

TRENT BRANDS LIMITED
ANNUAL ACCOUNTS
2013-14

N. M. RAIJI & CO.
Chartered Accountants
Universal Insurance Building,
Pherozeshah Mehta Road,
Mumbai-400 001. INDIA
Telephone: 2287 0068
2287 3463
Telefax : 91 (22) 2282 8646
91 (22) 2265 0578
E-mail : nmr.ho@nmraiji.com

Independent Auditor's Report

To the Members of Trent Brands Limited

Report to the financial statements

We have audited the accompanying financial statements of Trent Brands Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for Financial Statements

Management's Responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227 (3) of the Act, we report that:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

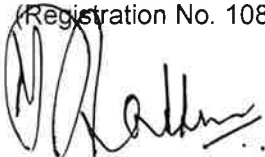
b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books

c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For N.M. RAIJI & CO.,
Chartered Accountants
(Registration No. 108296W)



Y.N. THAKKAR

Partner

Membership No. 33329

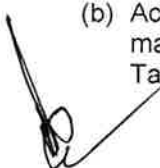
Place: Mumbai

Date: **21 MAY 2014**

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in our report of even date to the members of Trent Brands Limited (the Company))

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, physical verification of major items of fixed assets was conducted by the management during the year. In our opinion, the frequency of physical verification is reasonable having regard to the size and operations of the Company and the nature of its assets. On the basis of explanations received, in our opinion, the discrepancies found on physical verification were not significant.
- (c) The Company has not disposed off substantial part of fixed assets during the year.
- (ii) The Company did not carry any inventory during the year.
- (iii) (a) The Company has not granted any loans, secured or unsecured, during the year to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, sub-clause (b), (c) and (d) are not applicable.
- (b) The Company has not taken any loans, secured or unsecured, during the year from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, sub-clause (f) and (g) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. During the course of our audit, we have not observed any major weaknesses in internal control system.
- (v) Based on the audit procedures applied by us and according to the information and explanations given to us, there are no transactions that need to be entered into the register in pursuance of section 301 of the Companies Act, 1956.
- (vi) The Company has not accepted any deposits from the public to which the provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- (viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for the products of the Company.
- (ix) (a) According to the records of the Company, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Service Tax, Custom Duty, Excise Duty, cess and any other statutory dues applicable to it. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of undisputed statutory dues which remained outstanding as at March 31, 2014 for a period of more than six months from the date they became payable.
- (b) According to the records made available to us and the information and explanations given by the management, there are no dues of Sales tax / Income tax / Custom duty / Wealth tax / Service Tax / Excise duty / Cess which have not been deposited on account of any dispute.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

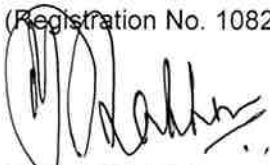
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1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227 (3) of the Act, we report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For N.M. RAIJI & CO.,
Chartered Accountants
(Registration No. 108296W)



Y.N. THAKKAR
Partner
Membership No. 33329

Place: Mumbai

Date: **21 MAY 2014**

TRENT BRANDS LIMITED
Balance Sheet as at 31st Mar 2014

1

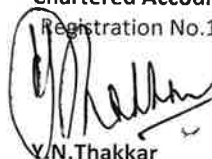
(Rs in lakhs)

Sr No.	Particulars	Note No.	Figures as at 31st Mar 2014	Figures as at 31st Mar 2013
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	1.1	325.00	325.00
	(b) Reserves and surplus	1.2	1,716.52	1,787.53
			2,041.52	2,112.53
2	Non-current liabilities			
	(a) Long-term borrowings	1.3	-	3,400.00
	(b) Deferred tax liabilities (Net)	1.4	6.69	-
	(c) Long-term provisions	1.5	1.56	0.09
			8.25	3,400.09
3	Current liabilities			
	(a) Trade payables	1.6	30.70	10.00
	(b) Other current liabilities	1.7	3,452.62	364.33
	(c) Short-term provisions	1.8	2.94	-
			3,486.26	374.33
	TOTAL		5,536.03	5,886.95
II.	ASSETS			
1	Non Current Assets			
	(a) Fixed Assets	1.9		
	(i) Tangible assets		4,146.63	4,244.47
	(b) Non-current investments	1.10	1,004.23	1,379.41
	(c) Deferred tax assets (net)	1.4	-	25.80
			5,150.86	5,649.68
2	Current assets			
	(a) Current investments	1.11	-	55.77
	(b) Trade receivables	1.12	5.68	29.76
	(c) Cash and cash equivalents	1.13	29.66	34.18
	(d) Short-term loans and advances	1.14	349.83	117.56
			385.17	237.27
	TOTAL		5,536.03	5,886.95
	Significant Accounting policies and Notes to Accounts	1-4		

As per our Report attached


For and on behalf of the Board

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

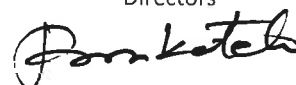

V.N. Thakkar

Partner
Membership No. 33329

Mumbai **21 MAY 2014**



Directors







21st May 2014

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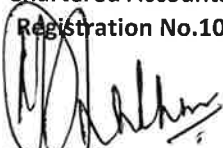
Statement of Profit and Loss for year ended 31st Mar 2014

Srl No.	Particulars	Refer Note No.	Figures for the	Figures for the
			year ended 31st Mar 2014	year ended 31st March 2013
			Rs. In Lakhs	Rs. In Lakhs
I.	Revenue from Operations	2.1	206.04	192.17
II.	Other Income	2.2	133.00	10.70
III.	Total Revenue (I+II)		339.04	202.87
IV.	Expenses:			
	Employee Benefit Expenses	2.3	66.58	61.71
	Finance costs		-	38.28
	Depreciation and amortization expense	1.9	97.84	102.99
	Other expenses	2.4	96.03	71.35
	Total Expenses		260.45	274.33
V	Profit before exceptional and extraordinary items and tax (III-IV)		78.59	(71.45)
VI.	Exceptional items	2.5	319.65	-
VII	Profit before tax (V- VI)		(241.06)	(71.46)
VIII	Tax expense:			
	(Excess)/short provision for tax		(202.54)	(12.75)
	Deferred Taxes		32.49	(25.80)
	Total Tax Expenses		(170.05)	(38.55)
IX	Profit/(Loss) for the period (VII- VIII)		(71.01)	(32.91)
X	Earnings per equity share:	4.5		
	(1) Basic		(2.18)	(1.01)
	(2) Diluted		(2.18)	(1.01)
	Significant Accounting policies and Notes to Accounts	1-4		

As per our Report attached

For and on behalf of the Board

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


Y.N.Thakkar

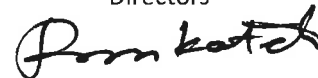
Partner

Membership No. 33329

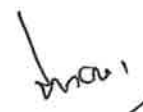
Mumbai **21 MAY 2014**



Directors







21st May 2014

Note 1.1

SHARE CAPITAL

a) AUTHORISED :-

- 32,50,000 Equity Shares of Rs.10/- each
300,00,000 Convertible preference shares of Rs. 10/- each

b) ISSUED, SUBSCRIBED AND PAID UP :

- 32,50,000 Equity Shares of Rs. 10/- each fully paid-up
[The above shares are held by Trent Limited, the holding company]

As at 31.03.2014 Rs. (in lakhs)	As at 31.03.2013 Rs. (in lakhs)
325.00	325.00
3,000.00	-
3,325.00	325.00
325.00	325.00
325.00	325.00

c)

Reconciliation of Share Capital	As on 31.03.2014		As on 31.03.2013	
	Nos	Amount (in lakhs)	Nos	Amount (in lakhs)
Equity shares				
Opening Balance	3,250,000	325.00	3,250,000	325.00
Add:Issued during the year	-	-	-	-
Less:Buy back during the year	-	-	-	-
Closing Balance	3,250,000	325.00	3,250,000	325.00

- d) The Company has equity shares having par value of Rs 10 per share.Each holder of Equity Shares is entitled to one vote per share.The shareholders have the right to receive interim dividend declared by the Board of Directors and final dividend proposed by the Board of Directors and approved by the shareholders.In the event of liquidation of the Company,the holders of Equity shares will be entitled to receive any of the remaining assets of the company,after distribution of Preferential amounts.The distribution will be in proportion to the number of equity shares held by the shareholders.The equity shareholders have all other rights as available to the equity shareholders as per the provisions of Companies Act 1956 read together with the Memorandum of Association and Articles of Association of the company, as applicable.
- e) All the above shares are held by Trent Limited,the holding company.As per the records of the company,including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.
- f) During the year company has increased its authorised share capital from existing Rs. 3,25,00,000 to Rs.33,25,00,000 divided in to 3250000 equity shares of Rs 10 each and 300,00,000 convertible preference share of Rs. 10 each.

Note 1.2

RESERVES AND SURPLUS

	As at 31.03.2014	As at 31.03.2013
	Rs in lakhs	Rs in lakhs
(a) GENERAL RESERVE :		
Balance as per last account	493.29	493.29
Add : Transferred from Profit and Loss Account	-	-
	493.29	493.29
(b) SURPLUS IN STATEMENT OF PROFIT AND LOSS		
Opening Balance	1,294.24	1,327.15
Add: Net Profit after Tax for the year	(71.01)	(32.91)
Amount Available for Appropriations	1,223.23	1,294.24
LESS-APPROPRIATIONS		
Transferred to General Reserve	-	-
Interim Dividend Paid-Equity Shares	-	-
Tax on Dividend	-	-
Closing Balance	1,223.23	1,294.24
	1,716.52	1,787.53

Note 1.3

LONG TERM BORROWINGS

	As at 31.03.2014 Rs. (in lakhs)	As at 31.03.2013 Rs. (in lakhs)
(a) Loans and Advances from Related parties		
Unsecured Loan		
Trent Limited(Holding Company)	-	3,400.00
Total	-	3,400.00

Notes forming part of the financial statements

Note 1.5**LONG TERM PROVISIONS**

	As at 31.03.2014 Rs. (in lakhs)	As at 31.03.2013 Rs. (in lakhs)
(a) Provision for employee benefits-Gratuity	1.03	0.09
(b) Provision for for Leave Encashment	0.53	-
	1.56	0.09

Note 1.6

TRADE PAYABLES

	As at 31.03.2014 Rs. (in lakhs)	As at 31.03.2013 Rs. (in lakhs)
Trade Payables (Refer Note: 4.3)	30.70	10.00
Total	30.70	10.00

Note 1.7

OTHER CURRENT LIABILITIES

	As at 31.03.2014 Rs. (in lakhs)	As at 31.03.2013 Rs. (in lakhs)
(a) Current portion of Long Term Borrowing	3,200.00	-
(b) Security Deposits received	250.00	250.00
(c) Withholding tax and other Statutory Payments	0.54	0.34
(d) Other Liabilities Payable to: Others	-	110.00
(e) Employee related liability	2.08	2.28
(f) Other Payables	-	1.71
	3452.62	364.33

Notes forming part of the financial statements

Note 1.8**SHORT TERM PROVISIONS**

Provision for Employee benefits

As at 31.03.2014 Rs. (in lakhs)	As at 31.03.2013 Rs. (in lakhs)
2.94	-
2.94	-

Note 1.9

FIXED ASSETS

ASSETS	GROSS BLOCK (AT COST)			DEPRECIATION AND AMORTISATION			NET BLOCK As at 31.03.2014
	As at 01.04.2013	Additions/ Adjustments	Deductions/ Adjustments	As at 01.04.2013	For the year	As at 31.03.2014	
Tangible Assets							
Freehold Land	2,287.66 (2,287.66)	- -	- -	- -	- -	- -	2,287.66 (2,287.66)
Buildings	2,234.47 (2,234.47)	- -	- -	277.66 (174.67)	97.84 (102.99)	375.50 (277.66)	1,858.97 (1,956.81)
Total	4,522.13 (4,522.13)	- -	- -	277.66 (174.67)	97.84 (102.99)	375.50 (277.66)	4,146.63 (4,244.47)

Notes :

(1) Figures in brackets are in respect of previous year ended on Mar'13.

(2) Buildings include Net Block of Rs.107.18 lakhs(Previous Year:112.82 lakhs) which have been given under operating lease

Note 1.10

Non Current Investment

	Balance as on 31.03.2014		Balance as on 31.03.2013	
	No.of. Shares/ Units	Rs (in lakhs)	No.of. Shares / Units	Rs (in lakhs)
Long term Trade Investments at Cost (unquoted and fully paid unless otherwise stated)				
(a) Investments in Equity instruments				
(1) In Subsidiary Companies (including Fellow Subsidiary Company)				
Flora Services Limited-(Equity shares of Rs. 100/- each)	136530.00	855.24	136530.00	855.24
Total Investments in Equity Instruments of Subsidiaries		855.24		855.24
Total Long term Trade Investments		855.24		855.24
Long term Non Trade Investments at Cost (Face Value Rs 10/- each, quoted and fully paid unless otherwise stated)				
(a) Investments in Equity instruments				
Aftek Ltd.(Equity shares of Rs. 2/- each)	-	-	50000.00	29.49
B F Utilities Ltd(Equity shares of Rs. 5/- each)	800.00	1.77	800.00	1.77
B F Investments Ltd.(Equity shares of Rs. 5/- each)	800.00	16.72	800.00	16.72
Indus Fila Ltd.	392.00	0.88	12000.00	27.03
Jai Corp Ltd.(Equity shares of Rs. 1/- each)	5000.00	51.88	5000.00	51.88
Northgate Com Tech Ltd	-	-	8500.00	43.54
Greenfire Agri Commodities Pvt. Ltd.(Equity shares of Rs. 1/- each)	-	-	8500.00	7.43
Punj Llyod Ltd.(Equity shares of Rs. 2/- each)	-	-	10000.00	52.02
Sasken Communication Technologies Ltd.	7900.00	38.73	10000.00	49.03
Take Solutions Ltd(Equity shares of Rs. 1/- each)	72927.00	75.58	73000.00	75.65
Tata Investment Corporation Ltd.	19800.00	44.58	19800.00	44.58
Venus Remedies Ltd	9599.00	37.39	10000.00	38.95
Videocon Industries Ltd.	5990.00	31.46	9500.00	49.90
Total Investments in Equity Instruments		298.99		487.99
(b) Investments in Mutual Funds				
HDFC Floating rate income fund short term wholesale-Growth (Unquoted)		-		36.18
Total Investments in Mutual Funds		-		36.18
Total Long term Non Trade Investments		298.99		524.17
Less: Provision for Diminutions		150.00		0.00
		148.99		
Total Non Current Investments		1,004.23		1379.41
Aggregate book value of Investments				
Unquoted		855.24		891.41
Quoted [Market value Rs. 171.26 lakhs(2012-2013: Rs.172.37 lakhs)]		148.99		487.99

Note 1.4

Deferred Taxes

	As at 31.03.2014 Rs. (in lakhs)	As at 31.03.2013 Rs. (in lakhs)
1 Deferred Tax Assets on		
-Unabsorbed Depreciation	38.52	50.99
-Others	1.46	0.16
	39.98	51.15
2 Deferred Tax Liabilities on		
-Depreciation	46.67	25.35
	46.67	25.35
Net deffered tax (Liability)/Assets	(6.69)	25.80

Note:

In respect of Deferred tax assets on unabsorbed depreciation, the same has been recognised, based on the current tax laws entailing the benefit over the lifetime of the Company against any taxable source of Income. As a matter of prudence, no Deferred tax asset has been created on the additional unabsorbed depreciation for the year being carried forward

Note 1.11

CURRENT INVESTMENTS

	Balance as on 31.03.2014		Balance as on 31.03.2013	
	No.of. Shares/Units	Rs in Lakhs	No.of. Shares/Units	Rs in Lakhs
Investments in Mutual funds(unquoted and fully paid unless otherwise stated)				
Tata Liquid SHIP Appreciation	-	-	2,818.11	55.77
Total Current Investment		-		55.77
Aggregate book value of Investments				
Unquoted		-		55.77
Total		-		55.77

Note 1 Notes forming part of the financial statements

Note 1.12**TRADE RECEIVABLES**

	As at 31.03.2014 Rs. (in lakhs)	As at 31.03.2013 Rs. (in lakhs)
(1) Debts outstanding for a period exceeding six months	11.85	11.85
(2) Other Debts (Refer note no.1 below)	5.68	29.76
	17.53	41.61
(3) Less : Provision for Doubtful Debts	11.85	11.85
	5.68	29.76
Considered Good - Unsecured	5.68	29.76
Considered Doubtful - Unsecured	11.85	11.85
	17.53	41.61

Note 1 : In current year above amount of Rs.5.68 Lacs is receivable from Trent Limited (Holding company) . In Previous year amount of Rs 29.76 Lacs was receivable from Landmark Ltd fellows subsidiary (merged with Trent Ltd w ef 01.04.2013)

Note 1.13

CASH AND CASH EQUIVALENTS

	As at 31.03.2014 Rs. (in lakhs)	As at 31.03.2013 Rs. (in lakhs)
(a) Balances with Scheduled Banks		
(i) Current Accounts	29.66	34.18
	29.66	34.18

Note 1.14

SHORT TERM LOANS AND ADVANCES

	As at 31.03.2014 Rs. (in lakhs)	As at 31.03.2013 Rs. (in lakhs)
Unsecured, Considered Good		
(a) Advance Payment Of Taxes - Net Of Provision	337.51	112.51
(b) Prepaid Expenses	1.11	1.13
(c) Security Deposits	3.01	3.01
(d) Loan to Supervisory Staff	4.10	0.67
(e) Other recoverable	3.95	-
(f) Other Taxes Recoverable	0.15	0.24
	349.83	117.56

Note 2.1

REVENUE FROM OPERATIONS

Particulars	For the period ended 31st Mar 2014	For the period ended 31st Mar 2013
	Rs in lakhs	Rs in lakhs
Rent	6.00	8.80
Franchise Commission	200.04	183.37
Total	206.04	192.17

Note 2.2

OTHER INCOME

Particulars	For the period ended	For the period ended
	31st Mar 2014	31st March 2013
	Rs in lakhs	Rs in lakhs
Interest Income	-	0.75
<u>Dividend from Long Term Investments</u>		
Others	7.61	7.88
Profit on sale of current investments(Net)	10.40	0.76
Profit on sale of Long Term Investments(Net)	0.00	0.04
Excess Provision no Longer required	114.99	-
Sundry balances written back	-	1.27
Total	133.00	10.70

Note 2.3

Employee Benefit Expenses

Particulars	For the period ended 31st Mar 2014	For the period ended 31st Mar 2013
	Rs in lakhs	Rs in lakhs
Salaries, Wages, Bonus, etc.	57.38	52.47
Contribution to Provident, Superannuation and Gratuity Funds	3.23	6.69
Workmen and Staff Welfare Expenses	5.97	2.55
Total	66.58	61.71

Note 2.4

OTHER EXPENSES

Particulars	For the period ended 31st Mar 2014	For the period ended 31st Mar 2013
	Rs in lakhs	Rs in lakhs
(a) Repairs Buildings	35.33	32.89
(b) Repairs Plant and Machinery	1.09	4.13
(c) Repairs others	0.53	0.83
(d) Rent	0.99	0.87
(e) Insurance	0.62	0.68
(f) Professional and Legal Charges	4.51	9.04
(g) Directors' Fees	0.35	0.25
(h) Postage & Telephone	3.39	0.82
(i) Security & Cleaning	16.43	13.67
(j) Rates and taxes	27.08	0.38
(k) General Expenses	5.71	7.79
Total	96.03	71.35

Note 2.5

EXCEPTIONAL ITEMS:(INCOME/(EXPENSES))

Particulars	For the period ended	For the period ended
	31st Mar 2014	31st Mar 2013
	Rs in lakhs	Rs in lakhs
Provision for Diminution in value of long term investments	150.00	-
Loss on sale of Long term investment	169.65	-
Total	319.65	-

Notes forming part of the financial statements

Note 3
SIGNIFICANT ACCOUNTING POLICIES**3.1 Basis of accounting**

The financial statements are prepared on the accrual basis of accounting and in accordance with the Accounting Standards notified by the Companies(Accounting Standards) Rules,2006 and referred to in Section 211(3C) of the Companies Act,1956

3.2 Fixed Assets

Fixed Assets are stated at cost less depreciation. Costs comprise of cost of acquisition and any attributable cost of bringing the asset to condition for its intended use.

3.3 Depreciation

Depreciation has been provided in accordance with Schedule XIV of the Companies Act, 1956 on "Written Down Value" method.

3.4 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.

3.5 Income

3.5.1 Rent is accounted on accrual basis.

3.5.2 Dividend income from investments are accounted when right to receive payment is established.

3.5.3 Franchisee Commission income is accounted on accrual basis and are exclusive of service tax,

3.6 Retirement Benefits**3.6.1 Defined Contribution Plans**

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.

Company's contributions during the year towards Superannuation to the Superannuation Trust administered by a Life Insurance Company are recognized in the Profit and Loss Account as incurred.

3.6.2 Defined Benefit Plans

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. Provision for Compensated Absences is based on Acturial Valuation.

3.7 Provision/contingencies

3.7.1 A provision is recognised when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

3.7.2 A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Notes forming part of the financial statements

3.8 Taxation

3.8.1 Current Tax: Provision for Income Tax is determined in accordance with the provisions of Income Tax Act, 1961.

3.8.2 Deferred Tax: Deferred tax, subject to the consideration of prudence, is recognised on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets are recognised to the extent that there is reasonable certainty that sufficient future tax income will be available against which such deferred tax assets can be realized. In case of unabsorbed depreciation and carry forward tax losses, deferred tax assets are recognised to the extent that there is virtual certainty that sufficient future tax income will be available against which such deferred tax assets can be realized.

Notes forming part of the financial statements

Note 4.1. Contingent Liabilities and Commitments**Contingent Liability**

Income-tax demand against which the company has filed appeals: Rs.4427.37 lakhs/- (2012-2013: Rs 4427.37 lakhs)

Note 4.2. General Expenses includes

Auditors' Remuneration

- (a) Audit Fees
(b) Taxation matters
(c) Other Services

(Rs. In Lakhs)	
2013-14	2012-13
0.67	0.67
0.06	0.06
0.41	0.51

Note 4.3. 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, 2014. 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.

Note 4.4: There are no amount due and outstanding to be credited to Investor Education and Protection Fund.

Note 4.5: Earnings Per Share (EPS) :

- (a) Weighted Average Number of shares outstanding during the year
(b) Net Profit/(loss) available for Equity Shareholders (Rs in lakhs)
(c) Basic and Diluted Earnings Per Share (Rs) Face value of Rs 10/-

2013-14	2012-13
3,250,000	3,250,000
(71.01)	(32.91)
(2.18)	(1.01)

Note 4.6: EMPLOYEE BENEFITS:**(a) Defined benefit plans - Gratuity**

GRATUITY (Fully funded)	
LIC administered Trust	
2012-13	2011-12
Rs. In Lakhs	Rs. In Lakhs
4.20	-
-	-
-	-
-	-
-	-
0.40	-
2.85	5.91
0.80	-
(2.78)	(1.71)
(0.70)	-
4.78	4.20
4.11	-
-	-
0.30	-
-	4.11
-	-
-	-
(0.70)	-
0.04	-
3.76	4.11

I Change in Obligation during the year

- Present value of obligations as at beginning of year
- Past Service Cost
- Present value of obligations taken over
- Present Value of transferred to other trust
- Liability taken over from other trust
- Interest cost
- Liabilities assumed on acquisition/ (settled on divestiture)
- Current Service Cost
- Actuarial (gain)/Loss on obligations
- Benefits Paid

Present value of Defined Benefit Obligation at the end of the year**II Change in Assets during the Year ended**

- Plan assets at the beginning of the year
- Assets taken over
- Expected return on plan assets
- Contributions by Employer
- Asset acquired on acquisition/ (distributed on divestiture)
- Contributions by Employer (Reversal of premium)
- Actual benefits paid
- Actuarial Gains/ (Losses)
- Plan Assets at the end of the year

Notes forming part of the financial statements

III Net Asset/(Liability) recognized in the Balance Sheet

1. Present Value of Defined Benefit Obligation	(4.78)	(4.20)
2. Fair value of plan assets	3.76	4.11
3. Fund status (Surplus/(Deficit))	-	-
4. Net Assets /(Liability)	(1.03)	(0.09)

IV Expenses recognized in the statement of Profit & Loss for the year ended

1. Current Service cost	0.80	-
2. Past Service Cost	-	-
3. Interest Cost	0.40	-
4. Expected return on plan assets	(0.30)	-
5. Net Actuarial (Gains)/Losses	(2.82)	(1.71)
6. Expenses recognised in statement of Profit & loss	(1.92)	(1.71)

V The major categories of plan assets as a percentage of total plan

Insurer Managed Funds	100%	100%
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VI Method of valuation

Expected Employer's Contribution Next Year

VII Actuarial Assumptions

1. Discount Rate	9.20%	8.05%
2. Expected rate of return on plan assets	7.50%	7.50%
3. Mortality Table	LIC (2006-08)	LIC (2006-08)
4. Retirement Age	60 yrs	60 yrs

The above disclosure is based on the actuarial valuation report. 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.

Note 4.6: EMPLOYEE BENEFITS: Continued

(b) Compensated Absence Liability recognised as expense for the year is Rs.4.02 lakhs (2012-13: 1.81 L)

The above is based on the Actuarial Valuation Report. The Report considers assumptions with respect to discount rate, salary escalation, retirement age, mortality, rates of leaving service, leave availment pattern, disability and other relevant factors. The method used is Projected Unit Credit Method.

(c) Defined Contribution plans**Company Contributions during the year under Contribution Plans recognised in the Profit and Loss****Account :**

- Government administered Provident Fund / Family Pension Fund
- Employees State Insurance / Labour Welfare Fund

Total

	2012-13	2011-12
	Rs. In Lakhs	Rs. In Lakhs
	3.26	4.28
	1.78	2.41
Total	5.04	6.69

Notes forming part of the financial statements

Note 4.7. RELATED PARTIES:**4.7.1 Parties where control exists**

Trent Limited Holding Company
(100% Equity Share Capital is held by Trent Limited as at 31st Mar,2014)

Fiora Services Limited Subsidiary
(89.87% Equity Share Capital is held by the Company as at 31st Mar,2014)

4.7.2 Related Parties with whom transactions have taken place during the year

Trent Limited Holding Company
(100% Equity Share Capital is held by Trent Limited as at 31st Mar,2014)
Fiora Services Limited Subsidiary
(89.88% Equity Share Capital is held by the Company as at 31st Mar,2014)
Landmark Limited Fellow Subsidiary
(Merged with Trent limited w.e.f 01April 2013)

4.7.3 Directors of the Company

Mr.A.D.Cooper
Mr.S.V.Phene
Mr.P.Venkatesalu
Mr.S.W.Kamat
Mr.P.K. Anand

4.7.4 Remuneration paid to the Directors.

a) Directors' Sitting Fees

(Rs in lakhs)	
2013-14	2012-13
0.35	0.25

4.7.5 OTHER RELATED PARTIES WITH WHOM TRANSACTIONS HAVE TAKEN PLACE DURING THE YEAR

(Rs in lakhs)	
2013-14	2012-13
A) Sales to and Other recoveries from:	
Rent - Trent Limited	6.74
Franchisee commission - Trent Limited	224.76
Franchisee Commission - Landmark Limited (Fellow Subsidiary)	-
	208.35
B) Purchase of Fixed Assets and other services from	
Subsidiary- Fiora Services Ltd	0.47
	-
C) Loan Taken	
Holding Company : Trent Limited	-
	3,400.00
D) Loan outstanding as at end of the year	
Holding Company : Trent Limited	3,200.00
	3,400.00
E) Interest paid to :	
Holding Company : Trent Limited	-
	38.28

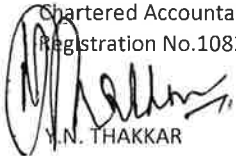
Notes forming part of the financial statements

f) Sale of Shares of :		
Fellow Subsidiary : Landmark Limited (Merged with Trent Ltd wef 1st April 2013)	-	804.79
g) Outstanding balance as at end of the year		
Payable by Company to		
Holding Company : Trent Limited	-	0.03
Fellow Subsidiary	-	-
h) Outstanding balance as at end of the year		
Receivable by Company from		
Holding Company : Trent Limited	5.68	29.76
Holding company	-	-
i) Security Deposit Payable by Company to		
Holding Company : Trent Limited	250.00	250.00
Fellow Subsidiary	-	-
j) Repayment of Loan during the year	200.00	-

Signatures to Notes 3-4

As per our report attached.

For N. M. RAJI & CO.,
Chartered Accountants
Registration No.108296W



Y.N. THAKKAR

Partner

Membership No. 33329

Mumbai,

21 MAY 2014

For and on behalf of the Board,




Directors



21st May 2014

TRENT BRANDS LIMITED
CASH FLOW FOR THE YEAR ENDED 31st Mar, 2014

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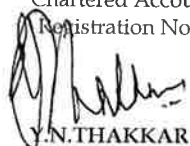
	Year Ended on 31.04.2014 Rs. In Lakhs	Year Ended on 31.03.2013 Rs. In Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	(241.06)	(71.46)
Adjustments for :		
Depreciation	97.84	102.99
Interest income	-	(0.75)
Interest paid	-	38.28
Liabilities no longer required (net)	(114.99)	(1.27)
Provision for Diminution in Value of Investment	150.00	-
Dividend income	(7.61)	(7.88)
Profit/(loss) on sale of investments	159.26	(0.80)
Operating Profit before working capital changes	43.44	59.11
Adjustments for :		
Decrease/(increase) in trade receivables	24.08	(29.76)
Decrease/(increase) in short-term loans and advances	(7.27)	(1.36)
(Decrease)/increase in trade payables	25.69	8.95
(Decrease)/increase in short term provisions	2.94	-
(Decrease)/increase in other long term Provisions	1.47	0.09
(Decrease)/increase in other current liabilities	(1.71)	(16.42)
Cash generated from operations:	88.64	20.61
Interest received on Income Tax refund	-	0.75
Direct taxes/advance tax paid (net)	(22.46)	(12.68)
Net Cash from operating activities	(A) 66.18	8.68
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including intangible assets,	-	(650.00)
Proceeds from Sale/Redemption of non-current investments	55.52	840.96
Purchase of non-current investments	-	(37.64)
Proceeds from sale/redemption of current investments	66.17	120.00
Dividend received	7.61	7.88
Net Cash used in Investing Activities	(B) 129.30	281.20
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	-	(38.28)
Proceeds from long term Borrowings	-	4,200.00
Repayment of Long term Borrowings	(200.00)	(4,375.00)
Tax on Dividend	-	(65.90)
Net cash from financing activities	(C) (200.00)	(279.18)
Net increase/(decrease) in Cash and Cash Equivalents	(A+B+C) (4.52)	10.70
Opening Cash and Cash equivalents	34.18	23.48
Closing Cash and Cash equivalents (Refer Note 1.12)	29.66	34.18

Previous years figures have been regrouped wherever necessary(Refer Note 4.9)

As per our report attached

For and on behalf of the Board,

For N.M.RAJI & CO.,
Chartered Accountants
Registration No.108296W

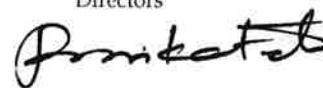

Y.N. THAKKAR

Partner
Membership No. 33329
Mumbai

21 MAY 2014



Directors







21st May 2014

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