 Cumulative Convertible Preference shares of Rs.10/- each. (2009-2010 : Nil)	**1,200.00**	-	
	5,600.00	3,600.00	2,500.00
ISSUED, SUBSCRIBED AND PAID UP:			
2,00,56,877 Equity Shares of Rs.10/- each fully paid-up (2009-2010: 2,00,35,052 Equity Shares of Rs.10/- each fully paid-up) (2008-2009: 1,95,32,896 Equity Shares of Rs.10/- each fully paid up)	**2,005.69**	2,003.51	1,953.29
70,000 0.1% Cumulative Redeemable Preference Shares of Rs.1000/- each, fully paid-up (2009-2010: 70,000 0.1% Cumulative Redeemable Preference Shares of Rs. 1000/- each, fully paid up) (2008-2009: Nil)	**700.00**	700.00	-
44,51,414 Cumulative Compulsorily Convertible Preference Shares Series A of Rs. 10/- each fully paid up (2009-10: Nil)	**445.14**	-	-
44,51,414 Cumulative Compulsorily Convertible Preference Shares Series B of Rs.10/- each fully paid up (2009-10: Nil)	**445.14**		
	3,595.97	2,703.51	1,953.29

Notes:

1. Of the above –
   (a) 1,08,81,021 Equity Shares were allotted as fully paid Bonus Shares by capitalization of Share Premium and Reserves.

   (b) 1,12,616 Equity Shares were allotted as fully paid pursuant to Schemes of Amalgamation without payment being received in cash.

   (c) 70,000 Cumulative Redeemable Preference Shares were allotted as fully paid pursuant to Scheme of Amalgamation without payment being received in cash.

2. During the year 2010-11, the Company has issued 44,51,414 0.1% Cumulative Compulsorily Convertible Preference Shares (CCPS) Series A of Rs. 10/- @ 550 each and 44,51,414 0.1% Cumulative Compulsorily Convertible Preference Shares (CCPS) Series B of Rs.10/- @ 550 each to the Equity Shareholders on Right basis in the ratio of 4 CCPS (2 Series A and 2 Series B) for every 9 Equity Shares held. Each CCPS of Series A is Convertible into 1 Equity Share of Rs.10 each at premium of Rs 540 automatically on 1st September 2011 and each CCPS of Series B is Convertible into 1 Equity Share of Rs.10 each at a premium of Rs.540 automatically on 1st September 2012. Until conversion, CCPS of both series will be eligible for a dividend of 0.1% p.a on their face value.

3. The term of the 0.1% Cumulative Redeemable Preference Shares is of 20 years from 26th March 2010, being the date of allotment, with an option to the Company to redeem the Preference Shares at any time after 36 months from the date of allotment. The Board of Directors at their meeting held on 26th April 2010 have fixed 1st June 2013 as the date of redemption of the Preference Shares.

4. During the year 2009-10, the Company had granted 21,825 stock options under the Employee Stock Option Scheme. During the year 2010-11 21,825 Equity Shares of Rs.10/- each were issued at par pursuant to Stock Options exercised. No stock Options are outstanding as on 31st March, 2011.

5. During the year 2005-2006, the Company had issued 13,10,047 Warrants to the Shareholders along with Partly Convertible Debentures of which 5,62,121 Warrants are outstanding as on 31st March 2009. Each Warrant-holder is entitled to apply for one Equity Share of Rs. 10/- each at a premium of Rs. 640/- each within 30 days after the expiry of 54 months from 7th July 2005 being the date of allotment. During the year 2009-10, the Company has issued 5,02,156 Equity Shares of Rs.10/- each at a premium of Rs. 640/- per share on the conversion of warrants. There are no warrants outstanding as at 31st March 2010.

TRENT LIMITED
Schedule forming part of the Balance Sheet

Schedule 'B' (Item No.1(b), Page F-3)
RESERVES AND SURPLUS

		As at 31.03.2011 Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
(1)	**SECURITIES PREMIUM ACCOUNT:**			
	Balance as per last account	**34,557.40**	31,995.25	33,321.32
	Add: Premium on issue of Equity Shares on conversion of warrants	**-**	3,213.80	-
	Add: Transfer from Employee Stock Options on issue of Equity Shares	**107.44**	-	-
	Add: Premium on issue of Compulsorily Convertible Preference Shares	**48,075.27**	-	-
	Less: Premium on redemption of Debentures (refer note c,d,e and f of Schedule 'C')	**6,873.51**	638.83	1,306.10
	Less: Write off of securities / warrant issue expenses (net of deferred tax)	**524.38**	12.82	19.97
		75,342.22	34,557.40	31,995.25
(2)	**DEBENTURE REDEMPTION RESERVE**			
	(a) Balance as per last account	**5,300.00**	4,800.00	3,300.00
	(b) Add : Transferred from Profit and Loss Account	**500.00**	500.00	1,500.00
		5,800.00	5,300.00	4,800.00
(3)	**EMPLOYEE STOCK OPTIONS**			
	a) Employee Stock Options Outstanding			
	Balance as per last account	**107.44**	-	-
	Additions	**-**	107.44	-
	Transferred to share Premium Account	**107.44**	-	-
	Outstanding	**-**	107.44	-
	b) Less: Deferred Employee Compensation			
	Balance as per last account	**22.68**	-	-
	Additions	**-**	22.68	-
	Amortised/Lapsed	**22.68**	-	-
	Balance	**-**	22.68	-
	Net Employee Stock Options	**-**	84.76	-
(4)	**GENERAL RESERVE :**			
	(a) Balance as per last account	**17,678.05**	18,381.57	18,113.57
	(b) Add : Transferred from Profit and Loss Account	**500.00**	403.00	268.00
	(c) Less : Expenses on Amalgamation (Note 26, Page F-43)	**-**	80.15	-
	(d) Less : Deficit on Amalgamation (Note 26, Page F-43)	**-**	1,026.37	-
		18,178.05	17,678.05	18,381.57
(5)	**AMALGAMATION RESERVE :**			
	Arising out of Amalgamation			
	Opening Balance	**-**	1,492.95	1,492.95
	Less : Deficit on Amalgamation (Note 26, Page F-43)	**-**	1,492.95	-
		-	-	1,492.95
(6)	**PROFIT AND LOSS ACCOUNT**	**5,279.12**	3,726.77	2,053.67
		1,04,599.39	61,347.00	58,723.44

Note:
In respect of Options granted under the Company's Employee Stock Options Scheme 2009 (ESOS), in accordance with guidelines issued by SEBI, the accounting value of options is accounted as deferred employee compensation, which is amortised on a straight line basis over the vesting period. Consequently, salaries, wages, bonus etc. include 2010-11- Rs.22.68 lakhs, 2009-10- Rs.84.76 lakhs & 2008-09- Rs.Nil being the amortisation of deferred employee compensation.

Schedule forming part of the Balance Sheet

Schedule 'C' (Item No.2, Page F-3)
LOAN FUNDS

		As at 31.03.2011 Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
(1)	SECURED LOANS :			
	Non Convertible Debentures (Note "a")	**-**	6,550.24	6,550.24
	Non Convertible Debentures- Series-I (Note 'b')	**-**	-	5,000.00
	Non Convertible Debentures- April 10 Series-I (Note 'd')	**10,000.00**	-	-
	Non Convertible Debentures-Series-II (Note "b")	**-**	5,000.00	5,000.00
		10,000.00	11,550.24	16,550.24
(2)	UNSECURED LOANS:			
	Sales Tax loan from Government of Maha.rashtra	**-**	1.82	5.24
	Non Convertible Debentures-Oct-09-Series I (Note "c")	**5,000.00**	5,000.00	-
	Non Convertible Debentures-April-10-Series 2 (Note "e")	**5,000.00**	-	-
	Non Convertible Debentures-June-10-Series 1 (Note "f")	**4,500.00**	-	-
	Non Convertible Debentures-June-10-09-Series 2 (Note "f")	**3,000.00**	-	-
	Commercial Paper	**-**	5,000.00	-
	Inter Corporate Deposits	**-**	3,500.00	-
		17,500.00	13,501.82	5.24
		27,500.00	25,052.06	16,555.48

(a) During the year 2005-2006 the Company has issued 13,10,047 Partly Convertible Debentures of Rs. 900/- each. Of the above, Convertible Debenture of the face value of Rs. 400/- has been converted into one Equity Share of Rs. 10/- each at a premium of Rs. 390/- per share on the date of allotment. The Non Convertible Debenture of face value of Rs. 500/- are redeemable at a premium of Rs. 98/- each on 7th July 2010.The Premium payable on redemption of Debentures amounting to Rs.1283.85 lakhs been provided and debited to Securities Premium Account during 2005-06. These Debentures are secured by way of charge on assets of the Company costing at least 1.33 times of the value of the Debentures in favour of the Debenture Trustees.

(b) During the year 2008-2009, the Company issued 500 Redeemable Non Convertible Debentures- Series I of Rs.10.00 lakhs each and 500 Redeemable Non Convertible Debentures – Series II of Rs.10.00 lakh each on private placement basis. These Debentures are free of interest and the Series I Debentures were redeemed at a premium of Rs. 1.33 lakh each on 1st October 2009 and Series II Debentures were redeemed at a premium of Rs. 2.63 lakhs each on 2nd September 2010. The Premium payable on redemption of these Debentures has been fully provided and is debited to Securities Premium Account net of deferred tax. These Debentures are secured by way of charge on immovable property of the Company in favour of the Debenture Trustees as stipulated in the Debenture Trust deed.
During the year 2010-11, the Company has redeemed 500 Redeemable Non Convertible Debentures-Series II of Rs.10 each issued during 2008-09, together with a premium of Rs.2.63 lakhs each. The Premium payable on redemption of these Debentures has been fully provided and is debited to Securities Premium Account net of deferred tax.

(c) During the year 2009-2010, the Company has issued 500 Redeemable Non Convertible Debentures of Rs. 10 lakhs each on private placement basis. These Debentures are free of interest and are redeemable at a premium of Rs 1.94 lakh each on 21st October 2011. The Premium payable on redemption of these Debentures has been fully provided and is debited to Securities Premium Account net of deferred tax.

(d) During the year 2010-11, the Company issued 1,000 Redeemable Non Convertible Debentures of Rs. 10 lakhs each on private placement basis. These Debentures are free of interest and are redeemable at a premium of Rs.6.11 lakhs each on 14th April 2015.The Premium payable on redemption of these Debentures has been fully provided and is debited to Securities Premium Account net of deferred tax. These Debentures are secured by way of charge on immovable property of the company in favor of Debenture Trustees as stipulated in the Debenture Trust Deed and 1.25 times asset cover will be maintained by the company on continuous basis.

(e) During the year 2010-11, the Company issued 500 Redeemable Non Convertible Debentures April 10 Series 2 of Rs. 10 lakhs each on private placement basis. These Debentures are at 5% p.a of interest and are redeemable at a premium of Rs.2.89 lakhs each on 27th April 2015.The Premium payable on redemption of these Debentures has been fully provided and is debited to Securities Premium Account net of deferred tax.

(f) During the year 2010-11, the Company issued 450 Redeemable Non Convertible Debentures June 2010 Series 1 of Rs. 10 lakhs each and 300 Redeemable Non Convertible Debentures June 2010 Series 2 of Rs.10 Lakhs each on private placement basis. Series I Debentures will carry an interest of 9.75% p.a and are redeemable at a par on 30th June 2017 and series 2 Debentures are free of interest and will be redeemed at Premium of Rs.9.13 Lakhs on 30th June 2017. The Premium payable on redemption of Series 2 Debentures has been fully provided and is debited to Securities Premium Account net of deferred tax.

(g) Of the above secured loans amount payable within one year 2010-11 : Rs. Nil, 2009-10: Rs. 11,550.24 lakhs & 2008-09: Rs.5,000 lakhs.

(h) Of the above unsecured loans, amount repayable within a year 2010-11 : Rs.5,000.00 Lakhs , 2009-10: Rs. 8,501.82 lakhs & 2008-09: Rs. 3.42 lakhs.

TRENT LIMITED

Schedule forming part of the Balance Sheet

Schedule 'D' (Item No.5, Page F-3)

FIXED ASSETS

ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK
	As at 1.4.2010	Additions/ Adjustments	Deductions/ Adjustments	As at 31.03.2011	As at 1.4.2010	Deductions/ Adjustments	For the year	As at 31.03.2011	As at 31.03.2011
	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs
Freehold Land	**405.47** (405.47) [400.08]	**-** (-) [5.39]	**-** (-) [-]	**405.47** (405.47) [405.47]	**-** (-) [-]	**-** (-) [-]	**-** (-) [-]	**-** (-) [-]	**405.47** (405.47) [405.47]
Leasehold Land	**5,449.53** (-) [-]	**-** (5,449.53) [-]	**-** (-) [-]	**5,449.53** (5,449.53) [-]	**66.17** (-) [-]	- (-) [-]	**72.10** (66.17) [-]	**138.27** (66.17) [-]	**5.311.26** (5,383.36) [-]
Buildings	**7,436.48** (3,283.75) [3,309.39]	**4,728.22** (4,173.22) [613.38]	**104.58** (20.49) [639.02]	**12,060.12** (7,436.48) [3,283.75]	**1,154.11** (904.09) [759.96]	**73.05** (4.32) [29.49]	**326.46** (254.34) [173.62]	**1,407.52** (1,154.11) [904.09]	**10,652.60** (6,282.37) [2,379.66]
Plant and Machinery	**4,616.74** (3,373.09) [4,261.32]	**857.64** (1,283.08) [1,601.38]	**28.63** (39.44) [2,489.60]	**5,445.75** (4,616.74) [3,373.10]	**1,225.72** (1,046.01) [1,043.88]	**10.45** (13.62) [167.43]	**229.03** (193.33) [169.56]	**1,444.30** (1,225.72) [1,046.01]	**4,001.45** (3,391.02) [2,327.09]
Furniture, Fixtures, Office and other equipment	**8,002.24** (6,561.49) [6,274.31]	**1,589.88** (1,528.15) [2,257.63]	**43.45** (87.40) [1,970.45]	**9,548.67** (8,002.24) [6,561.49]	**2,853.55** (2,235.91) [2,245.59]	**8.47** (43.80) [574.21]	**726.27** (661.42) [564.55]	**3,571.35** (2,853.55) [2,235.93]	**5,977.32** (5,148.69) [4,325.56]
Vehicles	**55.12** (59.74) [65.97]	**-** (18.86) [-]	**6.62** (23.48) [6.23]	**48.50** (55.12) [59.74]	**13.47** (17.13) [13.89]	**3.04** (8.70) [2.93]	**5.04** (5.05) [6.16]	**15.47** (13.47) [17.12]	**33.03** (41.65) [42.62]
Intangible assets	**48.07** (47.29) [41.84]	**12.68** (0.78) [5.45]	- (-) [-]	**60.75** (48.07) [47.29]	**46.40** (41.62) [32.17]	- (-) [-]	**3.75** (4.78) [9.45]	**50.15** (46.40) [41.62]	**10.60** (1.67) [5.67]
Total	**26,013.65** (13,730.83) [14,352.91]	**7,188.42** (12,453.62) [4,483.23]	**183.28** (170.81) [5,105.30]	**33,018.79** (26,013.65) [13,730.84]	**5,359.42** (4,244.77) [4,095.49]	**95.01** (70.44) [774.06]	**1,362.65** (1,185.09) [923.34]	**6,627.06** (5,359.42) [4,244.77]	**26,391.73** (20,654.23) [9,486.07]
Capital Work-in-Progress									**2,783.03** (1,690.29) [1,382.62]
Total									**29,174.76** (22,344.52) [10,868.69]

Notes:

1) Figures in bracket ( ) are in respect of year 2009-2010 & figures in bracket [ ] are in respect of year 2008-2009.

2) Buildings include improvements to leasehold premises and an amount of 2010-11: Rs.Nil, 2009-10: Rs.1,050 & 2008-09: Rs. 1,050 representing value of Shares in Co-operative Housing Societies/Condominium.

3) Leasehold Land and building includes certain portions which have been given under operating leases.

4) 2009-10 additions include Rs.9,089.78 lakhs of capital work-in-progress acquired consequent to the scheme of amalgamation which has been capitalized during that year (includes borrowing cost Rs. 2408.51 lakhs). (Refer Note. 26 Page F-43)

5) 2008-09 Deductions / adjustments include assets of the Star Bazaar division transferred to Trent Hyper Market Limited- 100% subsidiary. (Refer Note 28 Page F-43)

TRENT LIMITED

Schedule 'E' (Item No.6, Page F-3)
INVESTMENTS

		Balance as on 01.04.2010		Purchase during the year		Sold during the Year		Balance as on 31.03.2011	
		No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs
	Long Term Investment								
	Face Value of Rs.10/- each,Unquoted and fully paid-up unless otherwise stated								
	Trade Investments at Cost (unquoted and fully paid unless otherwise stated)								
	The Associated Building Company Limited (Equity shares of Rs.900/- each)	50	0.45	-	-	-	-	50	0.45
	Tata International Limited (Equity shares of Rs.1000/- each)	1,000	2.00	-	-	-	-	1,000	2.00
	Tata Services Limited (Equity shares of Rs.1000/- each)	45	0.45	-	-	-	-	45	0.45
	Retailers Association of India	10,000	1.00	-	-	-	-	10,000	1.00
	Total Trade Investment		**3.90**						**3.90**
	Other Investments at Cost (unquoted and fully paid unless otherwise stated)								
(a)	**In Subsidiary Companies**								
	Nahar Theatres Pvt. Ltd – (Equity shares of Rs.1000/- each)	1,996	2,832.13	-	-	-	-	1,996	2,832.13
	Nahar Theatres Pvt Ltd.- Pref Shares (9.5% Cumulative Redeemable Preference Shares of Rs.1000/- each)	100	1.00	-	-	-	-	100	1.00
	Optim Estates Pvt Ltd (refer note 27, Page F-43)			10,000	4,901.15	10,000	4,901.15	-	-
	Trent Brands Limited	3,250,000	325.00	-	-	-	-	3,250,000	325.00
	Fiora Link Road Properties Pvt Ltd.	50,000	5.00	-	-	-	-	50,000	5.00
	Landmark Limited	41,97,370	12,479.89	-	-	-	-	4,197,370	12,479.89
	Fiora Services Limited (Equity shares of Rs.100/- each)	39,000	7658	-	-	-	-	39,000	7658
	Trent Global Holdings Ltd. (USD 7,50,000)	750,000	327.30	-	-	-	-	750,000	327.30
	Trent Hypermarket Ltd. (refer note 27, Page F-43)	51,050,000	5,105.00	1,50,000	4,901.15	-	-	5,12,00,000	10,006.15
	Trent Hypermarket Ltd- 10% Redeemable Pref. shares (Refer Note 27, Page F-43)	-	-	10,00,000	100.00	-	-	10,00,000	100.00
	Westland Ltd Optionally convertible preference shares	-	-	4,00,00,000	400.00	-	-	4,00,00,000	400.00
	Westland Limited	27,39,800	300.75	-	-	-	-	27,39,800	300.75
	10% Redeemable pref. shares- Optim Estates Private Limited –(Refer Note 27, Page F-43)	10,00,000	100.00	-	-	10,00,000	100.00	-	-
	Total Investment in Subsidiary Companies		**21,552.65**						**26,853.80**
(b)	**In Joint Ventures**								
	Inditex Trent Retail India Private Limited (Equity shares of Rs.1000/- each)	3,17,520	3,175.20	-	-	-	-	317,520	3,175.20
	TREXA ADMC Pvt. Ltd.	22,07,500	220.75	-	-	-	-	2,207,500	220.75
	Total Investment in Joint Ventures		**3,395.95**						**3,395.95**
(c)	**In Other Companies**								
	IDBI Ltd. (Quoted)	18,867	31.87	-	-	-	-	18,867	31.87
	Reliance Industries Ltd. (Quoted)	5,624	92.53	-	-	5,624	92.53	-	-
	Tata Investment Corporation Limited (Quoted)	25,700	83.53	-	-	-	-	25,700	83.53
	Tata Sons Limited	20,000	200.00	-	-	-	-	20,000	200.00
	Tata Investment Corpn. ZCCB- Warrants (warrants of Rs.0/- each)	12,850	-	-	-	-	-	12,850	-
	Total Investment in Other Companies		**407.93**						**315.40**

TRENT LIMITED

Schedule 'E' (Item No.6, Page F-3)
INVESTMENTS

		Balance as on 01.04.2010		Purchase during the year		Sold during the Year		Balance as on 31.03.2011	
		No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs
(d)	**In Mutual Funds**								
	Birla Sun Life Fixed Term plan Series CF Growth	-	-	50,00,000	500.00	-	-	50,00,000	500.00
	Birla Sun Life Fixed Term plan Series CI Growth	-	-	50,00,000	500.00	-	-	50,00,000	500.00
	Birla Sun Life Fixed Term plan Series CK Growth	-	-	20,00,000	200.00	-	-	20,00,000	200.00
	ICICI pru FMP Series 521 year Plan C Cum.	-	-	1,00,00,000	1,000.00	-	-	1,00,00,000	1,000.00
	ICICI Pru FMP Srs 531 year Plan A Growth	-	-	50,00,000	500.00	-	-	50,00,000	500.00
	ICICI pru Annual interval plan II growth	-	-	39,12,945	500.00	-	-	39,12,945	500.00
	ICICI pru Interval Fund Annual interval plan III growth	-	-	49,99,100	500.00	-	-	49,99,100	500.00
	IDFC Fixed Maturity plan yrly Series 37 growth	-	-	10,00,000	100.00	-	-	10,00,000	100.00
	Reliance Fixed Horizon Fund XV Series 9 Growth	-	-	50,00,775	500.08	-	-	50,00,775	500.08
	Birla Sunlife Income Plus-Growth	11,70,245	486.87	-	-	-	-	11,70,245	486.87
	ICICI Pru Instt Income Plan- Dividend	46,16,759	500.60	97,709	10.58	47,14,468	511.18	-	-
	HDFC High Interest Fund Quarterly Divd.Reinvst.	-	-	91,52,005	1,025.15	-	-	91,52,005	1,025.15
	HDFC Income fund Growth	-	-	41,78,706	923.51	-	-	41,78,706	923.51
	Templeton India Income Opportunities Fund Growth	-	-	46,92,809	500.00	-	-	46,92,809	500.00
	Birla Sunlife G-Sec Fund LT Divid. Reinvst	-	-	90,38,603	1,055.42	-	-	90,38,603	1,055.42
	Birla Sunlife Gilt plus Regular Plan Growth	-	-	6,41,237	200.00	6,41,237	200.00	-	-
	HDFC Gilt Fund Long term- Growth	-	-	52,00,354	1,000.00	25,68,753	493.96	26,31,601	506.04
	HDFC Short Term Plan Divid. Reinvst	51,97,022	540.27	1,47,244	15.19	53,44,267	555.46	-	-
	ICICI Pru Inst Short Term plan Fortnightly Divd. Reinvst	43,52,412	532.47	1,62,428	19.36	45,14,840	551.83	-	-
	Birla Sunlife Dynamic Bond Fund Retail Qtrly divid.	45,32,312	505.43	92,47,750	1,039.20	1,37,80,062	1,544.63	-	-
	Templeton India Short term Income Plan Inst. (Units of Rs 1000/- each)	-	-	32,949	501.56	-	-	32,949	501.56
	JM Emerging Leaders Fund- Dividend	14,58,440	300.76	-	-	14,58,440	300.76	-	-
	Total investment in Mutual Fund		**2,866.40**						**9.298.63`**
	Total Investment in Long Term		**28,226.83**						**39,867.68**
	Current Investments								
	Other Investments at Cost (unquoted and fully paid unless otherwise stated)								
	UTI Fixed Income Interval Fund Srs II Qtrly intvl plan V Inst. Divid	1,00,57,148	1,005.71	55,495	5.55	1,01,12,643	1,011.26	-	-
	Birla Sunlife Quartely Interval- Series -4-Divid Reinvst	-	-	49,43,520	494.35	49,43,520	494.35	-	-
	ICICI Pru Banking & PSU Debt Fund wkly Divid. Reinvst	1,00,41,308	1,005.51	1,01,73,976	1,019.79	2,02,15,284	2,025.29	-	-
	ICICI Pru Interval Fund V- Monthly Income Plan A Inst. Divid	-	-	1,00,79,963	1,008.00	1,00,79,963	1,008.00	-	-
	ICICI Pru Interval Fund/ Monthly interval plan 1 Inst Divid.	-	-	50,24,130	502.41	50,24,130	502.41	-	-
	ICICI Pru quaterly Interval Fund II Plan D Inst. Divid. Reinvst	-	-	1,01,49,547	1,014.95	1,01,49,547	1,014.95	-	-
	ICICI Pru Interval Fund Half yrly Interval plan Inst. Divid	-	-	49,99,400	500.00	-	-	49,99,400	500.00
	Kotak Quarterly Interval plan series 3 Divid	1,00,40,777	1,004.08	75,615	7.56	1,01,16,391	1,011.64	-	-
	Kotak Quarterly Interval plan series 4 Divid.	-	-	50,00,000	500.00	50,00,000	500.00	-	-
	Kotak Quarterly Interval plan series 7 Divid.	50,20,540	502.06	40,004	4.00	50,60,544	506.06	-	-
	Kotak Quarterly Interval plan series 8 Divid.	-	-	99,99,800	1,000.00	99,99,800	1,000.00	-	-
	Kotak 370 FMP 370 days Series 7 Growth	-	-	50,00,000	500.00	-	-	50,00,000	500.00
	Kotak Floater Short Term Weekly Dividend Reinvst	-	-	99,98,497	1,006.69	99,98,497	1,006.69	-	-
	Birla Sunlife interval income Fund-Instl-Qrtly-Srs 2 Divid	1,00,00,000	1,000.00	-	-	1,00,00,000	1,000.00	-	-
	Birla Sunlife interval income Fund-Instl-Qrtly-Srs 1 Divid	1,00,00,000	1,000.00	52,04,448	520.44	1,52,04,448	1,520.44	-	-
	Reliance quarterly Interval Fund Series III Inst. Divid	-	-	49,97,507	500.07	49,97,507	500.07	-	-
	Tata Fixed Income Portfolio Fund Scheme A2 Inst. Divid.	-	-	2,01,28,841	2,013.09	2,01,28,841	2,013.09	-	-
	Tata Fixed Income Portfolio Fund Scheme A3 Inst. Divid.	-	-	1,00,00,000	1,000.00	1,00,00,000	1,000.00	-	-
	Tata fixed Income Portfolio Fund Scheme B3 Inst. Qtrly, Divid.	50,00,000	500.00	-	-	50,00,000	500.00	-	-

TRENT LIMITED

Schedule 'E' (Item No.6, Page F-3)
INVESTMENTS

	Balance as on 01.04.2010		Purchase during the year		Sold during the Year		Balance as on 31.03.2011	
	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs
Tata Fixed Maturity Plan Series 27 Scheme A Growth.	-	-	50,00,000	500.00	-	-	50,00,000	500.00
Tata Fixed Maturity Plan Series 28 Scheme A Growth	-	-	52,50,000	529.19	-	-	52,50,000	529.19
UTI Fixed Income Interval Fund Monthly Interval plan II Inst. Divid	-	-	1,00,91,656	1,009.17	1,00,91,656	1,009.17	-	-
Birla Sunlife Floating rate Fund Long term Inst. Wkly Divid. Reinvst	1,11,73,130	1,119,.90	5,02,76,674	5,029.84	6,14,49,804	6,149.74	-	-
Birla Sun Life Fixed Term plan Series CE Growth	-	-	50,00,000	500.00	-	-	50,00,000	500.00
DSP Blackrock FMP-3M Series 17 Dividend	-	-	1,00,00,000	1,000.00	1,00,00,000	1,000.00	-	-
DSP Blackrock FMP-3M Series 18 Dividend	-	-	1,00,00,000	1,000.00	1,00,00,000	1,000.00	-	-
DSP Blackrock FMP-3M Series 23 Dividend	-	-	1,00,00,000	1,000.00	1,00,00,000	1,000.00	-	-
Birla Sunlife Ultra Short Term Fund-IP-Fortnightly Dividend	-	-	4,53,84,005	4,634.68	4,53,84,005	4,634.68	-	-
Birla Sun Life Cash Plus-Inst-Premium Growth	-	-	13,66,55,155	20,545.24	13,66,55,155	20,545.24	-	-
Birla Sun Life Cash Plus-Inst-Prm. Daily Divid. Reinvst	-	-	14,97,420	150.03	14,97,420	150.03	-	-
Birla Sunlife Savings Fund-Instt. Divid. Wkly Reinvst.	-	-	2,40,97,539	2,411.65	2,40,97,539	2,411.65	-	-
Birla Sun Life Cash Manager-IP_Wkly Divid. Reinvst	-	-	8,07,01,328	8,075.24	8,07,01,328	8,075.24	-	-
DSP Blackrock Liquidity Fund Inst. Growth- (Units of Rs.1000/- each)	-	-	2,98,264	4,011.00	2,98,264	4,011.00	-	-
DSP Blackrock Short term fund Wkly Divid. Reinvst	-	-	98,41,454	1,001.86	98,41,454	1,001.86	-	-
DSP Blackrock Money manager Fund IP Wkly. Divid. Reinvest.-(Units of Rs.1000/- each)	-	-	2,52,500	2,527.03	2,52,500	2,527.03	-	-
HDFC Cash Management Fund- Treasury Advantage Plan-WDR	90,84,067	910.26	7,09,59,573	7,113.84	8,00,43,640	8,024.10	-	-
HDFC Cash Management Fund- Savings Plan-Growth	-	-	6,96,43,494	13,638.49	6,96,43,494	13,638.49	-	-
Kotak Floater Long term wkly divid. Reinvst	20,29,722	204.54	7,50,78,411	7,567.31	7,71,08,133	7,771.87	-	-
Kotak Liquid Institutional Premium- Growth	-	-	5,29,25,212	10,011.00	5,29,25,212	10,011.00	-	-
ICICI Pru Flexible Income Plan Wkly Divid. Reinvst. (Units of Rs.100/- each)	10,37,302	1,093.50	1,13,28,213	11,947.15	1,23,65,515	13,040.65	-	-
ICICI Pru Inst Liquid plan Super Inst. Growth- (Units of Rs.100/- each)	-	-	1,00,00,363	13,852.63	1,00,00,363	13,852.63	-	-
Reliance Liquidity Fund – Growth	-	-	70,53,084	1,000.00	70,53,084	1,000.00	-	-
Tata Liquid Super High Inv. Fund-Appreciation- (Units of Rs.1000/- each)	20,608	350.00	21,23,170	37,086.00	21,27,203	37,136.00	16,574	300.00
Tata Floater Fund- Wkly Divid Reinvst	76,97,150	776.06	13,82,98,911	13,948.49	14,59,96,061	14,724.55	-	-
Templeton India Treasury management Account Supr Inst.Gr.-(Units of Rs. 1000/- each)	-	-	71,531	1,000.00	71,531	1,000.00	-	-
UTI Liquid Cash Plan-Instt-Growth-(Units of Rs.1000/- each)	-	-	4,31,184	6,624.53	4,31,184	6,624.53	-	-
UTI Floating rate fund Short term plan inst.Daily Divid. Reinvst-(Units of Rs.1000/- each)	-	-	3,01,121	3,013.53	3,01,121	3,013.53	-	-
UTI Treasury Advantage Fund-Instt-Divid.Wkly Reinvst-(Units of Rs. 1000/- each)	1,00,438	1,005.24	6,54,099	6,569.80	7,54,537	7,575.04	-	-
Total Current Investment		**11,476.86**						**2,829.19**
Total Investment		**39,703.69**						**42,696.87**
Less: Provision for Diminiution in value of Investments in Joint Venture / Long Term Investments		186.09						200.00
Total Investment		**39,517.59**						**42,496.87**
Aggregate book value of Investments								
Unquoted		**39,495.74**						**42,581.47**
Quoted [Market value Rs.157.64 Lakhs] (2009-2010: 232.15 Lakhs)		**207.93**						**115.40**
Total		**39.703.68**						**42,696.87**

Note:
The Company has given an undertaking to the lenders of Landmark Limited restricting its rights to sale of shares of Landmark Limited.

TRENT LIMITED

Schedule 'E' (Item No.6, Page F-3)
INVESTMENTS

	Balance as on 01.04.09		Purchase during the year		Sold during the Year		Balance as on 31.03.2010	
	No. of shares/units	Rs. in lakhs	No. of shares/units	Rs. in lakhs	No. of shares/units	Rs. in lakhs	No. of shares/units	Rs. in lakhs
Long Term Investment (at Cost less provision for diminution in value)								
Face Value of Rs.10/- each,Unquoted and fully paid-up unless otherwise stated								
Trade Investments at Cost (unquoted and fully paid unless otherwise stated)								
The Associated Building Company Limited (Equity shares of Rs.900/- each)	50	0.45	-	-	-	-	50	0.45
Tata International Limited (Equity shares of Rs.1000/- each)	1,000	2.00	-	-	-	-	1,000	2.00
Tata Services Limited (Equity shares of Rs.1000/- each)	45	0.45	-	-	-	-	45	0.45
Retailers Association of India	10,000	1.00	-	-	-	-	10,000	1.00
Total Trade Investment		**3.90**						**3.90**
Other Investments at Cost (unquoted and fully paid unless otherwise stated) **(a) In Subsidiary Companies**								
Nahar Theatres Pvt. Ltd. (Equity shares of Rs.1000/- each)	1,996	2,832.13	-	-	-	-	1,996	2,832.13
Nahar Theatres Pvt Ltd.- Pref Shares (9.5% Cumulative Redeemable Preference Shares of Rs.1000/- each)	100	1.00	-	-	-	-	100	1.00
Satnam Developers & Finance Pvt. Ltd. (refer note 26, Page F-43)	50,000	906.25	-	-	50,000	906.25	-	-
Trent Brands Limited	3,250,000	325.00	-	-	-	-	3,250,000	325.00
Fiora Link Road Properties Pvt Ltd.	50,000	5.00	-	-	-	-	50,000	5.00
Landmark Limited	4,445,047	12,229.20	1,156,226	4,113.10	1,403,903	3,862.41	4,197,370	12,479.89
Fiora Services Limited (Equity shares of Rs.100/- each)	39,000	76.58	-	-	-	-	39,000	76.58
Trent Global Holdings Ltd.(USD 7,50,000)	750,000	327.30	-	-	-	-	750,000	327.30
Trent Hypermarket Ltd.	51,050,000	5,105.00	-	-	-	-	51,050,000	5,105.00
Westland Ltd	-	-	2,739,800	300.75	-	-	27,39,800	300.75
Total Investment in Subsidiary Companies		**21,807.46**						**21,452.65**
(b) In Joint Ventures								
Inditex Trent Retail India Private Limited (Equity shares of Rs.1000/- each)	-	-	317,520	3,175.20	-	-	317,520	3,175.20
Trexa ADMC Pvt. Ltd.	2,032,500	203.25	175,000	17.50	-	-	2,207,500	220.75
Virtuous Trustee Pvt. Ltd.	4,900	0.49	-	-	4,900	0.49	-	-
Total Investment in Joint Ventures		**203.74**						**3,395.95**
(c) In Other Companies								
ACC Ltd. (Quoted)	9,000	75.81	-	-	9,000	75.81	-	-
Bharat Electronics Ltd. (Quoted)	3,102	43.54	-	-	3,102	43.54	-	-
Bharat Heavy Electricals Ltd. (Quoted)	4,000	99.97	-	-	4,000	99.97	-	-

TRENT LIMITED

Schedule 'E' (Item No.6, Page F-3)

INVESTMENTS

	Balance as on 01.04.09		**Purchase during the year**		**Sold during the Year**		**Balance as on 31.03.2010**	
	No. of shares/units	**Rupees in lakhs**	**No. of shares/units**	**Rupees in lakhs**	**No. of shares/units**	**Rupees in lakhs**	**No. of shares/units**	**Rupees in lakhs**
ICICI Bank Ltd. (Quoted)	-	-	-	-	-	-	-	-
IDBI Ltd. (Quoted)	30,000	50.68	-	-	11,133	18.81	18,867	31.87
Larsen & Toubro Ltd(Quoted) (Equity shares of Rs. 2/- each) -1500 bonus ratio 1:1	3,000	59.79	-	-	3,000	59.79	-	-
Maruti Suzuki India Ltd. (Quoted) (Equity shares of Rs. 5/- each)	10,000	102.19	-	-	10,000	102.19	-	-
Oil & Natural Gas Corporation Ltd.(Quoted)	8,000	91.41	-	-	8,000	91.41	-	-
Reliance Communication Ltd. (Quoted) (Equity shares of Rs. 5/- each)	9,000	58.57	-	-	9,000	58.57	-	-
Reliance Industries Ltd. (Quoted)	3,200	86.42	5,624	92.53	3,200	86.42	5,624	92.53
Reliance Petroleum Ltd. (Quoted)	45,000	92.55	-	-	45,000	92.55	-	-
State Bank of India Ltd. (Quoted)	4,000	94.01	-	-	4,000	94.01	-	-
Sterlite Industries (India) Ltd. (Quoted) (Equity shares of Rs. 2/- each)	3,500	36.33	-	-	3,500	36.33	-	-
Tata Investment Corporation Limited (Quoted)	-	-	25,700	83.53	-	-	25,700	83.53
Optim Estates Pvt Ltd -10% Redeemable pref. shares	-	-	1,000,000	100.00	-	-	1,000,000	100.00
Tata Sons Limited 7% Cumulative Redeemable Preference Shares of Rs. 1,000/- each	20,000	200.00	-	-	-	-	20,000	200.00
Tata Investment Corpn.ZCCB-Part A (warrants of Rs.300/- each)	12,850	38.55	-	-	12,850	38.55	-	-
Tata Investment Corpn.ZCCB-Part B (warrants of Rs.350/- each)	12,850	44.98	-	-	12,850	44.98	-	-
Tata Investment Corpn.ZCCB-Warrants (warrants of Rs.0/- each)	12,850	-	-	-	-	-	12,850	-
Total Investment in Other Companies		**1,174.80**						**507.93**
(d) In Mutual Funds								
OptiMix Dynamic Multi-Manager FoF Scheme-Series 3-Dividend	2,000,000	200.00	-	-	2,000,000	200.00	-	-
Birla Sunlife Income Plus -Quarterly Dividend. Reinvst.	4,180,377	508.70	163,473	18.35	4,343,850	527.04	-	-
Birla Sunlife Income Plus - Growth	-	-	1,170,245	486.87	-	-	1,170,245	486.87
ICICI Pru Instt Income Plan- Quarterly Dividend	4,077,300	517.75	85415	10.19	4,162,715	527.94	-	-
ICICI Pru Instt Income Plan- Dividend	-	-	4,616,759	500.60	-	-	4,616,759	500.60
HDFC Short Term Plan Dividend. Reinvst.	4,893,975	509.00	303,048	31.27	-	-	5,1,97,022	540.27
ICICI Pru. Inst. Short Term plan Fortnightly Dividend Reinvst.	4,136,251	506.43	216,161	26.04	-	-	4,352,412	532.47
Birla Sunlife Dynamic Bond Fund Retail Qtrly divid.	-	-	4,532,312	505.43	-	-	4,532,312	505.43
JM Emerging Leaders Fund-Dividend	1,458,440	300.75	-	-	-	-	1,458,440	300.76
Tata Pure Equity Fund-Dividend	1,657,155	564.08	157,845	33.14	1,814,999	597.22	-	-
Tata Infrastructure Fund-Dividend	1,551,170	340.08	73,669	15.51	1,624,839	355.60	-	-
Total investment in Mutual Fund		**3,446.79**						**2,866.40**
Total Investment in Long Term		**26,636.69**						**28,226.83**

TRENT LIMITED

Schedule 'E' (Item No.6, Page F-3)
INVESTMENTS

	Balance as on 01.04.09		Purchase during the year		Sold during the Year		Balance as on 31.03.2010	
	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs
Current Investments **Other Investments at Cost (unquoted and fully paid unless otherwise stated)**								
UTI Fixed Income Interval Fund Srs II Qrtly intvl plan V Inst. Divid	-	-	10,057,148	1,005.71	-	-	10,057,148	1,005.71
ICICI Pru Banking & PSU Debt Fund wkly Divid. rivst	-	-	10,041,308	1,005.51	-	-	10,041,308	1,005.51
Kotak Quarterly interval plan series 3 Div	-	-	10,040,777	1,004.08	-	-	10,040,777	1,004.08
Kotak Quarterly interval plan series 7 Div.	-	-	5,020,540	502.06	-	-	5,020,540	502.06
Birla Sunlife interval income Fund-instl-qrtrly-Srs 2 Divid.	-	-	10,000,000	1,000.00	-	-	10,000,000	1,000.00
Birla Sunlife interval income Fund-instl-qrtrly-Srs 1 Divid.	-	-	10,000,000	1,000.00	-	-	10,000,000	1,000.00
Tata Fixed Income Portfolio Fund Scheme B3 Inst. Qtrly.	-	-	5,000,000	500.00	-	-	5,000,000	500.00
Birla Sunlife Savings Fund -Instt-prm. Growth	15,083,877	2,505.28	16,864,340	2,842.91	31,948,217	5,348.19	-	-
Birla Sunlife Savings Fund -Instt-. DWR	-	-	58,623,875	5,865.81	58,623,875	5,865.81	-	-
Birla Sunlife Cash Plus-Instt-premiumGrowth	-	-	47,546,272	6,842.51	47,546,272	6,842.51	-	-
Birla Sunlife Floating rate Fund Long term INST. WDR.	-	-	11,173,130	1,119.90	-	-	11,173,130	1,119.90
DSP Blackrock Money Manager Fund Inst.. Growth (Units of Rs 1000/- each)	84,552	1,041.70	24,268	303.04	1,08820	1,344.74	-	-
DSP Blackrock Liquidity Fund Inst. Growth (Units of Rs 1000/- each)	-	-	23,647	303.01	23,647	303.01	-	-
HDFC Liquid Fund-Premium Plan- Growth	-	-	3,365,870	600.00	3,365,870	600.00	-	-
HDFC Cash Management Fund- Treasury Advantage Plan - Growth	8,860,535	1,700.00	15,032,759	2,926.21	23,893,294	4,626.21	-	-
HDFC Cash Management Fund- Treasury Advantage Plan - WDR	-	-	68,447,301	6,857.66	59,363,234	5,947.40	9,084,067	910.26
HDFC Cash Management Fund- Savings Plan - Growth	-	-	45,086,355	8,475.84	45,086,355	8,475.84	-	-
Kotak Flexi Debt Scheme - Inst.Growth	9,888,490	1,062.90	9,888,465	1,079.43	19,776,955	2,142.34	-	-
Kotak Liquid Institutional Premium-Growth	-	-	23,377,525	4,279.28	23,377,525	4,279.28	-	-
Kotak Floater Long term wkly divid	-	-	39,430,344	3,973.61	37,400,621	3,769.05	2,029,722	204.54
ICICI prudential Inst. Liquid Plan Super inst. Growth (Units of Rs 100/- each)	2,694,422	350.00	54,171,656	9,061.56	56,866,078	9,411.56	-	-
ICICI prudential Inst. Liquid Plan Super inst. DDR	-	-	300,011	300.08	300,011	300.08	-	-
ICICI Pru. Flexible Income Plan Growth	9,429,799	1,534.64	20,697,804	3,413.35	30,127,603	4,947.99	-	-
ICICI Pru. Flexible Income Plan WDR	-	-	47,935,732	5,053.02	47,935,732	5,053.02	-	-
ICICI Pru. Flexible Income Plan WDR (Units of Rs 100/- each)	-	-	4,545,867	4,792.16	3,508,565	3,698.66	1,037,302	1,093.50
Tata Liquid Super High Inv.Fund- Appreciation (Units of Rs.1000/- each)	30,985	503.66	590,465	9,803.53	600,842	9,957.19	20,608	350.00
Tata Floater Fund- Growth	17,237,619	2,250.29	39,649,491	5,250.00	56,887,110	7,500.29	-	-
Tata Floater Fund- WDR	-	-	68,677,192	6,923.92	60,980,042	6,147.86	7,697,150	776.06
UTI Liquid Cash Plan-Instt-Growth (Units of Rs.1000/- each)	-	-	592,732	8,757.90	59,2732	8,757.90	-	-
UTI Treasury Advantage Fund -Instt-Growth (Units of Rs 1000/- each)	170,173	2,000.00	241,901	2,883.31	412,074	4,883.31	-	-

Schedule 'E' (Item No.6, Page F-3)
INVESTMENTS

	Balance as on 01.04.09		Purchase during the year		Sold during the Year		Balance as on 31.03.2010	
	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs
UTI Treasury Advantage Fund -Instt-DWR (Units of Rs 1000/- each)	-	-	550,003	5,504.71	449,565	4,499.47	1,00438	1,005.24
Total Current Investment		**12,948.47**						**11,476.85**
Total Investment		**39,585.16**						**39,703.68**
Less: Provision for diminution in value of Long Term Investments refer note 26, page F-43)		**-**						**186.09**
		39,585.16						**39,517.59**
Aggregate book value of Investments								
Unquoted		**38,610.36**						**39,495.75**
Quoted [Market value Rs.232.15 (2008-2009: 476.24)]		**974.80**						**207.93**
Total		**39,585.16**						**39,703.68**

Note:
1. The Company has given an undertaking to the lenders of Landmark Limited restricting its rights of sale of shares of Landmark Limited.
2. The Company has given 29,00,000 (2008-2009 : 39,00,000) shares of Landmark Limited as security for the Non Convertible Debentures issued by the company aggregating to Rs.6550.24 lakhs.

Schedule 'E' (Item No.6, Page F-3)
INVESTMENTS

	Balance as on 01.04.08		Purchase during the year		Sold during the Year		Balance as on 31.03.2009	
	No. of shares/units	Rs. in lakhs	No. of shares/units	Rs. in lakhs	No. of shares/units	Rs. in lakhs	No. of shares/units	Rs. in lakhs
Long Term Investment (at Cost less provision for diminution in value)								
Face Value of Rs.10/- each,Unquoted and fully paid-up unless otherwise stated								
Trade Investments at Cost (unquoted and fully paid unless otherwise stated)								
The Associated Building Company Limited (Equity shares of Rs.900/- each)	50	0.45	-	-	-	-	50	0.45
Tata International Limited (Equity shares of Rs.1000/- each)	1,000	2.00	-	-	-	-	1,000	2.00
Tata Services Limited (Equity shares of Rs.1000/- each)	45	0.45	-	-	-	-	45	0.45
Retailers Association of India	10,000	1.00	-	-	-	-	10,000	1.00
Total Trade Investment		**3.90**						**3.90**
Other Investments at Cost (unquoted and fully paid unless otherwise stated) **(a) In Subsidiary Companies**								
Nahar Theatres Pvt. Ltd. (Equity shares of Rs.1000/- each)	1,996	2,832.13	-	-	-	-	1,996	2,832.13
Nahar Theatres Pvt Ltd.- Pref Shares (9.5% Cumulative Redeemable Preference Shares of Rs.1000/- each)	100	1.00	-	-	-	-	100	1.00
Satnam Developers & Finance Pvt. Ltd. (refer note 26, Page F-43)	50,000	906.25	-	-	-	-	50,000	906.25
Trent Brands Limited	3,250,000	325.00	-	-	-	-	3,250,000	325.00
Fiora Link Road Properties Pvt Ltd.	50,000	5.00	-	-	-	-	50,000	5.00
Landmark Limited (refer note 1 and 2 below)	41,00,000	10,247.52	3,45,047	1,981.68	-	-	44,45,047	12,229.20
Landmark Ltd (1% Cumulative Convertible Preference Share of Rs.100/-)	16,02,500	1,602.50	25,350	9.66	16,27,850	1,612.16	-	-
Landmark Ltd- Warrants	-	-	1,28,000	356.73	1,28,000	356.73	-	-
Fiora Services Limited (Equity shares of Rs.100/- each)	39,000	76.58	-	-	-	-	39,000	76.58
Trent Global Holdings Ltd.(USD 7,50,000)			750,000	327.30	-	-	750,000	327.30
Trent Hypermarket Ltd.			51,050,000	5,105.00	-	-	51,050,000	5,105.00
Total Investment in Subsidiary Companies		**15,995.98**						**21,807.46**
(b) In Joint Ventures & Associates								
Trexa ADMC Pvt. Ltd.	2,032,500	203.25	-	-	-	-	9,000	75.81
Virtuous Trustee Pvt. Ltd.	4,900	0.49	-	-	-	-	4,900	0.49
Total Investment in Joint Ventures & Associates		**203.74**						**203.74**
(c) In Other Companies								
ACC Ltd. (Quoted)	9,000	75.81	-	-	-	-	9,000	75.81
Bharat Electronics Ltd. (Quoted)	3,102	43.54	-	-	-	-	3,102	43.54
Bharat Heavy Electricals Ltd. (Quoted)	4,000	99.97	-	-	-	-	4,000	99.97

TRENT LIMITED
Schedule 'E' (Item No.6, Page F-3)
INVESTMENTS

	Balance as on 01.04.08		Purchase during the year		Sold during the Year		Balance as on 31.03.2009	
	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs
ICICI Bank Ltd. (Quoted)	8,000	90.49	-	-	8,000	90.49	-	-
IDBI Ltd. (Quoted)	30,000	50.68	-	-	-	-	30,000	50.68
Larsen & Toubro Ltd(Quoted) (Equity shares of Rs. 2/- each)	1,500	59.79	1,500	-	-	-	3,000	59.79
Maruti Suzuki India Ltd. (Quoted) (Equity shares of Rs. 5/- each)	10,000	102.19	-	-	-	-	10,000	102.19
NTPC Ltd (Quoted)	45,000	92.17	-	-	45,000	92.17	-	-
Oil & Natural Gas Corporation Ltd.(Quoted)	8,000	91.41	-	-	-	-	8,000	91.41
Power Grid Corporation of India Ltd (Quoted)	90,000	134.48	-	-	90,000	134.48	-	-
Punjab National Bank Ltd (Quoted)	9,000	62.27	-	-	9,000	62.27	-	-
Punj Llyod Ltd (Quoted) (Equity shares of Rs.2/- each)	12,500	50.44	-	-	12,500	50.44	-	-
Reliance Communication Ltd. (Quoted) (Equity shares of Rs. 5/- each)	14,500	94.37	-	-	5,500	35.80	9,000	58.57
Reliance Industries Ltd. (Quoted)	3,200	86.42	-	-	-	-	3,200	86.42
Reliance Petroleum Ltd. (Quoted)	45,000	92.55	-	-	-	-	45,000	92.55
State Bank of India Ltd. (Quoted)	4,000	94.01	-	-	-	-	4,000	94.01
Sterlite Industries (India) Ltd. (Quoted) (Equity shares of Rs. 2/- each)	6,500	67.46	-	-	3,000	31.13	3,500	36.33
Tata Investment Corporation Limited (Quoted)	64,248	49.99	-	-	64,248	49.99	-	-
Unitech Ltd (Quoted) (Equity shares of rS.2/- each)	23,000	115.39	-	-	23,000	115.39	-	-
Tata Sons Limited 7% Cumulative Redeemable Preference Shares of Rs. 1,000/- each	20,000	200.00	-	-	-	-	20,000	200.00
Tata Auto Comp System Ltd	50,00,000	500.00	-	-	50,00,000	500.00	-	-
7% Cumulative Redeemable Preference Shares Tata Investment Corpn.ZCCB-Part A	-	-	12,850	38.55	-	-	12,850	38.55
Tata Investment Corpn.ZCCB-Part B	-	-	12,850	44.98	-	-	12,850	44.98
Tata Investment Corpn.ZCCB-Warrants	-	-	12,850	-	-	-	12,850	-
US-64 Bonds (quoted) (6.75% Tax Free Bonds of Rs.100/- each)	44,103	44.10	-	-	44,103	44.10	-	-
Total Investment in Other Companies		**2,297.53**						**1,174.80**
(d) In Mutual Funds								
OptiMix Dynamic Multi-Manager FoF Scheme-Series 3-Dividend	20,00,000	200.00	-	-	-	-	20,00,000	200.00
ABN AMRO FTP Series 5-14 Months Plan Instt-Growth	1,52,69,577	1,526.96	-	-	1,52,69,577	1,526.96	-	-
ABN AMRO FTP Series 8 Yly Plan A Instt-Dividend	42,33,482	423.43	83,969	8.40	43,17,450	431.83	-	-
ABN AMRO FTP Series 8-Yly Plant C-Instt-Dividend	1,05,46,720	1,054.76	3,10,035	31.01	1,08,56,755	1,085.77	-	-
HSBC Fixed Term Series-25- Instt- Growth	1,00,00,000	1,000.00	-	-	1,00,00,000	1,000.00	-	-
ING Fixed Maturity Fund-XXVIII- Dividend	1,50,43,484	1,504.35	-	-	1,50,43,484	1,504.35	-	-
Pru ICICI FMP Series 37 – 14 Months Plan Instt-Growth	1,10,84,280	1,108.43	-	-	1,10,84,280	1,108.43	-	-

TRENT LIMITED
Schedule 'E' (Item No.6, Page F-3)
INVESTMENTS

	Balance as on 01.04.08		Purchase during the year		Sold during the Year		Balance as on 31.03.2009	
	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs
Tata Fixed Horizon Fund- Series 13 Scheme C-IM-Dividend	1,03,97,449	1,039.86	3,00,208	30.08	1,06,97,657	1,069.94	-	-
Tata Fixed Horizon Fund- Series 14 Scheme A-IM-Dividend	51,89,616	519.06	1,78,182	17.85	53,67,797	536.91	-	-
UTI Fixed Maturity Plan Yearly Series YFMP/ 0307-Growth	1,30,00,000	1,300.00	-	-	1,30,00,000	1,300.00	-	-
Birla Sunlife Income Plus- Qurtly Divnd. Reinvst	-	-	41,80,377	508.70	-	-	41,80,377	508.70
ICICI Pru Instt Income Plan- Quarterly Dividend	92,88,575	1,007.51	41,35,660	523.81	93,46,935	1,013.57	40,77,300	517.75
Kotak Bond Regular Plan- Quarterly Dividend	92,54,391	1,016.32	3,08,602	31.87	95,62,993	1,048.19	-	-
Templeton India Income Builder Account Plan A Divided	78,85,689	1,000.00	1,27,473	15.53	80,13,162	1,015.53	-	-
HDFC Short Term Plan Divid. Reinvst.	-	-	48,93,975	509.00	-	-	48,93,975	509.00
ICICI Pru. Inst. Short Term plan Fortnightly divd. Reinvst	-	-	41,36,251	506.43	-	-	41,36,251	506.43
ING Global Real Estate Fund-Dividend	10,00,000	100.00	-	-	10,00,000	100.00	-	-
JM Emerging Leaders Fund- Dividend	14,58,440	300.75	-	-	-	-	14,58,440	300.75
Tata Pure Equity Fund- Dividend	16,57,155	564.08	-	-	-	-	16,57,155	564.08
Tata Infrastructure Fund- Dividend	15,51,170	340.08	-	-	-	-	15,51,170	340.08
Total investment in Mutual Fund		**14,005.59**						**3,446.79**
Total Investment in Long Term		**32,506.74**						**26,636.69**
Current Investments **Other Investments at Cost (unquoted and fully paid unless otherwise stated)**								
AIG India Treasury Plu-Super Instt. Dividend	-	-	1,56,09,105	1,562.98	1,56,09,105	1,562.098	-	-
AIG India Liquid Fund Super Inst. Daily divd. Reinv	-	-	101,343	1,014.25	101,343	1,014.25		
Birla Sunlife Liquid plus – Instt- Fortnightly Dividend	45,90,224	482.51	48,706	5.16	46,38,930	487.67	-	-
Birla Sunlife Liquid plus – Instt- Weekly Dividend	-	-	4,73,83,094	4,744.36	4,73,83,094	4,744.36	-	-
Birla Sunlife Liquid plus – Instt- Growth	-	-	3,32,50,397	5,403.45	3,32,50,397	5,403.45	-	-
Birla Sunlife Savings Fund – Instt-prm. Growth	-	-	1,50,83,877	2,505.28	-	-	1,50,83,877	2,505.28
Birla Sunlife Cash Plus – Instt- Growth	-	-	19,38,978	450.00	19,38,978	450.00	-	-
DSP Blackrock Liquid Plus Inst DWRt.	-	-	1,02,678	1,029.50	1,02,678	1,029.50	-	-
DSP Blackrock Liquidity Fund Inst. Growth	-	-	82,198	1,041.53	82,198	1,041.53	-	-
DSP Blackrock Liquid Plus Inst. Growth	-	-	84,552	1,029.03	84,552	1,029.03	-	-
DSP Blackrock Money Manager Fund Inst. Growth	-	-	84,552	1,041.70	-	-	84,552	1,041.70
HDFC Cash Management Fund- Savings Plus Plan- Wholesale-Weekly Dividend	-	-	5,05,86,774	5,072.47	5,05,86,774	5,072.47	-	-

TRENT LIMITED
Schedule 'E' (Item No.6, Page F-3)
INVESTMENTS

	Balance as on 01.04.08		Purchase during the year		Sold during the Year		Balance as on 31.03.2009	
	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs
HDFC Cash Management Fund- Savings Plus Plan-Wholesale Growth	-	-	2,88,77,446	5,420.43	2,88,77,446	5,420.043	-	-
HDFC Cash Management Fund- Call Plan - Growth	-	-	17,24,423	250.00	45,086,355	8,475.84	-	-
HDFC Liquid Fund- Premium Plan- Growth	-	-	29,21,738	500.00	29,21,738	500.00	-	-
HDFC Cash Management Fund- Savings Plan- Growth	-	-	1,50,76,021	2,767.67	1,50,76,021	2,767.67	-	-
HDFC Cash Management Fund- Treasury Advantage Plan- Growth	-	-	88,60,535	1,700.00	-	-	88,60,535	1,700.00
ING Liquid Plus Fund- Institutional Weekly Dividend	-	-	164.03	1,646.67	164.03	1,646.67	-	-
JM Money Manager Fund- Super plus Plan Weekly Dividend	-	-	1,03,29,267	1,045.49	1,03,29,267	1,045.49	-	-
JM Money Manager Fund- Super plus Plan Weekly Dividend	-	-	88,40,682	1,051.64	88,40,682	1,051.64	-	-
Kotak Liquid Institutional Premium-Weekly Dividend	48,52,674	487.15	1,26,86,773	1,274.22	1,75,39,448	1,761.37	-	-
Kotak Liquid Institutional Premium-Growth	-	-	59,68,899	1,062.70	59,68,889	1,062.70	-	-
Kotak Flexi Debt Scheme- Daily Dividend	-	-	1,10,74,561	1,110.90	1,10,74,561	1,110.90	-	-
Kotak Flexi Debt Scheme- Weekly Dividend	-	-	1,81,33,993	1,822.08	1,81,33,993	1,822.08	-	-
Kotak Flexi Debt Scheme- Inst Growth	-	-	2,96,80,911	3,158.90	1,97,92,420	2,095.40	98,88,490	1,062.90
Lotus India Liquid plus Fund- Inst Dividend weekly Reinvst	-	-	1,01,98,222	1,021.33	1,01,98,222	1,021.33	-	-
Mirae Asset Liquid Plus Fund-Supr Instt-Weekly Dividend. (Units of Rs.1000/- each)	1,00,000	1,000.00	394	3.94	1,00,394	1,003.94	-	-
ICICI Prudential Inst. Liquid Plan Super inst. Weekly Dividend Reinvestment	-	-	3,15,47,820	3.160.71	3,15,47,820	3.160.71	-	-
ICICI Prudential Inst. Liquid Plan Super inst. Growth	-	-	2,35,38,264	3,033.74	2,08,43,843	2,683.73	29,94,422	350.01
ICICI Pru. Flexible Income Plan Div. Weekly Dividend	-	-	8,73,79,758	9,223.22	8,73,79,758	9,223.22	-	-
ICICI Pru. Flexible Income Plan Growth	-	-	4,44,31,542	7,101.30	3,50,01,743	5,566.66	94,29,799	1,534.64
ICICI Pru. Inst Liquid plan Super Inst. Daily Dividend Reinvestment	-	-	50,17,320	501.76	50,17,320	501.76	-	-
Reliance Liquid Plus Fund-Instt-Weekly Dividend (units of Rs.1000/- each)	-	-	1,00,716	1,009.52	1,00,716	1,009.52	-	-
Tata Liquid Super High Inv. Fund –Ship-Dividend Weekly Reinvestment (Units of Rs.1000/- each)	-	-	5,20,551	5,996.31	5,20,551	5,996.31	-	-
Tata Liquid Super High Inv. Fund –Ship-Daily Dividend Reinvestment (Units of Rs.1000/- each)	-	-	2,77,059	3,087.87	2,77,059	3,087.87	-	-
Tata Liquid Super High Inv. Fund – Appreciation (Units of Rs.1000/- each)	-	-	6,37,354	10,225.17	6,06,368	9,721.51	30,985	503.66

TRENT LIMITED
Schedule 'E' (Item No.6, Page F-3)
INVESTMENTS

	Balance as on 01.04.09		Purchase during the year		Sold during the Year		Balance as on 31.03.2010	
	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs
Tata Floater Fund- Weekly Dividend	-	-	10,18,95,380	10,277.96	10,18,95,380	10,277.96	-	-
Tata Floater Fund- Growth	-	-	10,40,04,047	13,332.67	8,67,66,428	11,082.38	1,72,37,619	2,250.28
Templeton FRIF-LTP-Super Instt-Weekly Dividend	45,04,837	454.86	11,43,846	115.52	56,48,683	570.39	-	-
UTI Liquid Cash Plan-Institutional-Growth (Units of Rs 1000/- each)	-	-	3,07,132	4,397.60	3,07,132	4,397.60	-	-
UTI Liquid Plus Fund-Inst-Growth (Units of Rs 1000/- each)	-	-	2,19,249	2,517.01	2,19,249	2,517.01	-	-
UTI Liquid Plus Fund-Inst-Growth (Units of Rs 1000/- each)	-	-	7.56	7,570.36	7.56	7,570.36	-	-
UTI Treasury Advantage Fund-Instt-Growth (Units of Rs.1000/- each)	-	-	4,91,634	5,737.10	3,21,461	3,737.10	1,70,173	2,000.00
AIG Shot Term Fund-Instt-Weekly Dividend (Units of Rs 1000/- each)	1,50,743	1,507.44	488	4.88	1,51,231	1,512.32	-	-
Reliance Short Term Fund-Retail-Monthly Dividend	95,00,129	1,002.78	-	-	95,00,129	1,002.78	-	-
ABN AMRO Flexible Short Term Plan-Ser B Monthly Dividend	-	-	1,10,98,828	1,109.89	1,10,98,828	1,109.89	-	-
Birla Sunlife Interval Income Instl Monthly Series 2 Dividend	-	-	1,00,80,320	1,008.03	1,00,80,320	1,008.03	-	-
DSPML FMP 3M Series 16-Instl. Dividend Mat	-	-	1,02,43,846	1,024.39	1,02,43,846	1,024.39	-	-
HDFC FMP 90D Feb-08 (VII)- Wholesale Dividend	1,00,00,000	1,000.00	-	-	1,00,00,000	1,000.00	-	-
HDFC FMP 90D Feb-08 (VIII) (4)- Wholesale Dividend	-	-	1,00,00,000	1,000.00	1,00,00,000	1,000.00	-	-
HSBC Fixed Term Series -60-insitutional-Dividend	-	-	61,33,015	613.30	61,33,015	613.30	-	-
HSBC Fixed Term Series -68-Insitt-Dividend	-	-	62,83,575	628.36	62,83,575	628.36	-	-
ICICI Pru. Interval Fund II Quarterly Plan C- Retail Dividend	1,02,59,157	1,025.92	1,29,471	12.95	1,03,88,627	1,038.86	-	-
ICICI Pru. Interval Fund II Quarterly Plan F- Retail Dividend	-	-	1,30,44,598	1,304.96	1,30,44,598	1,304.96	-	-
ICICI Pru. FMP Series 44- 1 Month Plan B-Retail Dividend	-	-	1,50,00,000	1,500.00	1,50,00,000	1,500.00	-	-
JM Interval Fund-Quarterly Plan 6- Instt-Dividend	1,00,63,590	1,006.36	1,43,635	14.36	1,02,07,225	1,020.72	-	-
Kotak Quarterly Interval Plan Series 2 Dividend	-	-	1,04,40,972	1,044.42	1,04,40,972	1,044.42	-	-
Lotus India FMP 1 Month Series VIII- Dividend	1,00,00,000	1,000.00	74,480	7.45	1,00,74,480	1,007.45	-	-
Lotus India FMP-3 Mths-Series XXXII-Dividend	-	-	1,04,27,560	1,042.76	1,04,27,560	1,042.76	-	-
Tata Fixed Income Portfolio Fund Scheme A2 Instt-Dividend	1,00,38,763	1,004.91	4,03,25,742	4,032.62	5,03,64,505	5,037.533	-	-
Tata Fixed Income Portfolio Fund Scheme A3 Instnl	-	-	1,07,51,212	1,078.76	1,07,51,212	1,078.76	-	-
Tata Fixed Horizon Fund Series 19 Scheme E Instnl. Plan Periodic Dividend	-	-	1,02,34,791	1,023.50	1,02,34,791	1,023.50	-	-
Tata Floating Rate Fund long Term- Income/ Bonus	1,48,58,759	1,503.14	281,921	28.54	1,51,40,680	1,531.69	-	-
UTI Fixed Income Interval Fund- Qtrly Interval Plan Sr-I-Inst Dividend	1,00,00,000	1,000.00	6,66,632	66.66	1,06,66,632	1,066.66	-	-

TRENT LIMITED

Schedule 'E' (Item No.6, Page F-3)
INVESTMENTS

	Balance as on 01.04.09		Purchase during the year		Sold during the Year		Balance as on 31.03.2010	
	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs	No. of shares/units	Rupees in lakhs
UTI Short Term Fixed Maturity Plan Series –I-V(140 Days) Instt- Dividend Reinvestment	-	-	1,53,62,460	1,536.25	1,53,62,460	1,536.25	-	-
UTI Fixed Maturity Plan-HFMP 03/08-II- Instt-Dividend	1,95,19,446	1,951.94	4,34,119	43.41	1,99,53,565	1,995.36	-	-
Total Current Investment		**14,427.01**						**12,948.47**
Total Investment		**46,933.75**						**39,585.16**
Aggregate book value of investments								
Unquoted		**45,336.22**						**38,693.89**
Quoted [Market value Rs.476.24 Lakhs (2007-2008: 1497.17 lakhs)]		**1,597.53**						**891.27**
		46,933.75						**39,585.16**

Note:
1 . The Company has given an undertaking to the lenders of Landmark Limited restricting its rights of sale of shares of Landmark Limited.
2. The Company has given the shares of Landmark Limited as security for the Non Convertible Debentures issued by the company aggregating to Rs.6550.24 lakhs.

TRENT LIMITED

Schedule forming part of the Balance Sheet

Schedule 'F' (Item No.8 (a), Page F-3)
INVENTORIES

		As at 31.03.2011 Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
	Stocks			
(1)	Raw Materials	**191.23**	165.35	80.48
(2)	Packing Materials	**68.52**	63.43	37.28
(3)	Finished Products	**12,711.55**	9,240.37	8,420.44
(4)	Stocks-in-transit	**16.11**	152.57	39.72
(5)	Stores & spares	**69.91**	26.61	19.58
		13,057.32	9,648.33	8,597.50

Schedule 'G' (Item No.8(b), Page F-3)
SUNDRY DEBTORS

		As at 31.03.2011 Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees In lakhs
(1)	Debts outstanding for a period exceeding six months	**138.44**	123.27	109.81
(2)	Other Debts	**577.19**	222.31	326.98
		715.63	345.58	436.79
(3)	Less: Provision for Doubtful Debts	**49.45**	36.96	60.51
		666.18	308.62	376.28
	Considered Good – Unsecured	**666.18**	308.62	376.28
	Considered Doubtful – Unsecured	**49.45**	36.96	60.51
		715.63	345.58	436.79

Schedule 'H' (Item No.8 (c), Page F-3)
CASH AND BANK BALANCES

	As at 31.03.2011 Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
Cash on hand (including Cheques on hand Rs.Nil, (2009-10 : Rs. Nil & 2008-09: Rs. 10.50 lakhs)	**229.34**	188.86	165.51
Balances with Scheduled Banks			
(a) Current Accounts	**1,043.70**	407.68	715.83
(b) Fixed Deposit Accounts	**299.75**	249.90	332.59
(c) Certificate of Deposits (refer schedule 'I', Page F-26)	**28,393.88**	-	-
(d) Unpaid Dividend	**65.12**	63.29	74.34
(e) Unclaimed Debenture Interest	**2.37**	1.95	
	29,804.82	722.83	1,122.76
	30,034.16	911.69	1,288.27

TRENT LIMITED

Schedule 'I' (Item No.2 (c), Page F-25)

CERTIFICATE OF DEPOSITS

	Balance as on 01.04.2010		Purchase during the year		Sold during the year		Balance as on 31.03.2011	
	No. of Units	Rupees in lakhs	No. of units	Rupees in lakhs	No. of units	Rupees in lakhs	No. of units	Rupees in lakhs
Face Value of Rs. 1.00 Lakh								
HDFC Bank Ltd	-	-	2,500	2,413.56	2,500	2,413.56	-	-
ICICI Bank Ltd	-	-	2,500	2,411.77	2,500	2,411.77	-	-
IDBI Bank Ltd	-	-	5,000	4,776.81	-	-	5,000	4,776.81
ICICI Bank Ltd	-	-	2,500	2,392.23	-	-	2,500	2,392.23
HDFC Bank Ltd	-	-	2,500	2,391.94	-	-	2,500	2,391.94
Dhanlakshmi Bank Ltd	-	-	2,500	2,467.48	2,500	2,467.48	-	-
Axis Bank Ltd	-	-	5,000	4,800.90	2,500	2,400.64	2,500	2,400.26
Union Bank Of India	-	-	2,500	2,374.22	2,500	2,374.22	-	-
State Bank Of Patiala	-	-	2,500	2,33709	-	-	2,500	2,337.09
State Bank Of Hyderabad	-	-	2,500	2,373.19	2,500	2,373.19	-	-
State Bank of Bikaner & Jaipur	-	-	5,000	4,736.30	-	-	5,000	4,736.30
Canara Bank	-	-	2,500	2,446.26	2,500	2,446.26	-	-
State Bank of Patiala	-	-	2,500	2,418.75	2,500	2,418.75	-	-
Canara Bank	-	-	2,500	2,402.59	-	-	2,500	2,402.59
Punjab & Sind Bank	-	-	2,500	2,366.48	-	-	2,500	2,366.48
Axis Bank Ltd	-	-	2,500	2,272.47	-	-	2,500	2,272.47
ICICI Bank Ltd	-	-	2,500	2,317.71	-	-	2,500	2,317.71
		-						**28,393.88**

TRENT LIMITED

Schedule forming part of the Balance Sheet

Schedule 'J' (Item No.8(d), Page F-3)
LOANS AND ADVANCES

		As at 31.03.2011 Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
(1)	**Security Deposits**			
	Deposits for premises - subsidiaries	**412.50**	412.50	412.50
	Deposits for premises - others	**7,006.71**	5,087.13	5,138.48
	Other Deposits	**100.03**	170.76	119.21
		7,519.24	5,670.39	5,670.19
(2)	Loans			
	Loan to subsidiaries	**22,522.50**	14,060.00	15,396.47
	Other loans	**11,280.79**	5,464.88	6,553.24
		33,803.29	19,524.88	21,949.71
(3)	Other Loans and Advances recoverable in cash or in kind or for value to be received	**1,114.15**	6,229.61	776.68
(4)	Balances with Customs/Port Trust etc.	**90.49**	95.84	90.49
(5)	Receivables from subsidiary	**308.46**	278.09	277.95
(6)	Other Receivables	**779.80**	443.08	648.18
(7)	Bills of Exchange	**114.20**	114.20	114.20
(8)	Advances on Capital Account	**355.56**	258.70	398.38
(9)	Advance payment of taxes-net of provision	**793.75**	1,090.97	1,084.63
(10)	MAT Credit Entitlement	**1,549.78**	741.54	126.30
		46,428.72	34,447.30	31,136.71
(11)	Less: Provision for Doubtful Advances	**214.72**	211.91	177.49
		46,214.00	34,235.39	30,959.22
	Considered Good – Secured	**-**	-	-
	Considered Good – Unsecured	**46,214.00**	34,235.39	30,959.22
	Considered Doubtful – Unsecured	**214.72**	211.91	177.49
		46,428.72	34,447.30	31,136.71

TRENT LIMITED
Schedule forming part of the Balance Sheet

Schedule 'K' (Item No.9 (a), Page F-3)
LIABILITIES

		As at 31.03.2011 Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
(1)	Sundry Creditors	**12,441.35**	10,073.24	8,776.41
(2)	Subsidiaries	**71.72**	7.28	64.48
(3)	Security Deposits Received	**1,524.53**	1,522.03	218.72
(4)	Investor Education and Protection Fund (Appropriate amount shall be transferred to "Investor Education and Protection Fund" if and due			
	(a) Unclaimed Dividend	**65.12**	63.29	72.91
	(b) Unclaimed application money received by the Company for allotment of Rights Issue and due for refund	**22.47**	4.82	5.71
	(c) Unclaimed Debenture Interest	**2.37**	1.95	1.43
		89.96	70.06	80.05
		14,127.56	11,672.61	9,139.66

Schedule 'L' (Item No.9(b), Page F-3)
PROVISIONS

		As at 31.03.2011 Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
(1)	Proposed Dividend	**1,505.49**	1,302.29	1,074.31
(2)	Tax on Dividend	**244.23**	216.29	182.20
(3)	Contingencies (Refer Note: 2(e), Page F-31)	**289.00**	205.00	205.00
(4)	Retirement Benefits	**500.19**	632.17	521.17
(5)	Redemption Premium of Debentures	**11,260.17**	3,566.92	3,262.49
(6)	Rent Equilisation	**77.61**	76.47	36.16
		13,876.69	5,999.14	5,281.33

Schedule forming part of the Balance Sheet and Profit and Loss Account.

Schedule 'M' SIGNIFICANT ACCOUNTING POLICIES

1.0 Basis of preparation of accounts

The financial statements are prepared on the accrual basis of accounting and in accordance with the Standard on Accordance with the standard on Accounting notified by the Companies (Accounting Standards) Rules, 2006 and refered to in Section 211 (3C) of the Companies Act, 1956

2.0 Fixed Assets and Depreciation

2.1 Fixed Assets are stated at cost less depreciation. Costs comprise of cost of acquisition, Borrowing Cost, Cost of Improvement and any attributable cost of bringing the asset to condition for its intended use.

2.2 Depreciation on tangible assets is provided in accordance with the provisions of Schedule XIV to the Companies Act, 1956 as under: -

(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.

2.3 Leasehold land is amortised over the period of lease remaining as at the date of their capitalisation.

2.4 Improvement to leasehold premises are depreciated over the period of lease remaining as at the date of their capitalisation.

2.5 Intangible Assets are amortised over their useful life not exceeding ten years.

3.0 Investments

Long Term Investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of Long Term Investments. Current Investments are stated at lower of cost or fair value.

4.0 Inventories

Inventories are valued as under :

Raw materials, packing materials and stores and spares: at cost.

Finished Products: at lower of cost or net realisable value.

5.0 Income

5.1 Sale of goods is recognised on delivery to customers and include amounts recovered towards sales tax.

5.2 Interest income is accounted on accrual basis.

5.3 Dividend income is accounted when right to receive payment is established.

6.0 Retirement Benefits

Defined Contribution Plans

6.1 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 Account as incurred.

b) Company's contributions during the year towards Superannuation to the Superannuation Trust administered by the Life Insurance Company are recognized in the Profit and Loss Account as incurred. (Refer Note No 21 (d), Page No.F-39)

6.2 **Defined Benefit Plans**

a) Company's Contribution towards Gratuity made under the Group Gratuity Schemes with Life Insurance Companies are determined based on the amounts recommended by Life Insurance Companies as per actuarial valuation. (Refer Note 21(a), Page No.F-36 – F-38)

b) In the case of certain employees, contribution towards Provident Fund is made to an approved trust administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company.

c) Provision for other retirement / post retirement benefits in the forms of pensions, medical benefits and long term compensated absences (leave encashment) has been made on the basis of actuarial valuation.

7.0 Foreign Currency Transactions

Foreign Currency transactions are accounted at the rates prevailing on the date of transaction.

Year end current assets and liabilities are translated at the exchange rate ruling on the date of the Balance Sheet.

Exchange differences on settlement/conversion are adjusted to Profit and Loss Account.

8.0 Employee Stock Option Scheme (ESOS)

In respect of Options granted under the Company's Employee Stock Options Scheme (ESOS), in accordance with guidelines issued by SEBI, the accounting value of options is accounted as Deferred Employee Compensation, which is amortised on a straight line basis over the vesting period.

9.0 Provisions and Contingent Liabilities

The Company recognises a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. 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.

10.0 Taxation

10.1 Current Tax comprises of Provision for Income Tax and Wealth Tax is determined in accordance with the provisions of Income Tax Act, 1961 and the Wealth Tax Act, 1957.

10.2 Deferred tax is recognised on timing difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

11.0 Leases

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 Profit and Loss Account on straight line basis.

12.0 Borrowing Cost

Borrowing cost include interest, fees and other charges incurred in connection with the borrowing of funds and is considered as revenue expenditure for the year in which it is incurred. Borrowing cost attributed to the acquisition/improvement of qualifying capital assets and incurred till the commencement of commercial use of the assets is capitalised as cost of the assets.

Notes on the Balance Sheet and Profit and Loss Account

1. Estimated amount of contracts remaining to be executed on capital account and not provided for 2010-11: Rs. 2145.55 lakhs, 2009-10: Rs. 2402.78 lakhs & 2008-09: Rs.513.80 lakhs.

2. (a) Contingent Liabilities in respect of Sales tax, Excise and Customs demands against which the Company has filed appeals 2010-11: Rs.76.52 lakhs - net of tax Rs.51.10 lakhs, 2009-10: Rs.61.81 lakhs – net of tax Rs.41.28 lakhs & 2008-09: Rs.56.20 lakhs– net of tax Rs. 37.10 lakhs.

   (b) Contingent Liability in respect of Income- tax demands against which the Company has filed appeals: 2010-11: Rs.942.10 lakhs , 2009-10: Rs.362.23 lakhs & 2008-09: Rs.219.98 lakhs.

   (c) Claims made against the Company not acknowledged as debts: 2010-11: Rs.714.42 lakhs, 2009-10: Rs. 784.29 lakhs & 2008-09: Rs. 657.59 lakhs.

   (d) Corporate Guarantee given on behalf of Subsidiary:2010-11: Rs.1500.00 lakhs, 2009-10: Rs. 1500.00 Lakhs & 2008-09: Rs. Nil.

   (e) As a matter of abundant caution, a cumulative provision for contingencies of Rs. 205.00 lakhs has been made against items (a), (b) and (c) above, which are disputed by the Company.

3. **Managerial Remuneration :**

Managerial remuneration for Managing Director and Non- Whole time Directors

		2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
(a)	Salaries (including Company's Contribution to Provident Fund and Superannuation Fund)	**32.09**	74.88	70.30
(b)	Commission	**132.86**	105.00	21.88
(c)	Perquisites	**18.74**	45.23	39.12
(d)	Directors' sitting fees	**13.12**	11.98	9.70
(e)	ESOP	**86.80**	-	-
		283.61	237.09	141.00

Note:

2010-11

The above figures do not include contribution to Gratuity Fund as separate figure is not available for the Managing Director, and retirement benefits of Rs.14.40 lakhs paid to a former Managing Director.

2009-10

a) The above figures do not include contribution to Gratuity Fund as separate figure is not available for the Managing Director, the amortised cost of 10000 Employee Stock Options granted to Managing Director and retirement benefits of Rs.14.40 lakhs paid to a former Managing Director.

b) The remuneration to the Managing Director in excess of the maximum remuneration prescribed under Section 198 of the Companies Act 1956 amounting to Rs.44.57 lakhs is subject to the approval of the Shareholders and the Central Government, which has been susbsequently obtained.

2008-09

The above figures do not include contribution to Gratuity Fund as separate figure is not available for the Managing Director and retirement benefits of Rs.14.40 lakhs paid to be a former Managing Director

Computation of Net Profit in accordance with Section 309 (5) of the Companies Act, 1956 :

		2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
	Profit before taxes as per Profit and Loss Account	**6,033.92**	4,985.00	2,827.60
	Add:			
(i)	Depreciation as per accounts	**1,362.65**	1,185.09	923.34
(ii)	Managerial Remuneration	**283.61**	237.09	141.00
(iii)	Provision for doubtful debts/advances	**29.18**	10.86	60.59
(iii)	Provision for diminution in investment in Joint Ventures	**200.00**	-	-
		1,875.44	1,433.04	1,124.93
		7,909.36	6,418.04	3,952.53
	Less:			
(i)	Depreciation as per Section 350	**1,362.65**	1,185.09	923.34
(ii)	Capital Profit	**1,260.35**	1,303.39	840.19
(iii)	Diminution in Value of Finished Goods Stock (Refer Note 26- Page No. F-43)	**-**	918.77	-
		2,623.00	3,407.25	1,763.53
	Net Profit as per Section 309(5)	**5,286.36**	3,010.79	2,189.00
	Commission:			
(a)	Managing Director	**80.00**	75.00	-
(b)	Non-Wholetime Directors- 1% of Net Profit Rs.5286.36 lakhs (2009-10: Rs.3010.79 lakhs) & (2008-09: Rs. 2189 lakhs) restricted to Rs. 52.86 lakhs (2009-2010 Rs.30.00 lakhs) & (2008-09: Rs. 21.88 lakhs)	**52.86**	30.00	21.88
		132.86	105.00	21.88

4. Major components of deferred tax assets and liabilities are:

	2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
Deferred Tax Liability			
Depreciation	**1,243.26**	840.93	659.44
Less: Deferred Tax Assets			
Retirement Benefits	**162.28**	209.99	177.15
Premium on Redemption of Debentures	**2,863.20**	342.17	421.87
Other Provisions	**274.10**	96.95	38.50
	3,299.58	649.11	637.52
Net Deferred Tax Asset /(Liability)	**2,056.32**	(191.82)	(21.92)

	2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
5. (i) Schedule 1 Item 4 (p) General Expenses include:			
(a) Auditors' Remuneration -			
Audit Fees	**7.17**	7.17	6.07
Fees for Taxation matters	**1.37**	1.10	1.12
Other Services	**14.68**	12.98	6.51
Reimbursement of out-of-pocket expenses	**0.57**	0.68	1.19
(b) Provision/ Write Off for doubtful debts/advances (net)	**29.18**	45.82	60.59
(ii) Expenses on Amalgamation /Warrant Issue include auditors remuneration -other services	**4.41**	0.88	-

6. Gain on foreign exchange fluctuation (net) credited to the profit and loss account amounted to 2010-11: Rs. 19.82 lakhs, 2009-10: Rs.10.68 lakhs & Loss on foreign exchange fluctuation (net) debited to the profit and loss account amounted to 2008-09: Rs. 11.11 lakhs.

7. There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2011. 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. This has been relied upon by the Auditors.

8. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund except as at 31st March, 2011 Rs. 4.48 lakhs, as at 31st March 2010 Rs. 3.99 lakhs & as at 31st March 2009 Rs.3.63 lakhs which is held in abeyance due to legal cases pending.

9. **2010-11 :**
Out of proceeds of the issue of Cumulative Convertible Preference Shares (CCPS) of Rs.489.66 crores, Rs.168.25 crores have been utilized towards objects of the issue and pending utilization the balance amount is invested mainly in mutual funds and money market instruments.

2009-10:
Right Issue (July 2007) proceeds of Rs. 157.41 crores have been fully utilized towards objects of the issue.

2008-09:

a) Rs. 93.62 crores received from Preferential issue of Equity Shares to Tata Sons Ltd and Tata Investment Corporation Ltd. In December 2006, has been fully utilized towards object of the issue.

b) Out of the Right issue (July 2007) proceeds of Rs.157.41 Crores, Rs. 67.85 Crores has been utilized towards objects of the issue and pending utilization, the balance unutilised amount is invested mainly in mutual funds.

10. Provision for taxation is inclusive of the tax impact on account of the securities / warrant issue expenses and premium on redemption of debentures debited to the Securities Premium Account. The Company has taken credit for MAT which it is entitled on future taxable profits.

Notes on the Balance Sheet and Profit and Loss Account (Contd.)

11. (a) The company has entered into lease agreement for assets taken on operating lease which range between three years & six years. These are renewable by mutually agreeable terms. The future minimum lease payments under non-cancellable operating leases are as under :

		2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
(i)	Not later than one year	**2,012.65**	2,548.16	1,739.06
(ii)	Later than one year and not later than five years	**2,802.34**	3,866.09	3,580.22
(iii)	Later than five years	**Nil**	Nil	Nil

(b) The company has entered into lease agreement for assets given on operating lease which range between three years & five years. This are renewable by mutually agreeable terms. The future minimum lease payments under non-cancellable operating leases are as under :

		2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
(i)	Not later than one year	**1,657.99**	1,657.99	Nil
(ii)	Later than one year and not later than five years	**190.70**	1,848.69	Nil
(iii)	Later than five years	**Nil**	Nil	Nil

12. (a) In Accordance with the amendments to Clause 32 of Listing Agreement, advances in the nature of loan to subsidiaries are as under

Name of Company		Balance as at 31.3.2011 Rs. in lakhs	Maximum Amount Outstanding during the year Rs. in lakhs	Balance as at 31.3.2010 Rs. in lakhs	Maximum Amount Outstanding during the year Rs. in lakhs	Balance as at 31.3.2009 Rs. in lakhs	Maximum Amount Outstanding during the year Rs. in lakhs
Satnam Developers and Finance Private Ltd *	Subsidiary	-	-	-	-	8,427.50	9,027.50
Fiora Services Limited	Subsidiary	150.00	175.00	100.00	100.00	-	-
Fiora Link Road Properties Limited	Subsidiary	3,202.50	3,202.50	3,202.50	3,202.50	3,202.50	3,202.50
Nahar Theatres Private Limited	Subsidiary	670.00	757.50	757.50	757.50	757.50	757.50
Optim Estates Private Limited	Subsidiary	-	3575.00	-	4,293.97	508.96	663.96
Trent Hypermarket Limited	Subsidiary	22,075.00	22075.00	10,000.00	10,000.00	2,500.00	2,500.00

Note

*** Refer note 26, Page F-43**

(b) Details of Investments made by the loanees in the shares of the Company & subsidiaries are as under

Investor company	Invested in	Rs. lakhs	Invested in (2009-2010)	Rs. lakhs	Invested in (2008-2009)	Rs. lakhs
Fiora Link Road Properties Limited	Landmark Limited	3,206.23	Landmark Limited	3,206.23	None of the loanees have made investment in the shares of the Company	
Fiora Services Limited	Landmark Limited	6.55	Landmark Limited	6.55		
Fiora Services Limited	Trent Limited	131.85	Trent Limited	131.85		

Notes:

1) Loan to Fiora Link Road Properties Limited are free of interest.

2) All above loans are repayable after three years with option of early repayment.

3) Investment by Fiora Services Limited in shares of Trent Limited are prior to it becoming the subsidiary of Trent Limited and prior to grant of loan.

4) Investment by Fiora Services Limited in shares of Landmark Limited are prior to grant of loan.

13. LICENSED/INSTALLED ANNUAL CAPACITIES AND PRODUCTION :

Class of Goods	Unit of Measure	Licensed Capacity			Installed Capacity			Actual Production*		
		As at 31.3.11	As at 31.3.10	As at 31.3.09	**As at 31.3.11**	As at 31.3.10	As at 31.3.09	**As at 31.3.11**	As at 31.3.10	As at 31.3.09
Apparels Others * *	Nos. in lakhs	**N.A**	N.A		**Nil**	Nil		**1.38**	1.30	1.03

* Production represents goods manufactured by third parties.
** Refer note 14 (i) below.

14. **SALES, PURCHASES, OPENING AND CLOSING STOCKS (1.4.2010 to 31.3.2011)**

Class of Goods	SALES	PURCHASES	OPENING STOCK	CLOSING STOCK
	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs
Apparels/Household items etc.	**67,307.81** (54,176.46) [49,548.49]	**36,699.32** (28,527.38) [28,042.32]	**9,240.37** (8,420.44) [7,711.02]	**12,711.55** (9,240.37) [8,420.44]
Others	**87.29** (83.94) [88.08]	**56.73** (54.55) [57.38]	- (-) [-]	- (-) [-]
Total	**67,395.10** (54,260.40) [49,636.57]	**36,756.05** (28,581.93) [28,099.70]	**9,240.37** (8,420.44) [7,711.02]	**12,711.55** (9,240.37) [8,420.44]

Notes:

(i) Given the nature of the retailing operations of the Company and having dealt with a large variety of products it is not practical to ascertain the quantitative information in respect of each products and hence the same is not furnished.

(ii) Closing stock is after adjusting samples, free gifts, damaged goods and shortages.

(iii) Figures in bracket ( ) are in respect of year 2009-2010 & figures in bracket [ ] are in respect of year 2008-2009.

15. **RAW MATERIALS CONSUMED :**

	Unit of measure	**2010-2011**		2009-2010		2008-2009	
		Quantity	**Rupees in lakhs**	Quantity	Rupees in lakhs	Quantity	Rupees in lakhs
(a) Fabrics	Lakh Metres	**1.58**	**217.96**	1.38	177.26	1.32	155.80
(b) Others (refer note 14 (i), above)	-	**-**	**-**	-	-		53.56
TOTAL			**217.96**		**177.26**		**209.36**

16. **VALUE OF IMPORTED AND INDIGENOUS MATERIALS CONSUMED :**

	2010-2011		2009-2010		2008-2009	
	Rupee in lakhs	**% of Total Consumption**	Rupees in lakhs	% of Total Consumption	Rupees in lakhs	% of Total Consumption
(a) RAW MATERIALS :						
(i) Imported	**9.15**	**4**	11.40	6	15.35	7
(ii) Indigenous	**208.81**	**96**	165.86	94	194.01	93
TOTAL	**217.96**	**100**	**177.26**	**100**	**209.36**	**100**
(b) PACKING MATERIALS						
(i) Imported	**-**	**-**	-	-		
(ii) Indigenous	**339.68**	**100**	207.57	100	212.34	100
TOTAL	**339.68**	**100**	**207.57**	**100**	**212.34**	**100**

17. **VALUE OF IMPORTS ON C.I.F. BASIS :**

		2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
(a)	Finished Products (including in -transit)	**947.75**	468.35	250.25
(b)	Capital Goods	**315.54**	8.13	154.74
(c)	Raw Material (Fabrics)	**-**	1.26	Nil
	TOTAL	**1,263.29**	477.74	404.99

18. **EXPENDITURE IN FOREIGN CURRENCY :**

		2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
(a)	Travelling Expenses	**30.64**	25.22	31.68
(b)	Consultancy Fees (Net of Tax deducted at source)	**31.88**	47.15	130.43
(c)	Payments on other accounts	**219.74**	22.91	2.88
	TOTAL	**282.26**	95.28	164.99

19. **EARNINGS IN FOREIGN CURRENCY :**

	2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
Sales of goods*	**1,309.62**	1,237.17	1,144.10
Fees	**-**	1,026.44	Nil
TOTAL	**1,309.62**	2,263.61	1,144.10

* Represents sale of goods which are collected in Foreign Currency through International Credit Cards, as certified by the collecting bankers.

20. **SEGMENT REPORTING**

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.

21 **EMPLOYEE BENEFITS**

(a) (A) Defined benefit plans- Gratuity Defined Benefit Plans - Gratuity, Pension and Medical Benefits (As per actuarial valuations as on 31st March 2011)

Rupees in Lakhs

		GRATUITY (Fully funded)				Pension and medical benefits (non funded)	
		LIC Administered Trust		Company administered			
		As on 31st March 2011	As on 31st March 2010	As on 31st March 2011	As on 31st March 2010	As on 31st March 2011	As on 31st March 2010
I	**Change in Obligation during the year ended 31st March 2011**						
1	Present value of obligations as at beginning of year	96.63	79.98	91.29	92.43	184.97	193.96
2	Present value of obligations transferred	-	-	-	-	-	-
3	Liability taken over from other trust	-	-	-	-	-	-
4	Liability extinguished	-	-	-	-	-	-
5	Interest cost	9.30	8.26	7.03	7.02	13.56	14.05
6	Current Service Cost	25.67	23.25	5.61	6.45	-	-
7	Actuarial (gain)/ Loss on obligations	(6.02)	(2.93)	3.68	(14.61)	(15.30)	(6.34)
8	Past Service Costs	21.32	-	-	-	-	-
9	Benefits Paid	(15.02)	(11.93)	(7.64)	-	(14.40)	(16.71)
10	Settlement Pending	-	-	-	-	-	-
11	Present value of Defined Benefit Obligation at the end of the year	131.89	96.63	99.98	91.29	168.82	184.97
II	**Change in Assets during the Year ended 31st March 2011**						
1	Plan assets at the beginning of the year	97.80	95.47	99.29	97.27	-	-
2	Expected return on plan assets	8.72	7.16	7.45	7.30	-	-
3	Contributions by Employer	22.06	5.55	-	-	14.40	16.71
4	Funds Transfer In	2.45	-	-	-	-	-
5	Actual benefits paid	(15.02)	(11.93)	(7.64)	-	(14.40)	(16.71)
6	Actuarial gains/ (losses)	0.46	1.55	1.19	(5.27)	-	-
7	Plan Assets at the end of the year	114.02	97.80	102.75	99.29	-	-
III	**Net Asset/(Liability) recognized in the Balance Sheet as at 31st March 2011**						
1	Present Value of Defined Benefit Obligation as at 31st March 2011	131.89	96.63	99.98	91.29	168.82	184.97
2	Fair value of plan assets as at 31st March 2011	114.02	97.80	102.75	99.29	-	-
3	Fund status (Surplus/(Deficit))	(17.87)	1.17	2.77	8.00	(168.82)	(184.97)
4	Net Assets / (Liability) as at 31st March 2011	(17.87)	1.17	2.77	8.00	(168.82)	(184.97)
IV	**Expenses recognized in the statement of Profit and Loss for the year ended 31st March 2011**						
1	Current Service cost	25.67	23.25	5.61	6.45	-	-
2	Interest Cost	9.30	8.26	7.03	7.02	13.56	14.05
3	Expected return on plan assets	(8.72)	(7.16)	(7.45)	(7.30)	-	-
4	Net Actuarial (Gains)/Losses (Net of opening Actuarial gain/(loss) adjustment)	(6.48)	(4.48)	2.49	(9.34)	(15.30)	(6.34)
5	Past Service Cost	21.32	-	-	-	-	-
6	Net effect of Transfer in	(2.45)	-	-	-	-	-
7	Settlement Pending	-	-	-	-	-	-
8	Expenses recognised in statement of Profit and Loss	41.10	19.87	5.24	(3.16)	(1.74)	7.71
V	**The major categories of plan assets as a percentage of total plan**						
1	Government of India Securities	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2	Corporate Bonds	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3	Special Deposit Scheme	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
4	Equity Shares of Listed Companies	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
5	Property	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
6	Insurer Managed Funds	100%	100%	100%	100%	N.A.	N.A.
7	Others	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	100%	100%	100%	100%	N.A.	N.A.
VI	**Method of valuation**	**Projected Unit Credit Method**					
VII	**Expected Employees Contribution Next Year**	40.00	40.00	5.68	5.31	N.A.	N.A.
VII	**Actuarial Assumptions**						
1	Discount Rate	8.35%	7.70%	7.70%	7.70%	8.35%	7.70%
2	Expected rate of return on plan assets	7.50%	7.50%	7.50%	7.50%	N.A.	N.A.
3	Mortality Table	LIC (1994-96) ultimate				N.A.	N.A.
4	Retirement Age	58 years/ 60 years	58 years/ 60 years	60 years	60 years	N.A.	N. A.

NOTES:

1. The Company has approved an arrangement with TATA AIG Life Insurance Company Limited, for managing in fund in Self Managed Gratuity Trust w.e.f 1st February 2010. Accordingly, all the funds of the Trust have been managed by said insurance Company.
2. 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.

EMPLOYEE BENEFITS

(B) Defined benefit plans- Gratuity Defined Benefit Plans - Gratuity, Pension and Medical Benefits (As per actuarial valuations as on 31st March 2010)

Rupees in Lakhs

		GRATUITY (Fully funded)				Pension and medical benefits (non funded)	
		LIC Administered Trust		Company administered			
		As on 31st March 2010	As on 31st March 2009	As on 31st March 2010	As on 31st March 2009	As on 31st March 2010	As on 31st March 2009
I	**Change in Obligation during the year ended 31st March 2010**						
1	Present value of obligations as at beginning of year	79.98	72.44	92.43	72.13	193.96	181.62
2	Present value of obligations transferred	-	(19.34)	-	-	-	-
3	Liability taken over from other trust	-	2.78	-	-	-	-
4	Liability extinguished	-	(4.81)	-	-	-	-
5	Interest cost	8.26	5.80	7.02	6.24	14.05	14.09
6	Current Service Cost	23.25	23.25	6.45	5.12	-	-
7	Actuarial (gain)/ Loss on obligations	(2.93)	8.72	(14.61)	8.94	(6.34)	14.52
8	Benefits Paid	(11.93)	(8.84)	-	-	(16.71)	(16.27)
9	Present value of Defined Benefit Obligation at the end of the year	96.63	79.99	91.29	92.43	184.97	193.96
II	**Change in Assets during the Year ended 31st March 2010**						
1	Plan assets at the beginning of the year	95.47	72.79	97.27	73.03	-	-
2	Expected return on plan assets	7.16	8.27	7.30	5.79	-	-
3	Contributions by Employer	5.55	23.25	-	17.00	16.71	16.27
4	Actual benefits paid	(11.93)	(8.84)	-	-	(16.71)	(16.27)
5	Actuarial Gains/ (Losses)	1.55	-	(5.27)	1.45	-	-
6	Plan Assets at the end of the year	97.80	95.47	99.29	97.27	-	-
III	**Net Asset/(Liability) recognized in the Balance Sheet as at 31st March 2010**						
1	Present Value of Defined Benefit Obligation as at 31st March 2010	96.63	79.98	91.29	92.43	184.97	193.96
2	Fair value of plan assets as at 31st March 2010	97.80	95.47	99.29	97.27	-	NA
3	Fund status (Surplus/(Deficit))	1.17	15.49	8.00	4.84	(184.97)	(193.96)
4	Net Assets / (Liability) as at 31st March 2010	1.17	15.49	8.00	4.84	(184.97)	(193.96)
IV	**Expenses recognized in the statement of Profit and Loss for the year**						
1	Current Service cost	23.25	23.25	6.45	5.12	-	NA
2	Interest Cost	8.26	5.80	7.02	6.24	14.05	14.09
3	Expected return on plan assets	(7.16)	(8.27)	(7.30)	(5.79)	-	NA
4	Net Actuarial (Gains)/Losses (Net of opening Actuarial gain/(loss) adjustment)	(4.48)	8.72	(9.34)	7.49	(6.34)	14.52
5	Expenses recognized in statement of Profit and Loss	19.87	29.50	(3.16)	13.06	7.71	28.61
V	**The major categories of plan assets as a percentage of total plan**						
1	Government of India Securities	N.A.	N.A.	N.A.	29%	N.A.	N.A.
2	Corporate Bonds	N.A.	N.A.	N.A.	12%	N.A.	N.A.
3	Special Deposit Scheme	N.A.	N.A.	N.A.	32%	N.A.	N.A.
4	Equity Shares of Listed Companies	N.A.	N.A.	N.A.	0%	N.A.	N.A.
5	Property	N.A.	N.A.	N.A.	0%	N.A.	N.A.
6	Insurer Managed Funds	100%	100%	100%	N.A.	N.A.	N.A.
7	Others	N.A.	N.A.	N.A.	27%	N.A.	N.A.
	Total	100%	100%	100%	100%	N.A.	N.A.
VI	**Method of valuation**	Projected Unit Credit Method					
VII	**Actuarial Assumptions**						
1	Discount Rate	7.70%	8.00%	7.70%	7.60%	7.70%	7.60%
2	Expected rate of return on plan assets	7.50%	9.15%	7.50%	7.50%	N.A.	N.A.
3	Mortality Table	LIC (1994-96) ultimate				N.A.	N.A.
4	Retirement Age	58 years/ 60 years	58 years/ 60 years	60 years	60 years	N.A.	N. A.

NOTES:

1. During the year 2010-11 the Company has approved an arrangement with TATA AIG Life Insurance Company Limited, for transferring the existing Self Managed Gratuity Trust w.e.f 1st February 2010. Accordingly, all the funds of the Trust have been transferred to the said insurance Company.

2. 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.

EMPLOYEE BENEFITS

(C) Defined benefit plans- Gratuity Defined Benefit Plans - Gratuity, Pension and Medical Benefits (As per actuarial valuations as on 31st March 2009)

Rupees in Lakhs

		GRATUITY (Fully funded)		Pension and medical benefits (non funded)
		LIC Administered Trust	Company administered	
I	**Change in Obligation during the year ended 31st March 2009**			
1	Present value of obligations as at beginning of year	72.44	72.13	181.62
2	Present value of obligations transferred	(19.34)	-	-
3	Liability taken over from other trust	2.78	-	-
4	Liability extinguished	(4.81)	-	-
5	Interest cost	5.80	6.24	14.09
6	Current Service Cost	23.25	5.12	-
7	Actuarial (gain)/ Loss on obligations	8.72	8.94	14.52
8	Benefits Paid	(8.84)	-	(16.27)
9	Present value of Defined Benefit Obligation at the end of the year	79.99	92.43	193.96
II	**Change in Assets during the Year ended 31st March 2009**			
1	Plan assets at the beginning of the year	72.79	73.03	-
2	Expected return on plan assets	8.27	5.79	-
3	Contributions by Employer	23.25	17.00	16.27
4	Actual benefits paid	(8.84)	-	(16.27)
5	Actuarial Gains/ (Losses)	-	1.45	-
6	Plan Assets at the end of the year	95.47	97.27	-
III	**Net Asset/(Liability) recognized in the Balance Sheet as at 31st March 2009**			
1	Present Value of Defined Benefit Obligation as at 31st March 2009	79.98	92.43	193.96
2	Fair value of plan assets as at 31st March 2009	95.47	97.27	NA
3	Fund status (Surplus/(Deficit))	15.49	4.84	(193.96)
4	Net Assets / (Liability) as at 31st March 2009	15.49	4.84	(193.96)
IV	**Expenses recognized in the statement of Profit and Loss for the year ended 31st March 2009**			
1	Current Service cost	23.25	5.12	NA
2	Interest Cost	5.80	6.24	14.09
3	Expected return on plan assets	(8.27)	(5.79)	NA
4	Net Actuarial (Gains)/Losses	8.72	7.49	14.52
5	Expenses recognized in statement of Profit and Loss	29.50	13.06	28.61
V	**The major categories of plan assets as a percentage of total plan**			
1	Government of India Securities	NA	29%	NA
2	Corporate Bonds	NA	12%	NA
3	Special Deposit Scheme	NA	32%	NA
4	Equity Shares of Listed Companies	NA	0%	NA
5	Property	NA	0%	NA
6	Insurer Managed Funds	100%	NA	NA
7	Others	NA	27%	NA
	Total	100%	100%	NA
VI	**Method of valuation**	**Projected Unit Credit Method**		
VII	**Actuarial Assumptions**			
1	Discount Rate	8.00%	7.60%	7.60%
2	Expected rate of return on plan assets	9.15%	7.50%	NA
3	Mortality Table	LIC (1994-96) ultimate		NA
4	Retirement Age	58 years / 60 years	60 years	NA

Notes:

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.

(b) **Defined Benefit Plans - Provident Fund Contribution to Trust administered by the Company**

The Guidance issued by the Accounting Standard Board (ASB) on implementing AS-15, Employee benefits (revised 2005) states that provident fund set up by employers which requires interest short fall to be met by the employer, needs to be treated as defined benefit plan. The Company administered trust The Trust had received a letter dated 17/05/2010 from the Regional Commissioner of Provident Fund, Mumbai withdrawing the relaxations granted to the establishment vide Order No. MH / 13493 / PF / Exm.17/AST / 1393 with effect from 01/04/2010 and instructing the establishment to transfer the past accumulations of its employees to the Regional PF Commissioner, Mumbai. Accordingly, the Board of Directors of Trent ltd has passed resolution as on 28/05/2010 for the surrender of Trust and the Trust has taken steps to transfer the past accumulations of its employees to the Regional PF Commissioner, Mumbai

(c) Leave Encashment (Long term compensated absences) recognised as income for the year 2010-2011 is Rs 67.33 lacs, for the year 2009-2010 is Rs. 145.68 Lacs & for the year 2008-2009 is Rs. 133.77 lakhs.

		2010-2011	**2009-2010**	**2008-09**
(d)	**Defined Contribution Plans** Company's Contributions to defined Contribution Plans recognised as expense for the year as under:			
1	Towards Superannuation Fund	12.83	14.99	16.12
2	Towards Government Administered Provident Fund / Family Pension Fund	150.07	120.51	116.27
3	Towards Employees State Insurance / Labour Welfare Fund	83.14	48.76	50.31

22. **RELATED PARTY TRANSACTIONS :**

Related parties are as certified by the management

22.01 Parties where control exists

Trent Brands Limited - Subsidiary Company.
(100% Equity Share Capital is held by Trent Limited as at 31st March, 2011, 31st March 2010 & 31st March, 2009)
Fiora Services Limited - Subsidiary Company.
(25.67% Equity Share Capital is held by Trent Limited as at 31st March, 2011, 31st March 2010 & 31st March, 2009)
(64.20% Equity Share Capital is held by Trent Brands Limited as at 31st March, 2011, 31st March 2010 & 31st March, 2009)
Nahar Theatres Private Limited - Subsidiary Company
(100% Equity Share Capital is held by Trent Limited as at 31st March, 2011, 31st March 2010 & 31st March, 2009)
Fiora Link Road Properties Limited - Subsidiary Company
(100% Equity Share Capital is held by Trent Limited as at 31st March, 2011, 31st March 2010 & 31st March, 2009)
Landmark Limited - Subsidiary Company
(57.39% Equity Share Capital is held by Trent Limited as at 31st March, 2011, 31st March 2010)
(17.66% Equity Share Capital is held by wholly owned subsidiary companies as at 31st March, 2011, 31st March, 2010)
(77.41% Equity Share Capital is held by Trent Limited as at 31st March, 2009)
(22.55% Equity Share Capital is held by wholly owned subsidiary companies as at 31st March, 2009)
Westland Limited - Subsidiary Company
(96.64% Equity Share Capital is held by Trent Limited as at 31st March, 2011 & 31st March 2010)
(96.64% Equity Share Capital is held by Landmark Limited as at 31st March, 2009)
Trent Retail Services Private Limited (Formerly Regent Management Private Limited)-Subsidiary Company
(100% Equity Share Capital is held by Landmark Limited as at 31st March, 2011,31st March 2010 & 31st March, 2009)
Landmark E-Tail Private Limited - Subsidiary Company
(100% Equity Share Capital is held by Landmark Limited as at 31st March, 2011, 31st March 2010 & 31st March, 2009)
Trent Hypermarket Limited - Subsidiary Company.
(100% Equity Share Capital is held by Trent Limited as at 31st March, 2011, 31st March 2010 & 31st March, 2009)
Trent Global Holdings Limited-Subsidiary Company
(100% Equity Share Capital is held by Trent Limited as at 31st March, 2011, 31st March 2010 & 31st March, 2009)
Satnam Developers and Finance Private Limited
(100% Equity Share Capital is held by Trent Limited as at 31st March, 2009)
(Amalgamated with Trent Limited-Effective date 1st April 2009)
Optim Estates Private Limited (w.e.f 30th April 2010)
(Merged with Trent Hyper Market Limited-Effective date 20th September 2010)

22.02 Other Related Parties with whom transactions have taken place during the year:

Associates:
Tata Sons Ltd.
(Holds more than 20% of the Share Capital of the Company)
Satnam Realtors Private Limited
(50% Equity Share Capital is held by Satnam Developers and Finance Private Limited as at 31st March 2009)
Joint Ventures
Trexa ADMC Private Limited
(50% Equity Share Capital is held by Trent Limited as at 31st March, 2011)
Inditex Trent Retail India Private Limited
(49% Equity Share Capital is held by Trent Limited as at 31st March, 2011)

22.03 Directors of the Company

Managing Director — Mr. N. N. Tata (resigned on 11th August 2010)

Non Executive Directors
- Mr. F. K. Kavarana
- Mr. B. S. Bhesania (Retired on 18th August 2010)
- Mr. A. D. Cooper
- Mr. K. N. Suntook
- Mr. N. N. Tata (wef 12th August 2010till 18th August 2010.) Appointed as an Additional Director and Vice Chairman wef 19th August 2010
- Mr. Zubin Dubash (wef 26th April 2010)
- Mr. Bhaskar Bhat (wef 27th September 2010)
- Mr. N. A. Soonawala (retired on 31.03.2010)

Details of remuneration to Directors is disclosed in Note no. 3 Page ______________

		2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
22.04	**Sales to and Other recoveries from related parties**			
	a) Subsidiaries	**844.68**	550.74	432.11
	b) Associates	**9.32**	5.63	1.75
	c) Joint Venture	**-**	45.66	-
22.05	**Purchase/other services from related parties**			
	a) Subsidiaries	**1675.68**	1,230.87	1,146.43
	b) Associates	**493.35**	429.69	421.32
22.06	**Purchases of Fixed Assets from related parties**			
	a) Subsidiaries	**-**	36.61	-
22.07	**Sale of Fixed Assets to related parties**			
	a) Subsidiaries	**-**	11.55	-
22.08	**Interest/Dividend received from related parties**			
	a) Subsidiaries	**1,700.24**	770.40	359.56
	b) Associates	**14.00**	14.00	497.29
22.09	**Security Deposit Repaid**			
	a) Subsidiaries	**96.00**	-	-
	b) Associates	-	-	-
22.10	**Interest/Dividend paid to related parties**			
	a) Subsidiaries	**10.10**	8.80	11.20
	b) Associates	**328.96**	278.35	354.27
	c) Directors	**3.88**	2.40	3.06
22.11	**Purchase of Equity Shares of**			
	Subsidiaries	-	300.00	-
22.12	**Subscription to Share Capital**			
	a) Subsidiaries	**515.00**	4,100.00	5,117.80
	b) Joint Venture	-	3,192.70	-
22.13	**Loan Given to**			
	a) Subsidiaries	**10,407.51**	11,385.00	11,788.00
	b) Associates	-	-	6,400.00

RELATED PARTY TRANSACTIONS:

		2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
22.14	**Loan Repaid by**			
	a) Subsidiaries	**162.50**	4,293.97	1,100.00
22.15	**Security deposit given during the year**			
	a) Associates	**21.00**	-	77.00
22.16	**Security deposit receivable as on 31.03.2011**			
	a) Subsidiaries	**412.50**	412.50	412.50
	b) Associates	**66.00**	45.00	545.00
22.17	**Security deposit payable as on 31.03.2011**			
	a) Subsidiaries	**127.60**	115.10	115.10
22.18	**Investments Purchased during the year**			
	Subsidiaries	**529.19**	-	-
22.19	**Guarantee given during the year**			
	a) Subsidiaries	**-**	1,500.00	-
22.20	**Guarantee given as on 31.3.2011**			
	a) Subsidiaries	**1,500.00**	1,500.00	-
22.21	**Loan outstanding as on 31.3.2011**			
	a) Subsidiaries	**26,097.50**	14,060.00	15,396.47
	b) Associates			6,400.00
22.22	**Outstanding Receivables as on 31.3.2011**			
	a) Subsidiaries	**311.13**	279.97	510.44
	b) Associates	**-**	-	376.44
	c) Joint Venture	**-**	0.02	0.01
22.23	**Outstanding Payables as on 31.3.2011**			
	a) Subsidiaries	**71.72**	7.28	64.48
	b) Associates	**171.17**	103.34	95.94
22.24	**Issue of Equity Shares**			
	a) Directors	**1.00**	38.95	-
22.25	**Issue of CCPS**			
	a) Associates	**13,512.11**	-	-
	b) Directors	**162.46**	-	-
22.26	Transfer of Business to Subsidiaries			4,991.46

23. **Interests in Joint Venture:**

The Company's interests, as a venture, in jointly controlled entities are:

Name	Country of Incorporation	**% of ownership interest as at 31st March 2011**	% of ownership interest as at 31st March 2010	% of ownership interest as at 31st March 2009
Trexa ADMC Private Limited	India	**50%**	50%	50%
Inditex Trent Retail India Private Limited	India	**49%**	49%	-
Virtuous Trustees Private Limited	India	**-**	-	49%

		For the year ended 31st March, 2011 Rupees in lakhs	For the year ended 31st March, 2010 Rupees in lakhs	For the year ended 31st March, 2009 Rupees in lakhs
I	**Income**			
	1.Income From Operations	**7,247.46**	24.01	-
	2.Other Income	**67.19**	30.54	11.88
II	**Expenditure**			
	1.Expenses	**5,421.94**	230.55	146.91
	2.Depreciation	**261.66**	4.00	0.96
III	**Assets:**			
	1.Fixed Assets	**3,310.60**	866.33	3.75
	2.Investments	**0.43**	0.41	115.38
	3.Deferred tax Asset/(Liabilities)	**10.84**	(0.03)	0.17
	4.Current Assets Loans & Advances			
	- Cash and bank balances	**1,409.66**	2,548.17	4.67
	- Loans and Advances	**830.88**	332.24	10.61
	- Debtors	**1.86**	1.86	-
	- Inventories	**854.96**	38.03	-
	- Miscellaneous Expenditure (to the extent not written off or adjusted)	**-**	-	0.51
IV	**Liabilities:**			
	Current Liabilities	**2,202.46**	669.65	30.55
	Provisions	**7.34**	4.83	4.01

Note:
2008-09:
The figures for 2008-09 includes the figures incorporated from the Un audited financial statements of Virtuous Trustees Private Limited for the year ended 31st March 09.

24. **EARNINGS PER SHARE (EPS) :**

		2010-11	2009-10	2008-09
(a)	Weighted Average Number of shares outstanding during the year.			
	i) For Basic Earnings Per Share	**20,051,974**	19,589,303	19,532,896
	ii) For Diluted Earnings Per Share No of shares for Basic EPS as per a(i)	**20,051,974**	19,589,303	19,532,896
	Add: Dilutive Potential Equity Shares in respect of outstanding warrants/options	**1,903,534**	112,753	-
	No of shares for Diluted Earnings Per Share	**21,955,508**	19,702,056	19,532,896
(b)	Net Profit/(Loss) after Tax available for Equity Shareholders (Rupees in lakhs)	**4,303.71**	4,022.03	2,675.55
(c)	Less : Dividend to Preference Shareholders and applicable dividend distribution tax there on	**1.43**	0.01	-
(d)	Net Profit/(Loss) after Tax available for Equity Share Holders (Rupees in lakhs)	**4,302.28**	4,022.02	2,675.55
(e)	Earnings Per Share (Rs.) Face value of Rs.10/- Basic	**21.46**	20.53	13.70
	Diluted	**19.60**	20.41	13.70

25. Previous years figures have been regrouped wherever necessary

26. 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 Highcourt of Judicature at Bombay has become effective on March 12, 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. The appointed date of the scheme is April 1, 2009. SDPL was a 100% subsidiary of the Company engaged in the business of real estate investment and development activities and SRPL was engaged in the business of construction and development activities. SDPL held 50% of the shares in SRPL.

    In terms of the scheme,

    (a) All the assets and liabilities of SDPL and SRPL stand transferred to and vested in the company with effect from the appointed date.

    (b) Inter corporate loans, deposits and balances as between SDPL, SRPL and the Company stands cancelled.

    (c) The book value of the shares held by the Company in SDPL, as appearing in the books of the Company, the book value of shares held by SDPL in SRPL and the advance paid by SDPL towards acquisition of shares in SRPL, as appearing in the books of SDPL, stands cancelled.

    (d) The company on 26th 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) in the ratio of 14 Preference Shares for every 1 Equity Share held.

    (e) The scheme of amalgamation with SDPL is being accounted for under the pooling of interest method and with SRPL is being accounted for under the Purchase Method as contained in AS14 "Accounting for amalgamation" issued by the ICAI. The vested assets and liabilities of SDPL and SRPL have been recognized at their book values in the books of the Company.

    (f) The costs and expenses amounting to Rs. 120.02 lakhs (net of tax Rs.80.15 lakhs) incurred for implementation of the scheme have been adjusted against the general reserve of the company.

    (g) The deficit of Rs.2519.32 lakhs arising due to the difference between the value of assets over the value of liabilities of SDPL and SRPL and the face value of the preference shares issued by the company and after adjusting the diminution in the value of Long term investments to the extent of Rs.186.09 lakhs and Finished goods inventory Rs. 918.77 lakhs (net of tax - Rs.606.48 lakhs) 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.

27. On 30th April 2010 the company acquired 100% Equity shares and Preference Shares of Optim Estate Private Limited making it wholly owned subsidiary of the company. The Scheme of Amalgamation of Optim Estates Private Limited with Trent Hypermarket Limited (100% subsidiary of the Company) as approved by the Hon'able High Court of Judicature of Bombay is effective 20th September 2010. The appointed dated of the Scheme is 1st April 2009. In terms of the Scheme Trent Hypermarket Limited has issued the Company 1,50,000 Equity Shares of Rs. 10 each and 10,00,000 10% p.a Redeemable Preference Shares of Rs.10 each in consideration against its holdings in Optim Estates Private Limited.

28. In the year 2008-09, on approval of the Shareholders the Company has transferred the Star Bazaar business as a going concern to its 100% subsidiary Trent Hypermarket Limited with effect from 1st August 2008.

29. In the year 2009-10, exceptional items represent profit on sale of minority stake of its Subsidiary Landmark Limited to a private equity fund.
    Signatures to Schedules '1' to '5' and 'A' to 'M' and Notes.

TRENT LIMITED
CASH FLOW FOR THE YEAR ENDED 31st March 2011

		1.4.2010 to 31.03.2011 Rupees in lakhs	1.4.2009 to 31.03.2010 Rupees in lakhs	1.4.2008 to 31.03.2009 Rupees in lakhs
A	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net Profit before Taxes and Exceptional Items	**6,317.92**	3847.42	2827.60
	Adjustments for :			
	Depreciation	**1,362.65**	1,185.09	923.34
	Provision for doubtful debts & bad debts written off	**29.18**	45.82	60.59
	Interest (net)	**(2,376.70)**	(782.10)	(845.30)
	Employee Stock Option	**22.68**	84.76	-
	(Profit)/Loss on Fixed Assets sold/discarded (Net)	**(724.42)**	82.91	179.41
	Profit on sale of current investment	**(506.11)**	(165.81)	(840.19)
	Excess of Cost over Fair Value of Investments	**-**	0.02	-
	Dividend from Investments	**(740.54)**	(505.35)	(1,332.14)
	Rent Equilisation Reserve	**1.14**	40.31	36.16
	Discount on Commercial Paper	**-**	225.45	-
	Preliminary Expenses written off	**-**	0.13	-
	Excess provisions / Liabilities no longer required written back	**-**	(275.93)	(49.95)
		(2,932.12)	(64.70)	(1,868.08)
	Operating Profit Before Working Capital Changes	**3,385.80**	3,782.71	959.52
	Adjustments for :			
	(Increase)/Decrease in Inventories	**(3,408.98)**	(1,969.61)	(2,738.90)
	(Increase)/Decrease in Trade & Other Receivables	**(2,007.30)**	(131.13)	(2,019.17)
	Increase/(Decrease) in Trade & Other Payables	**1,736.03**	1,573.77	660.95
		(3,680.25)	(526.97)	(4,097.12)
	Cash generated from operations	**(294.45)**	3,255.74	(3,137.60)
	Direct Taxes Paid	**(934.11)**	(726.99)	(394.91)
	Net Cash from Operating Activities	**(1,228.56)**	2,528.75	(3,532.51)
B	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of Fixed Assets	**(8,054.05)**	(3,386.59)	(3,501.11)
	Sale of Fixed Assets	**812.69**	17.46	113.96
	Purchase of Investments	**(210,278.78)**	(118,864.58)	(167,399.93)
	Sale of investments	**212,398.75**	119,156.30	175,588.12
	Loans given	**(23,407.51)**	(15,385.00)	(18,188.00)
	Repayment of Loans given	**9,162.50**	4,793.97	1,125.00
	Interest received	**2,862.72**	1,177.13	421.74
	Merger Expenses	**-**	(120.02)	-
	Dividend From Investments	**740.54**	505.35	1,772.16
	Sale of Business	**-**	-	4,991.46
	Net cash used in Investing Activities	**(15,763.14)**	(12,105.98)	(5,076.00)
C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Issue of securities	**71,467.74**	8,264.01	10,000.00
	Redemption of Securities (Including Premium)	**(14,149.37)**	(5,663.35)	-
	Issue expenses on securities	**(660.77)**	(19.38)	(30.25)
	Unclaimed Securities application money	**17.64**	(0.89)	(5.08)
	Long Term & Other borrowings	**-**	8,165.04	-
	Repayment of Long Term & Other borrowings	**(8,501.82)**	(3.42)	(5.15)
	Interest Paid	**(540.83)**	(380.78)	(130.21)
	Dividend Paid	**(1,518.41)**	(1,266.14)	(1,523.08)
	Net cash from Financing Activities	**46,114.18**	9,095.10	8,306.23
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**29,122.48**	(482.13)	(302.28)
	CASH AND CASH EQUIVALENTS AT AT 01.04.2010	**911.68**	1,288.27	1,335.10
	Add: Cash and Cash Equivalents taken over on Merger (Refer Note 26 on Page F-43)	**-**	105.54	-
	Less: Cash and Cash equivalents transferred on sale of business	**-**	-	(255.46)
	CASH AND CASH EQUIVALENTS AS AT 31.03.2011	**30,034.16**	911.68	1,288.27

Note:

i) All figures in brackets are outflows.

ii) Cash and Cash equivalents consists of cash on hand and balances with banks as detailed in Schedule H to the Balance Sheet

iii) Of the above cash and cash equivalents balance the amount of Rs. Nil, (2009-10 : Rs. Nil and 2008-09: Rs.85.63 lakhs) is not available for use by the Company as it is under dispute.

iv) Previous year's figures have been regrouped wherever necessary.

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS.

To,
The Board of Directors
Trent Limited,

Dear Sirs,

1. We have examined the attached Consolidated Balance Sheets of **Trent Limited** (the Company) and its subsidiaries and jointly controlled entities (the Company and its subsidiaries and jointly controlled entities constitute ―the Group) as at 31st March, 2011, 31st March, 2010 and 31st March, 2009 and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statements for the years ended on these dates and the accompanying notes and schedules (together comprising the ―Consolidated Financial Statements),as set out in the accompanying Placement Document. These Consolidated Financial Statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our examination.

2. The figures disclosed in the Consolidated Financial Statements are extracted / reformatted from the Consolidated Accounts for the respective years and our opinion stated herein is based on the opinion as reported by us for each of the years). In forming our opinion, we conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. a. We did not audit the financial statements of the subsidiary Landmark Limited and its subsidiaries namely Westland Limited (subsidiary of Landmark limited till 2008-09), Landmark E-Tail Private Limited and Regent Management Private Limited. The consolidated financial statements of Landmark Limited and its subsidiaries reflect total net assets of Rs. 10163.70 lakhs as at 31st March 2011,Rs.8186.19 lakhs ,as at 31st March 2010 Rs 6692.15 lakhs , as at 31st March 2009 and total revenue of Rs. 26192.80 lakhs for the year ended 31st March 2011, Rs 22809.45 lakhs for the year ended 31st March 2010, Rs 21702.83 lakhs for the year ended 31st March 2009 and the net cash outflow amounting to Rs. 32.89 lakhs for the year ended 31st March 2011, Rs.132.04 lakhs for the year ended 31st March 2009 and net cash inflow amounting to Rs.31.38 lakhs for the year ended 31st March 2010 , as considered in the consolidated financial statements. These financial statements and other information of the subsidiaries have been audited by other firms of Chartered Accountants, and our opinion, in so far as it relates to the amounts included in respect of the subsidiaries is based solely on their audit reports.

   a. We did not audit the financial statements of the subsidiary Westland Limited, whose financial statements reflect total net assets of Rs.1092.05 lakhs as at 31st March 2011, Rs 1059.94 lakhs as at 31st March 2010 and total revenue of Rs. 3812.95 lakhs as at 31st March 2011, Rs 3600.30 lakhs as at 31st March 2010 and the net cash outflow amounting to Rs.3.44 lakhs for the year ended 31st March 2011 and net cash inflow amounting to Rs. 24.05 lakhs as at 31st March 2010, as considered in the consolidated financial statements. These financial statements and other information of the subsidiary have been audited by other firm of Chartered Accountants and our opinion, in so far as it relates to the amounts included in respect of the subsidiary are based solely on their audit report.

   b. We did not audit the financial statements of the foreign subsidiary Trent Global Holdings Limited, whose financial statements reflect total net assets of Rs. 11.68 lakhs as at 31st March 2011, Rs 16.01 lakhs as at 31st March 2010, Rs 25.23 lakhs as at 31st March 2009 and total revenue of Rs. 2.78 lakhs for the year ended 31st March 2011, Rs Nil for the year ended 31st March 2010, Rs Nil for the year ended 31st March 2009 and the net cash outflow amounting to Rs.6.40 lakhs for the year ended on 31st March 2011, Rs 44.59 lakhs for the year ended on 31st March 2010 and net cash inflow of Rs 40.99 lakhs for the year ended on 31st March 2009, as considered in the consolidated financial statements. These financial statements and other information of the subsidiary have been audited by other firm of Chartered Accountants, duly qualified to act as auditor in the country of incorporation of such subsidiary and our opinion, in so far as it relates to the amounts included in respect of the subsidiary are based solely on their audit report.

4. a. We did not audit the financial statements of the joint venture Trexa ADMC Private Limited, whose financial statements reflect total net assets of Rs.28.53 lakhs as at 31st March 2011, Rs. 41.03 lakhs as at 31st March 2010, Rs. 200.07 lakhs as at 31st March 2009 and total revenue of Rs.0.56 lakhs for the year ended 31st March 2011, Rs.53.12 lakhs for the year ended 31st March 2010, Rs. 23.77 lakhs for the year ended 31st March 2009 and the net cash outflow amounting to Rs12.86 lakhs for the year ended 31st March 2011, Rs 128.91 lakhs for the year ended on 31st March 2009 and net cash inflow of Rs. 27.81 lakhs for the year ended 31st March 2010, as considered in the consolidated financial statements. These financial statements and other information of the joint venture have been audited by other firm of Chartered Accountants, and our opinion, in so far as it relates to the amounts included in respect of the joint venture are based solely on their audit report.

   a. We did not audit the financial statements of the joint venture Inditex Trent Retail India Private Limited, whose financial statements reflect total net assets of Rs.8561.54 lakhs as at 31st March 2011, Rs. 6310.32 lakhs as at 31st March 2010 and total revenue of Rs.14927.30 lakhs for the year ended 31st March 2011, Rs. 57.13 lakhs for the year ended 31st March 2010 and the net cash outflow amounting to Rs.2310.37 lakhs for the year ended 31st March 2011 and cash inflow of Rs. 5163.33 lakhs for the year ended 31st March 2010, as considered in the consolidated financial statements. These financial statements and other information of the joint venture have been audited by other firm of Chartered Accountants, and our opinion, in so far as it relates to the amounts included in respect of the joint venture are based solely on their audit report.

   b. We did not audit the financial statements of the joint venture Virtuous Trustees Private Limited and have relied on the Unaudited financial statements of the joint venture, which reflect total net liabilities of Rs 0.02 lakhs as at 31st March 2009 and total revenue of Rs Nil lakhs and the net cash outflow amounting to Rs.0.11 lakhs for the year ended 31st March 2009, as considered in the consolidated financial statements.

5. We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements and Accounting Standard (AS) 27 - Financial Reporting of Interest in Joint Ventures issued by The Institute of Chartered Accountants of India and on the basis of the separate audited / certified financial statements of the Company and its subsidiaries included in the Consolidated Financial Statements.

6. Based on the audit and on consideration of the reports of the other auditors on the separate financial statements and on the other financial information of the components and the accounts as explained in paragraph 5 above; in our opinion and to the best of our information and according to the explanations given to us, the attached Consolidated Financial Statements read together with Notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:

   (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2011,31st March 2010 and 31st March 2009;

   (b) in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on 31st March 2011,31st March 2010 and 31st March 2009; and

   (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the years ended on these dates.

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

Y.N. Thakkar
Partner
Membership No.33329
Mumbai.

TRENT LIMITED

Consolidated Balance Sheet as at

		Schedule	Page	**31.03.2011 Rupees in lakhs**	31.03.2010 Rupees in lakhs	31.03.2009 Rupees in lakhs
	SOURCES OF FUNDS :					
1.	SHAREHOLDERS' FUNDS:					
	(a) Capital	A	F-53	**3,595.97**	2,703.51	1,953.29
	(b) Reserves and Surplus	B	F-54	**95,978.18**	56,631.08	57,950.02
				99,574.15	59,334.59	59,903.31
2.	MINORITY INTEREST			**1,456.55**	1,952.25	80.08
3.	LOAN FUNDS:	C	F-55			
	(a) Secured Loans			**12,626.50**	12,855.33	20,556.31
	(b) Unsecured Loans			**18,058.26**	13,520.17	5.24
				30,684.76	26,375.50	20,561.55
4.	TOTAL FUNDS EMPLOYES			**1,31,715.46**	87,662.34	80,544.94
	APPLICATION OF FUNDS:					
5.	FIXED ASSETS:	D	F-56			
	(a) Gross Block			**76,562.46**	53,074.62	42,528.25
	(b) Less: Depreciation			**11,335.29**	8,289.53	6,197.13
	(c)Net Block			**65,227.17**	44,785.09	36,331.12
	(d) Capital Work-in-Progress			**4,970.40**	3,297.45	1,386.92
				70,197.57	48,082.54	37,718.04
6.	INVESTMENTS	E	F-57	**13,528.50**	18,104.71	24,208.80
7.	DEFERRED TAX ASSET (NET)			**2,656.78**	157.95	98.28
8.	CURRENT ASSETS, LOANS AND ADVANCES:					
	(a) Inventories	F	F-57	**29,615.00**	20,928.58	17,512.09
	(b) Sundry Debtors	G	F-57	**2,487.96**	1,552.24	1,333.07
	(c)Cash and Bank Balances	H	F-58	**32,333.04**	4,373.11	1,938.85
	(d) Loans and Advances	J	F-60	**27,390.33**	24,524.17	21,553.62
				91,826.33	51,378.10	42,337.63
9.	Less: CURRENT LIABILITIES AND PROVISIONS :					
	(a) Liabilities	K	F-60	**32,350.62**	23,900.66	18,395.71
	(b) Provisions	L	F-61	**14,143.10**	6,160.30	5,422.66
				46,493.72	30,060.96	23,818.37
10.	NET CURRENT ASSETS			**45,332.61**	21,317.14	18,519.26
11.	Miscellaneous Expenditure (to the extent not written off or adjusted)			**-**	-	0.56
12.	TOTAL ASSETS (NET)			**1,31,715.46**	87,662.34	80,544.94

(For Schedule 'M' and notes see Pages F-62 to F-70)

TRENT LIMITED

Consolidated Profit And Loss Account for the year ended

		Schedule	Page	**2010-11 Rupees in lakhs**	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
INCOME :						
1.	INCOME FROM OPERATIONS	2	F-51	**1,59,224.42**	1,12,046.07	85,088.59
2.	OTHER INCOME	3	F-51	**3,664.50**	1,714.44	3,432.89
3.	TOTAL INCOME			**1,62,888.92**	1,13,760.51	88,521.48
EXPENDITURE:						
4.	OPERATING AND OTHER EXPENSES	1	F-50	**1,57,985.90**	1,10,687.64	85,913.64
5.	DEPRECIATION			**3,185.88**	2,208.49	1,593.77
				1,61,171.78	1,12,896.13	87,507.41
6.	INTEREST	4	F-52	**931.77**	788.25	958.74
7.	TOTAL EXPENDITURE			**1,62,103.55**	1,13,684.36	88,466.15
PROFIT BEFORE TAXES AND EXCEPTIONAL ITEM				**785.37**	76.13	55.33
8.	EXCEPTIONAL INCOME/ (EXPENSES)	5	F-52	**(84.00)**	836.71	-
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXES				**701.37**	912.84	55.33
9.	PROVISION FOR TAXATION					
	CURRENT TAX			**1,807.49**	832.20	213.42
	(EXCESS)/SHORT TAX PROVISION FOR PRIOR YEARS (NET)			**(1,501.79)**	(78.15)	(151.63)
	MAT CREDIT ENTITLEMENT			**(808.24)**	(302.95)	(126.30)
	FRINGE BENEFIT TAX			**-**	-	97.60
	DEFERRED TAX			**1,056.44**	315.70	0.32
				553.90	766.80	33.41
PROFIT BEFORE EXTRA ORDINARY ITEM				**147.47**	146.04	21.92
10.	EXTRA ORDINARY ITEM (NET OF TAX)			**105.98**	-	-
	PROFIT AFTER EXTRA ORDINARY ITEM BEFORE MINORITY INTEREST			**253.45**	146.04	21.92
11.	LESS: MINORITY SHARE OF PROFIT /(LOSS)			**(495.72)**	(15.00)	(6.48)
12.	LESS: PRE ACQUISTION PROFIT / (LOSS)			**-**	5.54	(75.56)
NET PROFIT AFTER MINORITY INTEREST				**749.17**	**155.50**	103.96
BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR				**(1,658.44)**	607.65	3,528.57
BROUGHT FORWARD LOSS ARISING OUT OF AMALGAMATION				**(349.94)**	-	-
PROFIT AVAILABLE FOR APPROPRIATION				**(1,259.21)**	763.14	3,632.53
13.	**APPROPRIATIONS:**					
	(i) GENERAL RESERVE			**500.00**	403.00	268.00
	(ii) DEBENTURE REDEMPTION RESERVE			**500.00**	500.00	1,500.00
	(iii) DIVIDEND PAID – EQUITY SHARES			**1.42**	-	-
	(iv) PROPOSED DIVIDEND – EQUITY SHARES			**1,504.27**	1,302.28	1,074.31
	(v) PROPOSED DIVIDEND – PREFERENCE SHARES			**1.23**	0.01	-
	(vi) TAX ON DIVIDEND			**244.46**	216.29	182.58
	(vii) BALANCE CARRIED TO BALANCE SHEET			**(4,010.59)**	(1,658.44)	607.64
				(1,259.21)	**763.14**	3,632.53
14.	Earnings Per Share Before Extra Ordinary Item (Rs.) Note 12, page F-69					
	Basic			**3.20**	0.79	0.53
	Diluted			**2.92**	0.79	0.53
15.	Earnings Per Share After Extra Ordinary Item (Rs.) (Note 12, page F-69)					
	Basic			**3.73**	0.79	0.53
	Diluted			**3.41**	0.79	0.53
	(For Schedule 'M' and notes see Pages F-62 to F-70)					

TRENT LIMITED

Schedule forming part of the Consolidated Profit and Loss Account

Schedule '1' (Item No.4, Page F-49)
OPERATING AND OTHER EXPENSES

		2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
(1)	RAW MATERIALS CONSUMED	**1,356.07**	548.62	419.62
(2)	PURCHASE OF FINISHED PRODUCTS	**98,881.88**	69,140.32	52,014.31
(3)	PAYMENTS TO AND PROVISIONS FOR EMPLOYEES			
	(a) Salaries, Wages, Bonus, etc (Refer note Schedule "B" Note 3(a) Page F-54)	**10,784.76**	7,765.28	6,172.42
	(b) Contribution to Provident, Superannuation and Gratuity Funds	**662.18**	472.82	399.27
	(c) Workmen and Staff Welfare Expenses	**652.40**	488.44	493.22
		12,099.34	8,726.54	7,064.91
(4)	OTHER EXPENSES			
	(a) Processing Charges	**193.73**	169.23	145.50
	(b) Packing Materials Consumed	**936.46**	613.26	592.28
	(c) Power and Fuel	**4,587.80**	3,603.23	2,999.68
	(d) Repairs to Building	**3,211.36**	2,259.32	1,651.38
	(e) Repairs to Machinery	**649.57**	580.92	323.11
	(f) Repairs others	**931.81**	685.95	499.43
	(g) Rent	**6,651.06**	4,962.10	3,866.81
	(h) Rates and Taxes	**1,058.10**	729.21	500.30
	(i) Insurance	**126.43**	136.51	82.85
	(j) Advertisement and Sales Promotion	**6,510.92**	5,847.76	5,430.00
	(k) Travelling Expenses	**925.19**	646.43	499.92
	(l) Professional and Legal Charges	**1,127.53**	858.03	910.62
	(m) Printing and Stationery	**298.44**	206.28	150.60
	(n) Bank Charges	**946.67**	694.55	535.47
	(o) Postage, Telegrams and Telephones	**746.82**	589.00	509.61
	(p) General Expenses (Note 5 (i) Page F-64)	**3,653.88**	2,519.30	1,964.20
	(q) Retail Business Fees	**5,967.96**	4,601.39	3,585.66
	(r) Sales tax paid	**8,079.74**	5,339.14	4,016.29
	(s) Directors' Fees	**16.77**	14.01	11.48
	(t) Commission to Non Whole time Directors	**52.86**	30.00	21.88
	(u) Excess of cost over fair value of Current Investments	**-**	0.63	-
	(v) Loss on Sale of Fixed Assets Sold/ Discarded (Net)	**113.43**	173.10	225.61
	(w) Loss on Sale of Long Term Investments (Net)	**46.60**	164.90	-
		46,833.13	35,424.25	28,522.68
(5)	FREIGHT AND FORWARDING CHARGES	**1,282.07**	675.86	642.37
(6)	CHANGES IN FINISHED PRODUCTS Accretion to stocks deducted	**(7,892.15)**	(4,058.50)	2,897.16
		1,52,560.34	1,10,457.09	85,766.73
(7)	Share of Joint Ventures- [Note 11 (b), Page F-68]	**5,425.56**	230.55	146.91
		1,57,985.90	110,687.64	85,913.64

TRENT LIMITED

Schedule forming part of the Consolidated Profit and Loss Account

Schedule '2' (Item No.1, page F-49)
INCOME FROM OPERATIONS

		2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
(1)	Sales	**1,44,798.59**	106,224.46	82,469.04
	Less: Excise Duty	**16.41**	2.86	-
		1,44,782.18	106,221.60	82,469.04
(2)	Other Operating Income			
	(a) Display and Sponsorship Income	**1,081.03**	356.86	316.07
	(b) Commission on sales	**583.30**	562.59	575.17
	(c) Discounts and Fees	**2,238.52**	1,267.09	464.72
	(d) Rent received	**2,477.73**	1,510.37	115.61
	(e) Others	**814.20**	2,124.25	1,147.98
		7,194.78	5,821.16	2, 619.55
		1,51,976.96	112,042.76	85,088.59
(3)	Share of Joint ventures- [Note 11(b), Page F-68]	**7,247.46**	3.31	-
		1,59,224.42	1,12,046.07	85,088.59

Schedule '3' (Item No.2, Page F-49)
OTHER INCOME

		2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
(1)	Miscellaneous Income	**12.97**	18.63	15.25
(2)	Interest on Loans and Advance – Gross [For 2010-11: Tax deducted at source : Rs.95.94 lakhs] [For 2009-10: Tax deducted at source : Rs.63.37 lakhs] [For 2008-09: Tax deducted at source : Rs.133.86lakhs]	**643.07**	621.07	1,100.88
(3)	Interest on Deposits with Banks- Gross [For 2010-11: Tax deducted at source : Rs.6.73 lakhs] [For 2009-10: Tax deducted at source : Rs.6.88 lakhs] [For 2008-09: Tax deducted at source: Rs.5.38 lakhs]	**877.51**	60.11	37.17
(4)	Income from Current Investments – Non trade			
	(a) Dividend on Current Investments	**723.99**	351.77	1,058.46
	(b) Profit on sale of Current Investments (Net)	**534.33**	311.51	478.60
		1,258.32	663.28	1,537.06
(5)	Interest on Long Term Investments- Gross	**-**	-	0.50
(6)	Dividend on Long Term Investments – Gross			
	(a) Trade	**-**	1.50	3.00
	(b) Others- Gross	**69.57**	184.96	374.64
		69.57	186.46	377.64
(7)	Profit on Sale of Long Term Investments (Net)	**11.45**	-	302.56
(8)	Profit on sale of fixed assets	**724.42**	-	-
(9)	Excess provision no longer required written back	**-**	134.35	49.95
		3,597.31	1,683.90	3,421.01
(10)	Share of Joint Ventures –[Note 11(b), Page F-68]	**67.19**	30.54	11.88
		3,664.50	1,714.44	3,432.89

Schedule forming part of the Consolidated Profit and Loss Account

Schedule '4' (Item No.6, page F-49)
INTEREST EXPENSE

		2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
(a)	Debentures	**597.57**	131.00	131.00
(b)	Fixed Loans	**167.40**	519.22	196.12
(c)	Others	**166.80**	138.03	631.62
		931.77	788.25	958.74

Schedule '5' (Item No.8, Page F-49)
EXPECTIONAL INCOME / (EXPENSES)

	2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
INCOME			
Profit on Sale of Minority stake in subsidiary Landmark Limited	**-**	836.71	-
		836.71	-
EXPENSES			
Provision for contingency for disputed expenses	**84.00**	-	-
NET INCOME / (EXPENSE)	**(84.00)**	836.71	-

Schedule forming part of the Consolidated Balance Sheet

Schedule 'A' (Item No.1 (a), Page F-48)
CAPITAL

	Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
AUTHORISED:			
3,20,00,000 Equity Shares of Rs.10/- each (2009-2010: 2,40,00,000 Equity Shares of Rs.10/- each) (2008-2009 : 2,00,00,000 Equity Shares of Rs. 10/- each)	**3,200.00**	2,400.00	2,000.00
50,00,000 Unclassified Shares of Rs.10/- each (2009-2010: 50,00,000 Unclassified Shares of Rs.10/- each) (2008-2009: 50,00,000 Unclassified Shares of Rs. 10/- each)	**500.00**	500.00	500.00
70,000 Preference Shares of Rs.1000/- each (2009-2010: 70,000 Preference Shares of Rs.1000/- each) (2008-2009 : Nil)	**700.00**	700.00	-
1,20,00,000 Cumulative Convertible Preference shares of Rs. 10/- each.	**1,200.00**	-	-
	5,600.00	3,600.00	2,500.00
2,00,56,877 Equity Shares of Rs.10/- each fully paid –up [2009-2010: 2,00,35,052 Equity Shares of Rs.10/- each fully paid up] [2008-2009 : 1,95,32,896 Equity Shares of Rs.10/- each fully paid up]	**2,005.69**	2,003.51	1,953.29
70,000 0.1% Cumulative Redeemable Preference Shares of Rs.1000/- each, fully paid up (2008-2009: Nil)	**700.00**	700.00	-
44,51,414 Cumulative Compulsorily Convertible Preference Shares Series A of Rs.10/- each fully paid up (2009-10: Nil)	**445.14**	-	-
44,51,414 Cumulative Compulsorily Convertible Preference Shares Series B of Rs.10/- each fully paid up (2009-10: Nil)	**445.14**	-	-
	3,595.97	2,703.51	1,953.29

Notes:

1. Of the above-

(a) 1,08,81,021 Equity Shares were allotted as fully paid Bonus Shares by capitalization of Share Premium and Reserves.

(b) 1,12,616 Equity Shares were allotted as fully paid pursuant to Schemes of Amalgamation without payment being received in cash.

(c) 70,000 Cumulative Redeemable Preference Shares were allotted as fully paid pursuant to Scheme of Amalgamation without payment being received in cash.

2 During the year 2010-11, the Company has issued 44,51,414 0.1% Cumulative Compulsorily Convertible Preference Shares (CCPS) Series A of Rs.10/- @ 550 each and 44,51,414 0.1% Cumulative Compulsorily Convertible Preference Shares (CCPS) Series B of Rs 10/- @ 550 each to the Equity Shareholders of Right basis in the ration of 4 CPS (2 series A and 2 series B) for every 9 Equity Shares held. Each CCPS of Series A is Convertible to 1 Equity Share Rs.10 each at premium of Rs 540 automatically on 1st September 2011 and each CCPS of Series B is Convertible to 1 Equity Share of Rs.10 each at premium of Rs 540 automatically on 1st September 2012. Until conversion, CCPS of both series will be eligible for a dividend of 0.1% p.a. on the face value

3 The term of the 0.1% Cumulative Redeemable Preference Shares is of twenty years from 26th March 2010, being the date of allotment, with an option to the Company to redeem the Preference Shares at any time after 36 months from the date of allotment. The Board of Directors at their meeting held on 26th April 2010 have fixed 1st June 2013 as the date of redemption of the Preference Shares.

4 During the year 2009-2010, the Company has granted 21,825 stock options under the Employee Stock Option Scheme. During the current year 21,825 Equity Shares of Rs 10/- each were issued at par pursuant to Stock Options exercised. No Stock Options are outstanding as on 31st March, 2011.

5 During the year 2005-2006, the Company had issued 13,10,047 warrants to the shareholders along with partly Convertible Debentures of which 5,62,121 warrants were outstanding as on 31st March 2009. Each Warrant holder is entitled to apply for one Equity Share of Rs. 10/- each at a premium of Rs. 640/- each within 30 days after the expiry of 54 months from 7th Ju.ly 2005 being the date of allotment. During the current year, the Company has issued 5,02,156 Equity Shares of Rs, 10/- each at a premium of Rs.640/- per share on the conversion of warrants. There are no warrants outstanding as at 31st March 2010.

Schedule forming part of the Consolidated Balance Sheet
Schedule 'B' (Item No.1 (b), Page F-48)
RESERVES AND SURPLUS

		Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
(1)	**SECURITIES PREMIUM ACCOUNT**			
	Balance as per last account	**34,557.40**	31,995.25	33,321.32
	Add: Premium on issue of Equity shares on conversion of warrants	-	3,213.80	-
	Add: Transfer from Employee Stock Options on issue of Equity Shares	**107.44**	-	-
	Add: Premium on issue of Compulsorily Convertible Preference Shares	**48,075.27**	-	-
	Less: Premium on redemption of debentures (Note c,d,e and f Schedule 'C')	**6,873.51**	638.83	1,306.10
	Less: Write off of securities / warrant issue expenses (net of deferred tax)	**524.38**	-	-
	Less: Write off of securities / warrant issue expenses (net of deferred tax)	-	12.82	19.97
		75,342.22	34,557.40	31,995.25
(2)	**DEBENTURE REDEMPTION RESERVE**			
	(a) Balance as per last account	**5,300.00**	4,800.00	3,300.00
	(b) Add: Transferred from Profit and Loss Account	**500.00**	500.00	1,500.00
		5,800.00	5,300.00	4,800.00
(3)	**EMPLOYEE STOCK OPTIONS**			
	(a) Employee Stock Options Outstanding			
	Balance as per last account	**107.44**	-	-
	Additions	-	107.44	-
	Lapsed	-	-	-
	Transferred to share Premium Account	**107.44**	-	-
	Outstanding	-	107.44	-
	(b) Less: Deferred Employee Compensation			
	Balance as per last account	**22.68**	-	-
	Additions	-	22.68	-
	Amortised/ Lapsed	**22.68**	-	-
	Balance	-	22.68	-
	Net Employee Stock Options	-	84.76	-
(4)	**GENERAL RESERVE:**			
	(a) Balance as per last account	**16,210.51**	18,572.47	18,304.47
	(b) Add: Transferred from Profit and Loss Account	**500.00**	403.00	268.00
	(c) Less: Deficit in Profit and Loss Account	**(2,352.15)**	1,658.44	-
	(d) Less: Expenses on Amalgamation (Note 13, Page F-69)	-	80.15	-
	(e) Less: Deficit on Amalgamation (Note 13, Page F-69)	-	1,026.37	-
		14,358.36	16,210.51	18,572.47
(5)	**AMALGAMATION RESERVE:**			
	Arising out of Amalgamation			
	Opening Balance	-	1,492.95	1,492.95
	Less: Deficit on Amalgamation (Note 13, Page F-69)	-	1,492.95	-
		-	-	1,492.95
(6)	**CAPITAL RESERVE ON ACQUISTION OF SUBSIDIARY**	**448.84**	448.84	449.58
(7)	**FOREIGN EXCHANGE RESERVE ON CONSOLIDATION**	**28.76**	29.57	32.13
(8)	PROFIT AND LOSS ACCOUNT	**(-)**	-	607.64
		95,978.18	56,631.08	57,950.02

Notes:

a) In respect of Options granted under the Company's Employee Stock Options Scheme 2009 (ESOS), in accordance with guidelines issued by SEBI, the accounting value of options is accounted as deferred employee compensation, which is amortised on a straight line basis over the vesting period. Consequently, salaries, wages, bonus etc. include 2010-11- Rs.22.68 lakhs, 2009-10- Rs.84.76 lakhs & 2008-09- Rs.Nil being the amortisation of deferred employee compensation.

b) The expenditure incurred on issue of Securities and Warrants has been debited to Securities Premium Account net of Deferred tax.

Schedule 'C' (Item No.3, Page F-48)
LOAN FUNDS

			As at 31.03.2011 Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
(1)	SECURED LOANS:				
	a)	Debentures			
		Non convertible Debentures (Note 'a')	**-**	6,550.24	6,550.24
		Non Convertible Debentures-Series I (Note 'b')	**-**	-	5,000.00
		Non Convertible Debentures- April 10 Series-I (Note 'd')	**10,000.00**	-	-
		Non Convertible Debentures- Series-II (Note 'b')	**-**	5,000.00	5,000.00
	(b)	From Banks			
		Cash Credit (Note 'g')	**2,626.50**	1,305.09	2,287.28
		Term Loan	**-**	-	1,718.54
	(c)	From others			
		Loan under Hire Purchase Scheme	**-**	-	0.25
			12,626.50	12,855.33	20,556.31
(2)	UNSECURED LOANS:				
	Sales tax loan from Government of Maharashtra		**-**	1.82	5.24
	Non Convertible Debentures-Oct-09-Series I (Note 'c')		**5,000.00**	5,000.00	-
	Non Convertible Debentures-April 10-Series 2 (Note 'e')		**5,000.00**	-	-
	Non Convertible Debentures-June 10-Series 1 (Note 'f')		**4,500.00**	-	-
	Non Convertible Debentures-June 10-Series 2 (Note 'f')		**3,000.00**	-	-
	Commercial Paper		**-**	5,000.00	-
	Inter Corporate deposits		**-**	3,500.00	-
	Others		**558.26**	18.35	-
			18,058.26	13,520.17	5.24
			30,684.76	26,375.50	20,561.55

Notes:

(a) During the year 2005-2006 the Company issued 13,10,047 Partly Convertible Debentures of Rs. 900/- each.Of the above, Convertible Debenture of the face value of Rs. 400/- has been converted into one Equity Share of Rs. 10/- each at a premium of Rs. 390/- per share on the date of allotment. The Non Convertible Debenture of face value of Rs. 500/- are redeemable at a premium of Rs. 98/- each on 7th July 2010.The Premium payable on redemption of Debentures amounting to Rs. 1283.85 lakhs has been provided and debited to Securities Premium Account during 2005-2006.These Debentures are secured by way of charge on assets of the Company costing at least 1.33 times of the value of the Debentures in favour of the Debenture Trustees.

(b) During the year 2008-2009, the Company issued 500 Redeemable Non Convertible Debentures- Series I of Rs.10.00 lakhs each and 500 Redeemable Non Convertible Debentures – Series II of Rs.10.00 lakh each on private placement basis. These Debentures are free of interest and the Series I Debentures were redeemed at a premium of Rs. 1.33 lakh each on 1st October 2009 and Series II Debentures were redeemed at a premium of Rs. 2.63 lakhs each on 2nd September 2010. The Premium payable on redemption of these Debentures has been fully provided and is debited to Securities Premium Account net of deferred tax. These Debentures are secured by way of charge on immovable property of the Company in favour of the Debenture Trustees as stipulated in the Debenture Trust deed

During the year 2010-11, the Company redeemed 500 Redeemable Non Convertible Debentures - Series II of Rs. 10 lakhs each issued during 2008-09, together with a premium of Rs 2.63 lakhs each. The Premium payable on redemption of these Debentures has been fully provided and is debited to Securities Premium Account net of deferred tax.

(c) During the year 2009-10, the Company issued 500 Redeemable Non Convertible Debentures of Rs. 10 lakhs each on private placement basis. These Debentures are free of interest and are redeemable at a premium of Rs.1.94 lakhs each on 21st October 2011.The Premium payable on redemption of these Debentures has been fully provided and is debited to Securities Premium Account net of deferred tax during 2009-10.

(d) During the year 2010-11, the Company issued 1,000 Redeemable Non Convertible Debentures of Rs. 10 lakhs each on private placement basis. These Debentures are free of interest and are redeemable at a premium of Rs.6.11 lakhs each on 14th April 2015.The Premium payable on redemption of these Debentures has been fully provided and is debited to Securities Premium Account net of deferred tax. These Debentures are secured by way of charge on immovable property of the company in favour of Debenture Trustees as stipulated in the Debenture Trust Deed and 1.25 times asset cover will be maintained by the company on continuous basis

(e) During the year 2010-11, the Company issued 50 Redeemable Non Convertible Debentures April 10 Series 2 of Rs. 10 lakhs each on private placement basis. These Debentures are at 5% p.a of interest and are redeemable at a premium of Rs 2.89 lakhs each on 27th April 2015. The Premium payable on redemption of these Debentures has been fully provided and is debited to Securities Premium Account net of deferred tax.

(f) During the year 2010-11, the Company issued 450 Redeemable Non Convertible Debentures June 2010 Series 1 of Rs. 10 lakhs each and 300 Redeemable Non Convertible Debentures June 2010 Series 2 of Rs.10 lakhs each on private placement basis. Series 1 Debentures will carry an interest of 9.75% p.a of interest and are redeemable at a par on 30th June 2017 and Series 2 Debentures are free of Interest and will be redeemed at Premium of Rs. 9.13 Lakhs on 30th June 2017. The Premium payable on redemption of Series 2 Debentures has been fully provided and is debited to Securities Premium Account net of deferred tax.

(g) Cash credit from Banks is secured by first exclusive charge on the current assets of and equitable mortgage on the immovable property of Landmark Limited (Subsidiary).

(h) Of the above secured loans, amount repayable within a year 2010-11: Rs. 558.26 lakhs, 2009-10: Rs.11,550.24 lakhs & 2008-09: Rs. 5,440.07 lakhs.

(i) Of the above unsecured loans, amount repayable within a year 2010-11: Rs.5000.00 lakhs, 2009-10: Rs. 8,501.82 lakhs & 2008-09: Rs. 3.42 lakhs.

(j) Term Loans from Banks are secured by first exclusive charge on the current assets and equitable mortgage on the immovable property of Landmark Limited (Subsidiary)

(k) Loan under Hire Purchase scheme is secured by way of hypothecation of assets of Landmark Limited (Subsidiary) acquired under the Scheme.

TRENT LIMITED

Schedule forming part of the Consolidated Balance Sheet

Schedule 'D' (Item No.5, Page F-48)

FIXED ASSETS

ASSETS	GROSS BLOCK (AT COST)					DEPRECIATION					NET BLOCK
	As at 1.4.2010	Additions/ Adjustments	Deductions/ Adjustments	Adjustment on Consolidation *	As at 31.03.2011	As at 1.4.2010	Deductions/ Adjustments	For the year	Adjustment on Consolidation *	As at 31.03.2011	As at 31.03.2011
	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs
Goodwill	**6.00** (6.00) [6.00]	**4.80** (-) [-]	**-** (-) [-]	**-** (-) [-]	**10.80** (6.00) [6.00]	**6.00** (6.00) [6.00]	**-** (-) [-]	**4.80** (-) [-]	**-** (-) [-]	**10.80** (6.00) [6.00]	**-** (-) [-]
Goodwill on Consolidation	**12,910.69** (17,609.82) [13,448.84]	**4,915.84** (3,087.15) [4,160.98]	**-** (7,786.28) [-]	**-** (-) [-]	**17,826.54** (12,910.69) [17,609.82]	**-** (-) [-]	**-** (-) [-]	**-** (-) [-]	**-** (-) [-]	**-** (-) [-]	**17,826.54** (12,910.69) [17,609.82]
Freehold land	**533.12** (533.12) [527.73]	**212.41** (-) [5.39]	**72.01** (-) [-]	**-** (-) [-]	**673.52** (533.12) [533.12]	**-** (-) [-]	**-** (-) [-]	**-** (-) [-]	**-** (-) [-]	**-** (-) [-]	**673.52** (533.12) [533.12]
Leasehold Land	**5,457.66** (8.13) [8.13]	**21.25** (5,449.53) [-]	**-** (-) [-]	**-** (-) [-]	**5,478.91** (5,457.66) [8.13]	**70.65** (4.39) [4.31]	**(0.23)** (-) [-]	**72.40** (66.26) [0.08]	**-** (-) [-]	**143.28** (70.65) [4.39]	**5,335.63** (5,387.01) [3.74]
Buildings	**11,164.82** (6,587.32) [5,911.63]	**9,862.53** (4,639.31) [785.55]	**721.91** (61.81) [109.86]	**-** (-) [-]	**20,305.44** (11,164.82) [6,587.32]	**1,737.83** (1,316.42) [1,027.17]	**98.87** (12.70) [19.15]	**641.20** (434.11) [308.41]	**-** (-) [-]	**2,280.16** (1,737.83) [1,316.43]	**18,025.28** (9,426.99) [5,270.89]
Plant and Machinery	**9,257.70** (6,769.84) [5,132.57]	**2,843.26** (2,606.51) [1,832.90]	**85.47** (118.65) [195.63]	**-** (-) [-]	**12,015.49** (9,257.70) [6,769.84]	**1,851.12** (1,455.43) [1,184.28]	**21.86** (27.63) [59.15]	**604.02** (423.32) [330.31]	**-** (-) [-]	**2,433.28** (1,851.12) [1,455.44]	**9,582.21** (7,406.58) [5,314.40]
Furniture, Fixtures, Office and Other Equipments	**13,451.70** (10,733.83) [8,188.74]	**4,057.82** (2,909.48) [2,843.25]	**83.33** (191.61) [298.16]	**-** (-) [-]	**17,426.19** (13,451.70) [10,733.83]	**4,498.77** (3,317.24) [2,585.35]	**18.11** (59.20) [186.81]	**1,555.06** (1,240.73) [918.71]	**-** (-) [-]	**6,035.72** (4,498.77) [3,317.25]	**11,390.47** (8,952.93) [7,416.58]
Vehicles	**129.13** (154.08) [130.40]	**25.10** (44.40) [34.85]	**28.38** (69.34) [11.17]	**-** (-) [-]	**125.85** (129.13) [154.08]	**42.89** (43.97) [33.52]	**-** (16.05) [4.90]	**13.39** (14.97) [15.35]	**-** (-) [-]	**56.28** (42.89) [43.97]	**69.57** (86.25) [110.11]
Intangible Assets	**133.94** (121.31) [76.35]	**113.89** (14.09) [44.96]	**3.62** (1.46) [-]	**-** (-) [-]	**244.21** (133.94) [121.31]	**77.22** (52.59) [32.64]	**1.51** (0.47) [-]	**33.35** (25.10) [19.95]	**-** (-) [-]	**109.06** (77.22) [52.59]	**135.15** (56.72) [68.72]
Total	**53, 044.77** (42,523.45) [33,430.39]	**22,056.91** (18,750.47) [9,707.88]	**994.72** (8,229.15) [614.82]	**-** (-) [-]	**74,106.95** (53,044.77) [42,523.45]	**8,284.48** (6,196.04) [4,873.27]	**140.12** (116.05) [270.01]	**2,924.21** (2,204.49) [1,592.81]	**-** (-) [-]	**11,068.58** (8,284.48) [6,196.07]	**63,038.37** (44,760.30) [36,327.38]
Share of Joint Ventures – [Note 11 (b), Page F-68]	**29.85** (4.80) [1.26]	**2,425.66** (25.05) [3.54]	**-** (-) [-]	**-** (-) [-]	**2,455.51** (29.85) [4.80]	**5.05** (1.05) [0.10]	**-** (-) [-]	**261.66** (4.00) [0.96]	**-** (-) [-]	**266.71** (5.05) [1.06]	**2,188.80** (24.80) [3.74]
	53,074.61 (42,528.25) [33,431.65]	**24,482.57** (18,775.52) [9,711.42]	**994.72** (8,229.15) [614.82]	**-** (-) [-]	**76,562.46** (53,074.61) [42,528.25]	**8,289.53** (6,197.10) [4,873.37]	**140.12** (116.05) [270.01]	**3,185.88** (2,208.49) [1,593.77]	**-** (-) [-]	**11,335.29** (8,289.53) [6,197.13]	**65,227.17** (44,785.10) [36,331.12]
Capital Work-in-Progress											**4,970.40** (3297.45) [1,386.92]
Total											**70,197.57** (48,082.54) [37,718.04]

Notes:

1) Figures in bracket ( ) are in respect of year 2009-2010 & figures in bracket [ ] are in respect of year 2008-2009.

2) Buildings include improvements to leasehold premises and an amount of 2010-11: Rs. Nil, 2009-10: Rs. 1,050 & 2008-09: Rs. 1,050 representing value of Shares in Co-operative Housing Societies / Condominium

3) Leasehold Land and building includes certain portions which have been given under operating leases

4) In the year 2009-10 additions include Rs. 9,089.78 lakhs of capital work-in-progress acquired consequent to the scheme of amalgamation which has been capitalized during the year (includes borrowing cost Rs. 2,408.51 lakhs). Refer Note 13, Page F-69.

5) * Represents accumulated depreciation of erstwhile amalgamating Companies as the amalgamated Company (Westland Limited) has carried forward the net book value of the amalgamating Companies.

Schedule forming part of the Consolidated Balance Sheet

Schedule 'E' (Item No.6, Page F-48)
INVESTMENTS

		As at 31.03.2011 Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
(1)	Investments	13,528.07	18,104.30	19,545.25
(2)	Share of Joint ventures- [Note 11(b), Page F-68]	0.43	0.41	4,663.55
		13,528.50	18,104.71	24,208.80

Schedule 'F' (Item No.8 (a), Page F-48]
INVENTORIES

		As at 31.03.2011 Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
Stocks				
(1)	Raw Materials	**262.88**	212.08	106.29
(2)	Packing Materials	**132.21**	125.42	110.34
(3)	Finished Products (Note 13, Page F-69)	**28,266.02**	20,373.87	17,234.15
(4)	Stocks-in-Transit	**16.11**	152.57	39.72
(5)	Stores & Spares	**82.82**	26.61	21.59
		28,760.04	20,890.55	17,512.09
(6)	Share of Joint Venture- [Note 11 (b), Page F-68]	**854.96**	38.03	-
		29,615.00	20,928.58	17,512.09

Schedule 'G' (Item No.8(b), Page F-48)
SUNDRY DEBTORS

		As at 31.03.2011 Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
(1)	Debts outstanding for a period exceeding six months	**1,421.70**	227.69	265.16
(2)	Other Debts	**1,162.24**	1,415.97	1,177.23
		2,583.94	1,643.66	1,442.39
	Less: Provision for Doubtful Debts	**97.84**	93.28	109.32
		2,486.10	1,550.38	1,333.07
	Considered Good – Unsecured	**2,486.10**	1,550.38	1,333.07
	Considered Doubtful - Unsecured	**97.84**	93.28	109.32
		2,583.94	1,643.66	1,442.39
(4)	Share of Joint Ventures –[Note 11(b), Page F-68]	**1.86**	1.86	-
		2,487.96	1,552.24	1,333.07

Schedule 'H' (Item No.8(C), Page F-48)
CASH AND BANK BALANCES

		As at 31.03.2011 Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
(1)	Cash on hand (including cheques on hand Rs.Nil) (2009-2010: Rs. Nil) & (2008-2009: Rs.11.63 lakhs)	**419.76**	323.54	251.30
(2)	Balances with Scheduled Banks			
	(a) Current Accounts	**1,577.77**	1,083.53	1,200.53
	(b) Fixed Deposit Accounts	**397.15**	352.62	366.01
	(c) Certificate of Deposits (refer schedule "I", Page F-59)	**28,393.88**	-	-
	(d) Unclaimed Dividend	**65.12**	63.30	74.34
	(e) Unclaimed Debenture Interest	**2.37**	1.95	
		30,436.29	1,501.40	1,640.88
		30,856.05	1,824.94	1,892.18
(3)	Share of Joint Ventures-[Note 11(b), Page F-68]	**1,476.99**	2,548.17	46.67
		32,333.04	4,373.11	1,938.85

TRENT LIMITED

Schedule forming part of the Consolidated Balance Sheet

Schedule 'I' (Item No.2 (c), Page F-58)

CERTIFICATE OF DEPOSITS

	Balance as on 01.04.2010		Purchase during the year		Sold during the year		Balance as on 31.03.2011	
	No. of Units	Rupees in lakhs	No. of units	Rupees in lakhs	No. of units	Rupees in lakhs	No. of units	Rupees in lakhs
Face Value of Rs. 1.00 Lakh								
HDFC Bank Ltd	-	-	2,500	2,413.56	2,500	2,413.56	-	-
ICICI Bank Ltd	-	-	2,500	2,411.77	2,500	2,411.77	-	-
IDBI Bank Ltd	-	-	5,000	4,776.81	-	-	5,000	4,776.81
ICICI Bank Ltd	-	-	2,500	2,392.23	-	-	2,500	2,392.23
HDFC Bank Ltd	-	-	2,500	2,391.94	-	-	2,500	2,391.94
Dhanlakshmi Bank Ltd	-	-	2,500	2,467.48	2,500	2,467.48	-	-
Axis Bank Ltd	-	-	5,000	4,800.90	2,500	2,400.64	2,500	2,400.26
Union Bank Of India	-	-	2,500	2,374.22	2,500	2,374.22	-	-
State Bank Of Patiala	-	-	2,500	2,337.09	-	-	2,500	2,337.09
State Bank Of Hyderabad	-	-	2,500	2,373.19	2,500	2,373.19	-	-
State Bank of Bikaner & Jaipur	-	-	5,000	4,736.30	-	-	5,000	4,736.30
Canara Bank	-	-	2,500	2,446.26	2,500	2,446.26	-	-
State Bank of Patiala	-	-	2,500	2,418.75	2,500	2,418.75	-	-
Canara Bank	-	-	2,500	2,402.59	-	-	2,500	2,402.59
Punjab & Sind Bank	-	-	2,500	2,366.48	-	-	2,500	2,366.48
Axis Bank Ltd	-	-	2,500	2,272.47	-	-	2,500	2,272.47
ICICI Bank Ltd	-	-	2,500	2,317.71	-	-	2,500	2,317.71
		-						**28,393.88**

TRENT LIMITED
Schedule forming part of the Consolidated Balance Sheet

Schedule 'J' (Item No.8 (d), Page F-48)
LOANS AND ADVANCES

		As at 31.03.2011 Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
(1)	Security Deposits			
	Deposits for Premises-Others	**11,961.45**	8,760.76	7,589.04
	Other Deposits	**133.01**	749.39	134.52
		12,094.46	9,510.15	7,723.56
(2)	Loans	**7,705.78**	5,464.89	5,107.54
(3)	Other Loans and Advances recoverable in cash or in kind or for value to be received	**2,114.10**	6,925.58	6,732.24
(4)	Balances with Customs/ Port Trust etc.	**107.53**	95.84	91.41
(5)	Other Receivables	**782.46**	470.23	1,075.44
(6)	Bills of Exchange	**114.20**	114.20	114.20
(7)	Advances on Capital Account	**806.12**	765.62	433.88
(8)	Advance payment of taxes- net of Advance Tax	**1,492.79**	315.79	257.03
(9)	MAT Credit Entitlement	**1,549.78**	741.54	126.30
		26,767.22	24,403.84	21,661.60
(10)	Less: provision for Doubtful Advances	**214.72**	211.91	177.49
		26,552.50	24,191.93	21,484.11
	Considered Good – Unsecured	**26,552.50**	24,191.92	21,484.11
	Considered Doubtful-Unsecured	**214.72**	211.91	177.49
		26,767.22	24,403.84	21,661.60
(11)	Share of Joint Ventures – [Note 11(b), Page F-68]	**837.83**	332.24	69.51
		27,390.33	24,524.17	21,553.62

Schedule 'K' (Item No.9 (a), Page F-48)
LIABILITIES

		As at 31.03.2011 Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
(1)	Sundry Creditors (Note 7, Page F-65)	**28,549.51**	21,726.12	17,512.29
(2)	Security Deposits Received	**1,501.33**	1,434.84	106.52
(3)	Investor Education and Protection Fund (Appropriate amount shall be transferred to "Investor Education and Protection Fund" if and when due			
	(a) Unclaimed dividend	**65.12**	63.29	72.91
	(b) Unclaimed application money received by the company for allotment of Rights Issue and due for refund	**22.47**	4.82	5.72
	(c) Unclaimed Debenture Interest	**2.37**	1.95	1.43
		89.96	70.06	80.06
		30,140.80	23,231.01	17,698.87
(4)	Share of Joint Ventures-[Note 11(b), Page F-68]	**2,209.82**	669.64	696.84
		32,350.62	23,900.66	18,395.71

TRENT LIMITED

Schedule forming part of the Consolidated Balance Sheet

Schedule 'L' (Item No. 9(b), Page F-48)
PROVISIONS

		As at 31.03.2011 Rupees in lakhs	As at 31.03.2010 Rupees in lakhs	As at 31.03.2009 Rupees in lakhs
(1)	Proposed Dividend	**1505.49**	1,302.29	1,074.31
(2)	Tax on Dividend	**244.23**	216.29	182.20
(3)	Contingencies	**289.00**	205.00	205.00
(4)	Retirement Benefits	**759.26**	788.50	658.49
(5)	Redemption Premium of Debentures	**11,260.17**	3,566.92	3,262.49
(6)	Rent Equilisation Reserve	**77.61**	76.47	36.16
		14,135.76	6,155.47	5,418.65
(7)	Share of Joint Ventures – [Note 11(b), Page F-68]	**7.34**	4.83	4.01
		14,143.10	6,160.30	5,422.66

Schedule 'M'
CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES

1 Basis of preparation of accounts

1.1 **2010-2011**

The consolidated financial statement have been prepared in accordance with the accounting standard 21 (AS -21) " Consolidated Financial Statements" and Accounting Standard-27 (AS-27) "Financial Reporting of Interest in Joint Ventures" issued by the Institute of Chartered Accountants of India. The consolidated financial statements are prepared by consolidating the accounts of Trent Limited with its subsidiaries, Trent Brands Limited, Fiora Services Limited, Nahar Theatres Private Limited, Fiora Link Road Properties Limited, Trent Hypermarket Limited, Trent Global Holdings Limited, Landmark Limited, Westland Limited, Trent Retail Services Private Limited (Formerly Regent Management Private Limited) (Subsidiary of Landmark Limited), Landmark E-Tail Private Limited (Subsidiary of Landmark Limited) and Joint Venture -Trexa ADMC Private Limited, Inditex Trent Retail India Private Limited. Virtuous Shopping Centres Private Limited (Joint Venture of Trent Hypermarket Limited).

2009-10

The consolidated financial statement have been prepared in accordance with the accounting standard 21 (AS -21) " Consolidated Financial Statements" and Accounting Standard-27 (AS-27) "Financial Reporting of Interest in Joint Ventures" issued by the Institute of Chartered Accountants of India. The consolidated financial statements are prepared by consolidating the accounts of Trent Limited with its subsidiaries, Trent Brands Limited, Fiora Services Limited, Nahar Theatres Private Limited, Fiora Link Road Properties Limited, Trent Hypermarket Limited, Trent Global Holdings Limited, Landmark Limited, Westland Limited, Regent Management Private Limited (Subsidiary of Landmark Limited), Landmark E-Tail Private Limited (Subsidiary of Landmark Limited) and Joint Venture -Trexa ADMC Private Limited, Inditex Trent Retail India Private Limited.

2008-09

The consolidated financial statement have been prepared in accordance with the accounting standard 21 (AS -21) " Consolidated Financial Statements" and Accounting Standard-27 (AS-27) "Financial Reporting of Interest in Joint Ventures" issued by the Institute of Chartered Accountants of India. The consolidated financial statements are prepared by consolidating the accounts of Trent Limited with its subsidiaries, Trent Brands Limited, Fiora Services Limited, Satnam Developers and Finance Private Limited, Nahar Theatres Private Limited, Fiora Link Road Properties Limited, Trent Hypermarket Limited, Trent Global Holdings Limited, Landmark Limited, Westland Limited (Subsidiary of Landmark Limited), Regent Management Private Limited (Subsidiary of Landmark Limited), Landmark E-Tail Private Limited (Subsidiary of Landmark Limited) and Joint Venture -Trexa ADMC Private Limited, Virtuous Trustees Private Limited and Satnam Realtors Private Limited, wherein Satnam Developers and Finance Private Limited (100% subsidiary) holds 50% interest.

(a) Depreciation in respect of Landmark Limited: Depreciation is provided on Straight Line Method at the rates specified in Schedule XIV of the Companies Act, 1956 except for the following assets, which are depreciated at rate higher than that specified in Schedule XIV based on useful life of the assets as estimated by the Management.

	Asset	Useful Life (Years)
(a)	Motor Cars and Other Vehicles	5
(b)	Office Equipment	5
(c)	Furniture and Fixture	10
(d)	Plant and Machinery	10

Leasehold improvements are depreciated over its economic useful life, not exceeding a maximum period of 10 years.

Cost of Software is amortised over a period of six years

(b) **Depreciation in respect of Westland Limited:** Depreciation is provided on Written Down Value Method at the rates specified in Schedule XIV of the Companies Act, 1956. Leasehold improvements are depreciated over the lease period not exceeding 5 years. Computer application software is fully depreciated in the year of addition.

(c) **Depreciation in respect of Trent Brands Limited:** Depreciation has been provided in accordance with Schedule XIV of the Companies Act, 1956 on "Written Down Value" method.

(d) **Depreciation in respect of Inditex Trent Retail Private Limited:** Depreciation on fixed assets is provided on straight line method over the useful lives of assets estimated by the management. The rates used by the management are higher than rates specified in Schedule XIV to the Companies Act, 1956. The useful lives of assets are as follows:

	Asset	Useful Life (Years)
(a)	Furniture and Fixtures	7
(b)	Computers	4
(c)	Office Equipment	7

Leasehold improvements are amortised on the straight-line basis over the estimated useful life of seven years or remaining lease term, whichever is lower.

(e) **2010-11**

Other significant accounting policies are set out in the Notes to Accounts under the schedule "Significant Accounting Policies" of Trent Limited, Trent Brands Limited, Fiora Services Limited, Nahar Theatres Private Limited, Fiora Link Road Properties Limited , Trent Hypermarket Limited, Trent Global Holdings Limited, Landmark Limited, Westland Limited, Trent Retail Services Private Limited Formerly Regent Management Private Limited Landmark E-Tail Private Limited, Virtuous Shopping Centres Private Limited, Trexa ADMC Private Limited and Inditex Trent Retail India Private Limited.

2009-10

Other significant accounting policies are set out in the Notes to Accounts under the schedule "Significant Accounting Policies" of Trent Limited, Trent Brands Limited, Fiora Services Limited, Nahar Theatres Private Limited, Fiora Link Road Properties Limited , Trent Hypermarket Limited, Trent Global Holdings Limited, Landmark Limited, Westland Limited, Regent Management Private Limited and Landmark E-Tail Private Limited.

2009-10

Other significant accounting policies are set out in the Notes to Accounts under the schedule "Significant Accounting Policies" of Trent Limited, Trent Brands Limited, Fiora Services Limited, Satnam Developers and Finance Private Limited, Nahar Theatres Private Limited, Fiora Link Road Properties Limited, Trent Hypermarket Limited, Trent Global Holdings Limited, Landmark Limited, Westland Limited, Regent Management Private Limited and Landmark E-Tail Private Limited.

(f) **Preliminary and Share issue expenses in respect of Trent Hypermarket Limited:** Preliminary and Share issue expenses are fully written off in the year in which the expenses are incurred.

TRENT LIMITED

Schedule forming part of the Consolidated Balance Sheet and Profit and Loss Account

Notes on the Consolidated Balance Sheet and Profit and Loss Account

1 (a) Estimated amount of contracts remaining to be executed on capital account and not provided for 2010-11: Rs.2851.68 lakhs, 2009-10: Rs.2966 lakhs & 2008-09: Rs. 626.62 lakhs.

Share of Joint Venture 2010-11: Rs.521.00 lakhs, 2009-10: Rs.225.15 lakhs & 2008-09: Rs. 29.82 lakhs.

2 (a) Contingent Liabilities in respect of Sales tax, Excise and Customs demands against which the Company has filed appeals: 2010-11: Rs.195.64 lakhs- net of tax Rs.130.65 lakhs, 2009-10: Rs. 61.81 lakhs- net of tax Rs. 41.28 lakhs & 2008-09: Rs. 56.20 lakhs- net of tax Rs. 37.10 lakhs

(b) Contingent Liability in respect of Income-tax demands against which the Company has filed appeals: 2010-11: Rs. 5384.33 lakhs, 2009-10: Rs. 377.09 lakhs & 2008-09: Rs. 414.70 lakhs.

(c) Claims made against the Company not acknowledged as debts: 2010-11: Rs. 5514.42 lakhs, 2009-10: Rs. 984.29 lakhs & 2008-09: Rs.857.79 lakhs. In respect of one of the subsidiaries amount not ascertained.

(d) As a matter of abundant caution, a general provision for contingencies of Rs.205.00 lakhs has been made against items (a), (b) and (c) above, which are disputed by the company

3 Managerial Remuneration (Holding Company) :
Managerial remuneration for Managing Director and Non- Whole time Directors

		2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
(a)	Salaries (including Company's Contribution to Provident Fund and Superannuation Fund)	**32.09**	74.88	70.30
(b)	Commission	**132.86**	105.00	21.88
(c)	Perquisites	**18.74**	45.23	39.12
(d)	Directors' sitting fees	**13.12**	11.98	9.70
(e)	ESOP	**86.80**		
		283.61	237.09	141.00

Note:

2010-2011

(a) The above figures do not include contribution to Gratuity Fund as separate figure is not available for the Managing Director, and retirement benefits of Rs.14.40 lakhs paid to a former Managing Director.

2009-2010

(a) The above figures do not include contribution to Gratuity Fund as separate figure is not available for the Managing Director, the amortised cost of 10000 Employee Stock Options granted to Managing Director and retirement benefits of Rs. 14.40 lakhs paid to a former Managing Director

(b) The remuneration to the Managing Director in excess of the maximum remuneration prescribed under Section 198 of the Companies Act 1956 amounting to Rs. 44.57 lakhs is subject to the approval of the Shareholders and the Central Government

2008-2009

(a) The above figures do not include contribution to Gratuity Fund as separate figure is not available for the Managing Director and retirement benefits of Rs. 14.40 lakhs paid to a former Managing Director

4 Major components of Deferred Tax Assets and Liabilities are:

	2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
Deferred Tax Liability			
Depreciation	**1,805.73**	1,149.35	778.00
Deferred Tax Assets			
Retirement Benefits	**214.44**	251.77	200.65
Premium on redemption of Debentures	**2,863.20**	342.17	421.87
Carried forward losses and unabsorbed depreciation	**1,075.37**	594.41	194.72
Other Provisions	**298.66**	118.97	58.87
	4,451.67	1,307.33	876.11
Share of Joint Ventures [Note 11(b) Page F-68]	**(10.84)**	0.03	(0.17)
Net Deferred Tax (Asset)/ Liability	**(2,656.78)**	(157.95)	(98.28)

5 (i) Schedule 1 Item 4 (p) General Expenses include :

		2010-11 Rupees in lakhs	2009-10 Rupees in lakhs	2008-09 Rupees in lakhs
(a)	Auditors' Remuneration -			
	Audit Fees	**27.81**	23.05	20.02
	Fees for Taxation matters	**6.36**	4.02	3.32
	Other Services	**22.10**	16.97	12.54
	Reimbursement of out-of-pocket expenses	**1.98**	1.31	1.19
(b)	Provision for doubtful debts/ advances (net)	**47.79**	45.82	90.93
	Expenses on Amalgamation/ Securities / Warrant Issue includes Auditors' Remuneration- Other Services	**4.41**	0.88	-

6 Gain on foreign exchange fluctuation (net) credited to the profit and loss account amounted to 2010-11: Rs.87.55 lakhs including share of Joint Ventures Rs. 58.33 lakhs, 2009-10: Rs.84.88 lakhs including share of Joint Ventures Rs. 17.23 lakhs & 2008-09: Loss Rs.26.69 lakhs.

7 There is no Micro and Small Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2011. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of the information available with the Company.

8 There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at 31st March, 2011 except Rs.4.48 lakhs, as at 31st March 2010 except Rs. 3.99 lakhs & as at 31st March 2009 except Rs.3.63 lakhs which is held in abeyance due to legal cases pending.

TRENT LIMITED

Schedule forming part of the Consolidated Balance Sheet and Profit and Loss Account

9. SEGMENTAL REPORTING:

		2010-2011			
		Retailing	**Others**	**Unallocated**	**Total Company**
		Rs. in lakhs	**Rs. in lakhs**	**Rs. in lakhs**	**Rs. in lakhs**
A	SEGMENT REVENUE				
	1. External Revenue	**1,56,485.99** (1,10,033.63) [83,155.93]	**2,828.00** (2,244.35) [2,047.73]	**3,574.93** (1,482.54) [3,317.82]	**1,62,888.92** (1,13,760.52) [88,521.48]
	2. Intersegment Revenue	- - -	**988.14** (1,403.48) [1,530.02]	- - -	**988.14** (1,403.48) [1,530.02]
	3. Total Revenue	**1,56,485.99** (1,10,033.63) [83,155.93]	**3,816.14** (3,647.83) [3,577.75]	**3,574.93** (1,482.54) [3,317.82]	**1,63,877.06** (115,164.00) [90,051.50]
	4. Less: Intersegment Revenue	- - -	**988.14** (1,403.48) [1,530.02]	- (-) [-]	**988.14** (1,403.48) [1,530.02]
	NET SEGMENT REVENUE	**1,56,485.99** (110,033.63) [83,155.93]	**2,828.00** (2,244.35) [2,047.73]	**3,574.93** (1,482.54) [3,317.82]	**1,62,888.92** (113,760.52) [88,521.48]
B	RESULTS				
	1. Segment Results	**(1,613.94)** (253.28) [(1,799.23)]	**(173.62)** (109.95) [(322.84)]	**3,504.70** (1,227.61) [3,136.14]	**1,717.14** (864.38) [1,014.07]
	2. Interest Expense	- (-) [-]	- (-) [-]	**931.77** (788.25) [(958.74)]	**931.77** (788.25) [(958.74)]
	3. Exceptional Items (Income)/ Expense	- (-) [-]	- (-) [-]	**84.00** (836.71) [-]	**84.00** (836.71) [-]
	4. Provision for Taxation	- (-) [-]	- (-) [-]	**2,055.69** (844.95) [185.04]	**2,055.69** (844.95) [185.04]
	5. Excess tax provision for prior years (Net)	- (-) [-]	- (-) [-]	**(1,501.79)** (78.15) **[151.63]**	**(1,501.79)** (78.15) **[151.63]**
	6. Net Profit	**(1,613.94)** (253.28) [(1,799.23)]	**(173.62)** (109.95) [(322.84)]	**1,935.03** (509.27) [2,143.99]	**147.47** (146.04) [21.92]
C	SEGMENT ASSETS	**1,00,663.94** (71,307.29) [63,358.40]	**2,970.21** (2,165.44) [51.65]	**71,918.24** (44,092.60) [40,953.26]	**1,75,552.39** (117,565.33) [104,363.31]
D	SEGMENT LIABILITIES	**28,226.57** (22,520.69) [22,214.14]	**1,863.47** (1,375.32) [41.45]	**45,888.20** (32,816.15) [22,204.41]	**75,978.24** (56,712.17) [44,460.00]
E	CAPITAL EXPENDITURE	**17,833.91** (17,561.75) [8,426.08]	**84.74** (37.20) [175.47]	**4,890.95** (3,087.15) [124.45]	**22,809.60** (20,686.10) [8,726.00]
F	DEPRECIATION	**3,172.33** (2,183.25) [1,566.32]	**45.10** (21.93) [23.55]	**2.88** (3.31) [3.90]	**3,220.31** (2,208.49) [1,593.77]
G	NON CASH EXPENSES				
	Employee Stock Options Scheme	**22.68** (84.76) [-]	- (-) [-]	- (-) [-]	**22.68** (84.76) [-]

Notes:

(1) 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.

(2) Segment-wise 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.

(3) Figures in bracket ( ) are in respect of year 2009-2010 & figures in bracket [ ] are in respect of year 2008-2009

(4) Previous year's figures have been regrouped wherever necessary.

TRENT LIMITED
Notes On the Consolidated Balance Sheet And Profit And Loss Account (Contd)

10 RELATED PARTY TRANSACTIONS:

Related parties are as certified by the management

10.1 Related Parties with whom transactions have taken place during the year:

Associates:	Tata Sons Ltd. (Holds more than 20% of the Share Capital of the Company)
Joint Venture	Satnam Realtors Private Limited Trexa ADMC Private Limited Inditex Trent Retail India Private Limited Virtuous Shopping Centres Private Limited (Held by Trent Hypermarket Limited)

10.2 Directors of the Company

Managing Director	Mr. N. N. Tata (resigned on 11th August 2010)
Non Executive Directors	Mr. F. K. Kavarana Mr. B. S. Bhesania (retired on 18th August 2010) Mr. A. D. Cooper Mr. K. N. Suntook Mr. N. N. Tata (wef 12th August 2010 till 18th August 2010) Appointed as an Additional Director and Vice Chairman wef 19th August 2010 Mr. N. A. Soonawala (retired on 31.03.2010) Mr. Zubin Dubash (wef 26th April 2010) Mr. Bhaskar Bhat (wef 27th September 2010)

Details of remuneration to directors is disclosed in Note No.3 Page No. on Balance Sheet and Profit and Loss account.

		2010-2011 Rupees In lakhs	2009-10 Rupees In lakhs	2008-09 Rupees In lakhs
10.3	Sales to and Other recoveries from related parties			
	a) Associates	**9.32**	5.63	1.75
	b) Joint Venture	**-**	45.66	-
10.4	Purchase/other services from related parties			
	Associates	**493.35**	429.69	421.32
10.5	Interest/Dividend received from related parties			
	Associates	**14.00**	14.00	10.55
	Joint Ventures			820.75
10.6	Interest/Dividend paid to related parties			
	a) Associates	**328.96**	278.35	354.27
	b) Directors	**3.88**	2.40	3.06
10.7	Subscription to Share Capital			
	Joint Venture	**-**	3,192.70	-
10.8	Security deposit given during the year			
	Joint Venture		-	62.00
	Associates	**21.00**		
10.9	Security deposit receivable as on 31.03.2011			
	Associates	**66.00**	45.00	45.00
	Joint Venture			500.00
10.10	Outstanding Balance as on as 31.03.2011 receivables by Company			
	Joint Venture	**-**	0.02	1,564.66
10.11	Outstanding Payables as on 31.3.2011			
	Associates	**171.17**	103.34	95.93
10.12	Issue of Equity Shares			
	Directors	**1.00**	38.95	-
10.13	Issue of CCPS			
	a) Associates	**13,512.11**	-	-
	b) Directors	**162.46**	-	-
10.14	Sitting fees			
	Directors	**16.67**	13.51	11.48
10.15	Loan given			
	Joint Venture			6400.00
10.16	Loan Repaid			
	Joint Venture			5945.99
10.17	Outstanding balance of loan as on 31st March 2010 receivable by Company			
	Joint Venture			6400.00

TRENT LIMITED

Notes On the Consolidated Balance Sheet And Profit And Loss Account (Contd)

11. The Subsidiaries and interest in Joint Ventures considered in Consolidated Financial Statements are:

			Country of Origin	Proportionate Ownership interest		
				as on 31-3-2011	as on 31-3-2010	as on 31-3-2009
	(a)	Particulars of Subsidiaries				
	1	Trent Brands Limited	India	**100.00%**	100.00%	100.00%
	2	Fiora Sevices Limited	India			
		Held by Trent Limited		**25.67%**	25.67%	25.67%
		Held by Trent Brands Limited (Subsidiary)		**64.20%**	64.20%	64.20%
	3	Nahar Theatres Private Limited	India	**100.00%**	100.00%	100.00%
	4	Fiora Link Road Properties Limited	India	**100.00%**	100.00%	100.00%
	5	Landmark Limited				
		Held by Trent Limited	India	**57.39%**	57.39%	77.41%
		Held by Subsidiaries of Trent Limited	India	**17.66%**	17.66%	22.54%
	6	Westland Limited		**96.64%**	96.64%	96.64%
	7	Trent Retail Services Private Limited Former Regent Management Private Limited				
		Held by Landmark Limited (Subsidiary)	India	**100.00%**	100.00%	100.00%
	8	Landmark E-Tail Private Limited				
		Held by Landmark Limited (Subsidiary)	India	**100.00%**	100.00%	100.00%
	9	Trent Hypermarket Limited	India	**100.00%**	100.00%	100.00%
	10	Trent Global Holdings Limited	Mauritius	**100.00%**	100.00%	100.00%
	11	Satnam Developers and Finance Private Limited	India	**-**	-	100.00%
(b)		Interest in Joint Venture				
	1	Virtuous Shopping Centres Private Limited Held by Trent Hypermarket Limited Subsidiary of the Company	India	**66.66%**	-	-
	2	Trexa ADMC Private Limited	India	**50.00%**	50.00%	50.00%
	3	Inditex Trent Retail Pvt Limited	India	**49.00%**	49.00%	-
	4	Satnam Realtors Private Limited				
		Held by Satnam Developers and Finance Private Limited (Subsidiary)	India	**-**	-	50.00%
	5	Virtuous Trustees Private Limited	India	**-**	-	49.00%

			As at 31.03.2011 (Rupees In lakhs	As at 31.03.2010 (Rupees In lakhs)	As at 31.03.2009 (Rupees In lakhs)
I		Income			
	1	Income from operations	**7,247.46**	24.01	-
	2	Other income	**67.19**	30.54	11.88
II		Expenditure			
	1	Expenses	**5,425.56**	230.55	146.91
	2	Depreciation	**261.66**	4.00	0.96
III		Assets			
	1	Fixed Assets	**3,310.60**	866.33	3.75
	2	Investments	**0.43**	0.41	4,663.55
	3	Deferred tax Asset / (Liabilities)	**10.84**	(0.03)	0.17
	4	Current Assts, Loans & Advances			
		- Cash and bank balances	**1,477.00**	2,548.17	46.67
		- Loans and Advances	**830.88**	332.24	69.51
		- Debtors	**1.86**	1.86	-
		- Inventories	**854.96**	38.03	-
		-Other Current Asset	**6.95**	-	-
		- Miscellaneous Expenditure (to the extent not written off)	**-**	-	0.56
IV		Liabilities			
	1	Unsecured Loans	**-**	-	4,012.43
	2	Current Liabilities	**2,213.02**	669.65	670.76
	3	Provisions	**7.34**	4.83	-
V		Capital Commitments	**521.00**	225.15	29.83

12 EARNINGS PER SHARE (EPS) :

		2010-2011	2009-2010	2008-2009
(a)	Weighted Average Number of shares outstanding during the year.			
	i) For Basic Earnings Per Share	**20,51,974**	19,589,303	19,532,896
	ii) For Diluted Earnings Per Share No. of Shares for Basic EPS as per a(i)	**20,51,974**	19,589,303	19,532,896
	Add: Dilutive Potential Equity Shares in respect of outstanding warrants/ options	**1,903,534**	1,12,753	-
	No of shares for Diluted Earnings per Share	**21,955,508**	19,702,056	19,532,896
(b)	Net Profit/Loss) after Tax available for Equity Shareholders (Rupees in lakhs)	**749.17**	155.70	103.96
(c)	Less: Dividend to Preference Shareholders and applicable dividend distribution tax there on	**1.43**	0.01	-
(d)	Net Profit/ (Loss) after Tax extra ordinary item available for Equity Shareholders (Rupees in lakhs)	**747.74**	155.69	103.96
(e)	Less: Extra Ordinary Item	**105.98**	-	
(f)	Net Profit / (Loss) after Tax Before extra Ordinary item available for Equity Share Holders (Rupees in lakhs)	**641.76**	155.69	103.96
(g)	Earnings Per Share before Extra Ordinary Item (Rs) (Face value of Rs.10/-)			
	Basic	**3.20**	0.79	0.53
	Diluted	**2.92**	0.79	0.53
(h)	Earnings Per Share After Extra Ordinary Item (Rs) (Face value of Rs.10/-)			
	Basic	**3.73**	0.79	0.53
	Diluted	**3.41**	0.79	0.53

13. 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 Highcourt of Judicature at Bombay has become effective on March 12, 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. The appointed date of the scheme is April 1, 2009. SDPL was a 100% subsidiary of the Company engaged in the business of real estate investment and development activities and SRPL was engaged in the business of construction and development activities. SDPL held 50% of the shares in SRPL.

In terms of the scheme,

(a) All the assets and liabilities of SDPL and SRPL stand transferred to and vested in the company with effect from the appointed date.

(b) Inter corporate loans, deposits and balances as between SDPL, SRPL and the Company stands cancelled.

(c) The book value of the shares held by the Company in SDPL, as appearing in the books of the Company, the book value of shares held by SDPL in SRPL and the advance paid by SDPL towards acquisition of shares in SRPL, as appearing in the books of SDPL, stands cancelled.

(d) The company on March 26, 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) in the ratio of 14 Preference Shares for every 1 Equity Share held.

(e) The scheme of amalgamation with SDPL is being accounted for under the pooling of interest method and with SRPL is being accounted for under the Purchase Method as contained in AS14 "Accounting for amalgamation" issued by the ICAI. The vested assets and liabilities of SDPL and SRPL have been recognized at their book values in the books of the Company.

(f) The costs and expenses amounting to Rs. 120.02 lakhs (net of tax Rs.80.15 lakhs) incurred for implementation of the scheme have been adjusted against the general reserve of the company.

(g) The deficit of Rs.2519.32 lakhs arising due to the difference between the value of assets over the value of liabilities of SDPL and SRPL and the face value of the preference shares issued by the company and after adjusting the diminution in the value of Long term investments to the extent of Rs.186.09 lakhs and Finished goods inventory Rs. 918.77 lakhs (net of tax - Rs.606.48 lakhs) 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.

14 On 30th April 2010 the Company acquired 100% Equity Shares and Preference Shares of Optim Estate Private Limited making it a wholly owned subsidiary of the Company. The Scheme of Amalgamation of Optim Estates Private Limited with Trent Hypermarket Limited (100% subsidiary of the Company) as approved by the Hon'able High court if judicature at Bombay is effective 20th September 2010. The appointed date of the Scheme is 1st April 2009. In terms of the Scheme Trent Hypermarket Limited has issued the Company 1,50,000 Equity Shares of Rs.10 each and 10,00,000 10% p.a. Redeemable Preference Shares of Rs 10 each in consideration against its holdings in Optim Estates Private Limited.

15 Extra ordinary item represents profit of Rs. 144.97 Lakhs (net of tax Rs. 105.98 Lakhs) on sale of investments by a subsidiary of the Company

16 Previous year's figures have been regrouped wherever necessary.
Signatures to Schedules '1' to '5'. and 'A' to 'M' and Notes

17 Exceptional item's represents profit on sale of minority stake of its subsidiary Landmark Limited to a Private Equity Fund.

18 As approved by the shareholders, the Company had transferred its Star Bazaar business, as a going concern, to is 100% subsidiary Trent Hypermarket Limited, with effect from 1st August 2008.

TRENT LIMITED - CONSOLIDATED CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2011

Sl.No	Particulars	**1.4.2010 to 31.3.2011 Rupees in lakhs**	1.4.2009 to 31.3.2010 Rupees in lakhs	1.4.2008 to 31.3.2009 Rupees in lakhs
A	**CASH FLOW FROM OEPRATING ACTIVITIES**			
	Net Profit before Taxes and Exceptional Items	**785.34**	76.14	55.33
	Adjustments for:			
	Depreciation	**3,185.88**	2,208.49	1,593.77
	Provision for doubtful debts written off	**39.63**	54.96	90.93
	Share issue expenses	**-**	-	43.72
	Interest (net)	**(643.64)**	89.82	(179.81)
	Interest on Financing Activity	**-**	6.34	-
	Employee Stock Option	**22.68**	84.76	-
	(Profit)/Loss on Fixed Assets sold/discarded (Net)	**(610.99)**	173.10	225.61
	(Profit)/Loss on sale of Investments	**(499.18)**	(154.86)	(781.16)
	Dimunition in the value of Long Term investment	**-**	0.63	-
	Income From Investments	**(793.58)**	(532.52)	(1,447.98)
	Rent Equalization	**(1.20)**	40.31	36.16
	Discount on Commercial Paper	**-**	225.45	-
	Preliminary Exp w/off	**-**	0.13	-
	Unrealised foreign exchange loss/ (gain)	**39.93**	(17.19)	-
	Excess provision no longer required written back	**(42.22)**	(352.26)	(49.95)
		697.31	1,827.16	(468.71)
	Operating Profit Before Working Capital Changes	**1,482.65**	1,903.30	(413.38)
	Adjustments for :			
	(Increase)/Decrease in Inventories	**(8,686.42)**	(4,335.26)	(2,409.33)
	(Increase)/Decrease in Trade & Other Receivables	**(7,589.66)**	(1,275.94)	(2,287.03)
	Increase/(Decrease) in Trade & Other Payables	**10,481.26**	3,806.68	126.95
		(5,794.82)	(1,804.52)	(4,569.41)
	Cash generated from operations	**(4,312.17)**	98.78	(4,982.79)
	Direct Taxes Paid	**(1,516.65)**	(864.69)	(690.64)
	Net Cash from Operating Activities	**(5,828.82)**	(765.91)	(5,673.43)
B	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of Fixed Assets	**(16,402.51)**	(8,073.44)	(4,993.33)
	Sale of Fixed Assets	**(1,345.63)**	99.85	117.86
	Purchase of Investments	**(213,433.94)**	(133,561.53)	(181,089.64)
	Sale of Investments	**218,446.31**	125,499.94	192,414.48
	Loans given	**(13,000.00)**	(8,285.00)	(3,200.00)
	Repayment of Loans given	**9,772.50**	4,285.00	5,970.99
	Interest received	**1,264.97**	2,022.04	243.22
	Merger Expenses	**(31.92)**	(120.02)	
	Income from Investments	**793.58**	523.73	1,462.09
	Net Cash Used in Investing Activities	**(13,936.64)**	(17,609.43)	10,925.67
C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Issue of securities	**71,467.74**	24,349.41	10,000.00
	Redemption of Securities (Including Premium)	**(14,149.37)**	(5,663.35)	
	Issue expenses on securities	**(660.77)**	(19.38)	(73.98)
	Unclaimed Securities application money	**17.64**	(0.89)	(5.08)
	Long Term & Other borrowings	**(505.45)**	8,198.55	904.49
	Repayment of Long Term & Other borrowings	**(6,407.54)**	(2,719.57)	(13,113.47)
	Interest Paid	**(688.31)**	(2,116.85)	(1,304.48)
	Dividend Paid	**(1,518.41)**	(1,257.33)	(1,638.76)
	Net Cash from Financing Activities	**47,555.53**	20,770.59	(5,231.28)
D	**EFFECT OF EXCHANGE FLUCTATION ON TRANSLATION RESERVE**	**(0.80)**	(2.56)	32.13
	NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)	**27,789.27**	2,392.69	53.09
	CASH AND CASH EQUIVALENTS AS AT 01.04.2010	**4,373.11**	1,938.85	1,885.76
	Add: Cash and Cash Equivalents taken over on Merger	**170.66**	42.00	-
	Less: Cash balance eliminated on sale of subsidiary	**-**	(0.43)	-
	CASH AND CASH EQUIVALENTS AS AT 31.03.2011	**32,333.04**	4,373.11	1,938.85

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 schedule H to the Balance Sheet.

(iii) Of the above cash and cash equivalents balance the amount of Rs. Nil, (2009-10 : Rs. Nil and 2008-09: Rs.85.63 lakhs) is not available for use by the Company as it is under dispute.

(iv) Previous year's figures have been regrouped wherever necessary

As per our report attached.

For N. M. RAIJI & CO.,
Chartered Accountants

Y.N. THAKKAR
Partner

M. M. SURTI
Company Secretary

Mumbai, 25th May 2011

For and on behalf of the Board,

F. K. KAVARANA Chairman

N. N. TATA Vice Chairman

A. D. COOPER
ZUBIN DUBASH
BHASKAR BHAT
} Directors

Limited Review Report

To,
The Board of Directors
Trent Limited

We have reviewed the accompanying statement of unaudited financial results of **Trent Limited** for the nine month period ended on 31st December 2011. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on this interim financial information based on our review.

We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies contains any material misstatement.

For **N. M. RAIJI & CO.,**
Chartered Accountants
(Registration No. 108296W)

Y. N. Thakkar

Partner
Membership No. 33329

Place: Mumbai
Date:

UNAUDITED FINANCIAL RESULTS FOR THE NINE MONTHS ENDED 31ST DECEMBER 2011.

(Rs. in Lakhs)

Sl. No.	Particulars		Nine Months Ended 31.12.2011 (Unaudited)	Year Ended 31.03.2011 (Audited)
1	(a)	Net Sales	62,358.02	67,395.10
	(b)	Other Operating Income	3,574.08	4,276.11
	Total Income		**65,932.10**	**71,671.21**
2	**Expenditure**			
	a)	(Increase)/ decrease in Stock-in-trade and work in Progress	(6,593.90)	(3,471.19)
	b)	Consumption of Raw Materials	221.68	217.96
	c)	Purchase of Traded Goods	39,219.81	36,756.05
	d)	Employee cost	4,988.24	5,495.67
	e)	Depreciation	1,172.87	1,362.65
	f)	Advertisement and Sales Promotion	4,328.24	4,694.70
	g)	Other Expenditure	23,617.81	24,656.08
		Total	**66,954.75**	**69,711.93**
3		**Profit from Operations before Other Income, Interest and Exceptional Items (1-2)**	**(1,022.65)**	**1,959.28**
4		Other Income	5,169.92	5,142.93
5		**Profit before Interest and Exceptional Items (3+4)**	**4,146.97**	**7,102.21**
6		Interest	562.15	784.29
7		**Profit after Interest but before Exceptional items (5-6)**	**3,584.82**	**6,317.92**
8		Exceptional income / (expense)	-	(284.00)
9		**Profit from Ordinary Activities before Tax (7+8)**	**3,584.82**	**6,033.92**
10		Tax Expenses	811.09	1,730.21
11		**Net Profit from Ordinary Activities after Tax (9-10)**	**2,773.73**	**4,303.71**
12		Extra Ordinary Item (net of Tax Expense)	-	-
13		**Net Profit after Tax (11+12)**	**2,773.73**	**4,303.71**
14		Paid up Equity Share Capital (Face value: Rs.10/- per share)	2,450.83	2,005.69
15		Reserves excluding Revaluation Reserve		104,599.39
16		**Earnings Per Share (EPS) Before Extraordinary items (Rs.) Not Annulised**		
		Basic	12.58	21.46
		Diluted	11.04	19.60
17		**Public Shareholding**		
		Number of Shares	16,713,993	13,775,685
		Percentage of Shareholding	68.20%	68.68%
18		**Promoters and Promoter Group Shareholding**		
	a)	**Pledged/ Encumbered**		
		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)	**Non- encumbered**		
		Number of Shares	7,794,298	6,281,192
		Percentage of shares (as a % of the shareholding of Promoter and Promoter Group)	100%	100%
		Percentage of shares (as a % of the Total Share Capital of the company)	31.80%	31.32%

Notes:-

1. During the period ended 31st December 2011, seven Westside stores were opened taking the total number of Westside stores to 61. The results for the period have been impacted partly by the levy of 10% excise duty on branded garments, considerable increase in raw material prices which was not passed fully to the customers due to market conditions and by the decision of the company to wind down the loss making Fashion Yatra format (5 stores) and substantially restructure the Sisley franchise operations. This restructuring exercise is expected to be completed by end of this Financial Year.

2. Out of the proceeds of the issue of Cumulative Convertible Preference Shares (CCPS) of Rs. 489.66 crores, Rs. 317.14 crores have been utilised towards objects of the issue including investments in subsidiaries to acquire properties for retail stores. Pending utilisation the balance amount is invested mainly in mutual funds and money market instruments.

3. Subsequent to the period end the Company has subscribed to the rights issue of equity shares of Trent Hypermarket Limited (THL), wholly owned subsidiary of the company to the extent of Rs.199.98 Crores. THL has since utilised the funds to repay loans given earlier by the company.

4. Subsequent to the period , Trent Hypermarket Limited (THL),a wholly owned subsidiary of the company has filed with the The High Court of Judicature at Bombay a Scheme for Balance Sheet Restructuring by utilisation of amounts lying in Securities Premium Account and the same has been admitted by Court on 24th February 2012.

5. As per the terms of the issue, 44,51,414 Cumulative Convertible Preference Shares (CCPS) of Series A have been converted into 44,51,414 of the equity shares of Rs. 10 each.

6. 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.

7. Details of number of investor complaints for the period ended 31st December 2011 are as under :
   Opening balance -Nil, Received during the period -15, Disposed off-14, Pending -1.

8. Previous period's figures have been regrouped wherever necessary.

9. The above unaudited 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 2nd March, 2012.

Mumbai

2nd March, 2012

For and on behalf of the Board of Directors

F. K. Kavarana
Chairman

Limited Review Report

To,
The Board of Directors
Trent Limited

1. We have reviewed the accompanying statement of Unaudited Consolidated financial results of **Trent Limited** ("the Company") and its subsidiaries, collectively referred to as "the Group", for the nine month period ended 31st December 2011. These statements are the responsibility of the Company's Management and have been approved by the Board of Directors. Our responsibility is to issue a report on these statements based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. We did not review the consolidated financial results of the subsidiary Landmark Limited and its subsidiaries. These results reflect total revenue of Rs.19089.04 lakhs for the nine month period ended on 31st December 2011, as considered in the unaudited consolidated financial results. These consolidated financial results have been reviewed by other firm of Chartered Accountants, and our opinion, in so far as it relates to the amounts included in respect of the subsidiaries is based solely on their review reports.

4. We did not review the financial results of the subsidiary Westland Limited, whose statements reflect total revenue of Rs.2647.75 lakhs for the nine month period ended on 31st December 2011, as considered in the unaudited consolidated financial results. These financial results have been reviewed by other firm of Chartered Accountants, and our opinion, in so far as it relates to the amounts included in respect of the subsidiaries is based solely on their review reports.

5. We did not review the financial results of the foreign subsidiary Trent Global Holdings Limited, whose statements reflect total revenue of Rs. Nil for the nine month period ended on 31st December 2011, as considered in the unaudited consolidated financial results. These financial results have been reviewed by other firm of Chartered Accountants, and our opinion, in so far as it relates to the amounts included in respect of the subsidiaries is based solely on their review reports.

6. We did not review the financial results of the joint venture Trexa ADMC Private Limited, whose statements reflect total revenue of Rs.0.77 lakhs for the nine month period ended on 31st December 2011, and the financial results of the joint venture Inditex Trent Retail India Private Limited, whose statements reflect total revenue of Rs 17744.45 lakhs for the nine month period ended on 31st December 2011, as considered in the unaudited consolidated financial results. These financial results of the joint ventures have been reviewed by other firms of Chartered Accountants, and our opinion, in so far as it relates to the amounts included in respect of the joint venture are based solely on their review reports.

7. Based on our review conducted as above and subject to our comments in paragraphs 3 to 6 above, nothing has come to our attention that causes us to believe that the accompanying statement has not been prepared in accordance with applicable accounting standards and other recognized accounting practices and policies or that it contains any material misstatement.

For N. M. RAIJI & CO.,
Chartered Accountants
(Registration No. 108296W)

Y. N. Thakkar

Partner
Membership No. 33329

Place: Mumbai
Date:

UNAUDITED FINANCIAL RESULTS FOR THE NINE MONTHS ENDED 31ST DECEMBER 2011. (CONSOLIDATED)

Rs in Lakhs

Sl. No.	Particulars	Nine Months Ended 31.12.2011 (Unaudited)	Year Ended 31.03.2011 (Audited)
1	(a) Net Sales	139,574.55	152,029.64
	(b) Other Operating Income	6,712.15	7,194.78
	Total Income	**146,286.70**	**159,224.42**
2	**Expenditure**		
	a) (Increase)/ decrease in Stock-in-trade and work in Progress	(7,528.04)	(8746.86)
	b) Consumption of Raw Materials	1,618.39	1,356.07
	c) Purchase of Traded Goods	96,152.23	103,508.51
	d) Employee cost	11,502.68	12,344.18
	e) Depreciation	2,909.67	3,185.88
	f) Advertisement and Sales Promotion	6,138.21	6,555.00
	g) Other Expenditure	40,784.98	42969.00
	Total	**151,578.12**	**161,171.78**
3	**Profit / (Loss) from Operations before Other Income, Interest and Exceptional Items (1-2)**	**(5,291.42)**	**(1,947.36)**
4	Other Income	3,151.50	3,664.50
5	**Profit/ (Loss) before Interest and Exceptional Items (3+4)**	**(2,139.92)**	**1,717.14**
6	Interest	720.54	931.77
7	**Profit/ (Loss) after Interest but before Exceptional items (5-6)**	**(2,860.46)**	**785.37**
8	Exceptional income / (expense)	-	(84.00)
9	**Profit/ (Loss) from Ordinary Activities before Tax (7+8)**	**(2,860.46)**	**701.37**
10	Tax Expenses	1,311.71	553.90
11	**Net Profit / (Loss) from Ordinary Activities after Tax (9-10)**	**(4,172.17)**	**147.47**
12	Extra Ordinary Item (net of Tax Expense)	1,724.15	105.98
13	**Net Profit / (Loss) after Tax (11+12)**	**(2,448.02)**	**253.45**
14	**Less: Minority Interest**	**(508.89)**	**(495.72)**
15	**Profit / (Loss) for the year after Minority interest**	**(1,939.13)**	**749.17**
16	Paid up Equity Share Capital (Face value: Rs.10/- per share)	2,450.83	2,005.69
17	Paid up Debt Capital		
18	Reserves excluding Revaluation Reserve	-	95,978.18
19	Debenture Redemption Reserve (included in item 18 above)		
20	**Earnings Per Share (EPS) Before Extraordinary items (Rs.) Not Annulised**		
	Basic	(16.62)	3.20
	Diluted	(14.58)	2.92
21	**Earnings Per Share (EPS) after Extraordinary items (Rs.)**		
	Basic	(8.80)	3.73
	Diluted	(7.72)	3.41
22	Debt Equity Ratio		
23	Debt Service Coverage Ratio		
24	Interest Service Coverage Ratio		
25	**Public Shareholding**		
	Number of Shares	16,713,993	13,775,685
	Percentage of Shareholding	68.20%	68.68%
26	**Promoters and Promoter Group Shareholding**		
	a) Pledged/ Encumbered		
	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) Non- encumbered		
	Number of Shares	7,794,298	6,281,192
	Percentage of shares (as a % of the shareholding of Promoter and Promoter Group)	100%	100.00%
	Percentage of shares (as a % of the Total Share Capital of the company)	31.80%	31.32%

Notes:-

1. During the period ended 31st December 2011, seven Westside stores and two Star Bazaar Stores were opened taking the total number of stores under all formats to 109. The results for the period have been impacted partly by the levy of 10% excise duty on branded garments, considerable increase in raw material prices which was not fully passed to the customers due to market condition and by the decision of the company to wind down the loss making Fashion Yatra format (5 stores) and substantially restructure the Sisley franchise operations. This restructuring exercise is expected to be completed by end of this Financial Year. Also, the Consolidated results has been impacted by the losses incurred by its subsidiaries Trent Hypermarket Limited and Landmark Limited.

2. Out of the proceeds of the issue of Cumulative Convertible Preference Shares (CCPS) of Rs. 489.66 crores, Rs. 317.14 crores have been utilised towards objects of the issue including investments in subsidiaries to acquire properties for retail stores. Pending utilisation the balance amount is invested mainly in mutual funds and money market instruments.

3. Subsequent to the period end the Company has subscribed to the rights issue of equity shares of Trent Hypermarket Limited (THL), wholly owned subsidiary of the company to the extent of Rs.199.98 Crores. THL has since utilised the funds to repay loans given earlier by the company.

4. Subsequent to the period , Trent Hypermarket Limited (THL),a wholly owned subsidiary of the company has filed with the The High Court of Judicature at Bombay a Scheme for Balance Sheet Restructuring by utilisation of amounts lying in Securities Premium Account and the same has been admitted by Court on 24th February 2012.

5. Extra ordinary income represents net profit made by a Subsidiary on sale of investments.

6. Details of number of investor complaints for the period ended 31st December 2011 are as under :
Opening balance -Nil, Received during the period -15, Disposed off-14, Pending -1.

7. Previous period's figures have been regrouped wherever necessary.

8. The above unaudited 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 2nd March, 2012.

Mumbai
2nd March, 2012

For and on behalf of the Board of Directors

F. K. Kavarana
Chairman

TRENT LIMITED

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

(Rs. In Lakhs)

Particulars	CONSOLIDATED	
	For Nine months ended	For the year ended
	31.12.2011	31.03.2011
	UnAudited	Audited
1. Segment Revenue		
a) Retailing	144,376.80	156,485.99
b) Others	2,648.13	3,816.14
Total Segment Revenue	**147,024.93**	**160,302.13**
Less : Inter Segment Revenue		
a) Retailing	-	-
b) Others	519.81	988.14
	519.81	988.14
Net Sales/ Income from Operations	**146,505.12**	**159,313.99**
2. Segment Results (Profit Before Interest and Tax)		
a) Retailing	(4,959.11)	(1,613.94)
b) Others	(103.60)	(173.62)
Total	**(5,062.71)**	**(1,787.56)**
Less: Interest Expenses	720.54	931.77
Add: Other Unallocable Income Net of Other Unallocable Expenditure	2,922.79	3,420.70
Total Profit Before Tax	**(2,860.46)**	**701.37**
3. Capital Employed		
(Segment Assets Less Segment Liabilities)		
a) Retailing	88,080.23	72,437.37
b) Others	1,161.53	1,106.74
c) Un allocated	8,335.89	26,030.04
Total Capital Employed	**97,577.65**	**99,574.15**

1] 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.

2] 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.

3] Previous years figures are regrouped wherever necessary.

REGISTERED OFFICE OF THE COMPANY

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BOOK RUNNING LEAD MANAGERS

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India