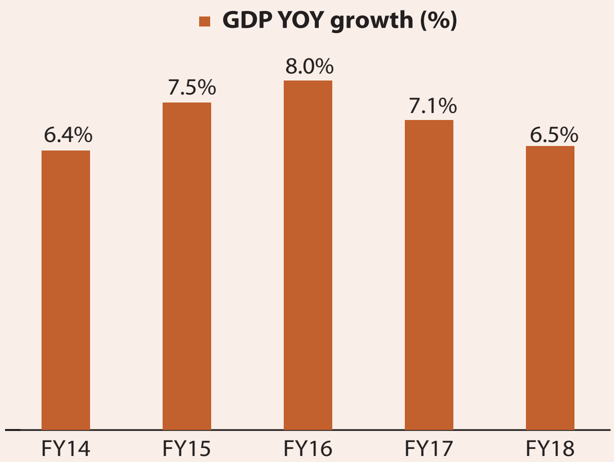
MANAGEMENT DISCUSSION AND ANALYSIS

The economic scenario coupled with demographic factors play a significant role in influencing growth across sectors including organized retail. While the economic and demographic profile of the country has stayed largely positive, the respective approaches of the individual companies operating in the retail industry and their ability to leverage tailwinds have sharply affected the performance in the recent years.

Economic backdrop

Following demonetization coupled with certain global headwinds, India witnessed a growth rate of 7.1 percent in FY 2016-17. In FY 2017-18, GDP growth is estimated to have been around 6.5 percent, again slower than previous financial year, and also below expectations. Nevertheless, growth for India has averaged 7.3 percent for the period from 2014-15 to 2017-18, which is the highest among the major economies of the world. (RBI Monetary Policy Reports, Economic Survey 2017-18)



Additionally, in FY 2017-18, India's economic sentiments were impacted by implementation of the transformational Goods and Service Tax (GST) regime, concerted attempts towards resolution of problems associated with non-performing assets of PSU banks, further liberalization of FDI regulations & stronger inflows and generally improved pace of structural reforms. With the accelerated pace of remonitization and the relatively smooth transition to the GST regime from a consumer perspective, discretionary spending especially in the first half of FY 2017-18 witnessed a relatively sharp uptick.

In FY 2018-19, Indian economy is expected to grow at 7-7.5 percent. And the long-term growth prospects of the Indian economy also remain encouraging due to its favorable demographics, increasing urbanization, higher per capita income, growing e-commerce & digitization and increasing integration into the global economy. (RBI Monetary Policy Reports, Economic Survey 2017-18)

Consistent with coverage in earlier reports, the following factors constitute relevant considerations in the evaluation of the opportunities and challenges facing organized retailing in the country.

Attractive demographics

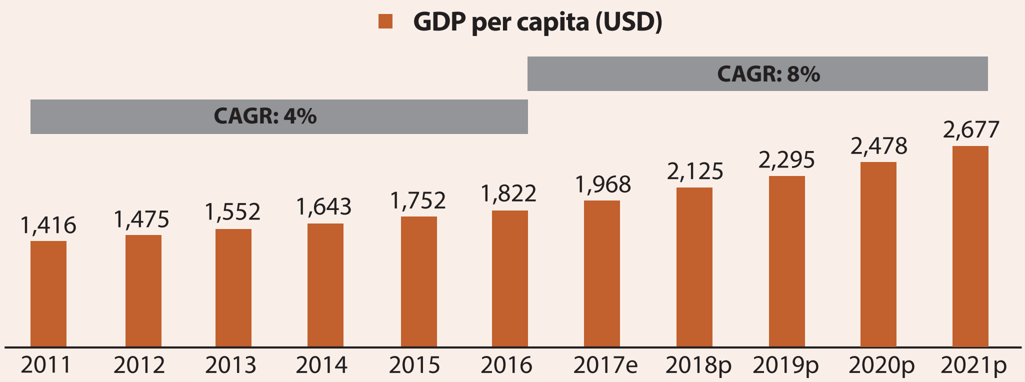
With median age of 27 years, India is one of the youngest nations, which makes it very attractive from consumption point of view. Also, more than 50 percent of its population is in the working age group of 15-54 years leading to a declining dependency ratio. (Analyst reports, Internal analysis)

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

- Changing family level organization, role definitions and exposure
- More meaningful participation of women in the workforce and in decision-making
- More nuclear families with lesser number of kids
- Kids being more informed and demanding
- Youth gaining more exposure and independence in their lifestyle choices

Increased exposure to global culture and aspirational lifestyles through social media and "influencers" have boosted the appetite for fashionable clothing and lifestyle products across age segments. Immense scope is seen for brands offering compelling product range to meet the aspirations of the brand conscious consumers.

Growing GDP per capita and disposable income

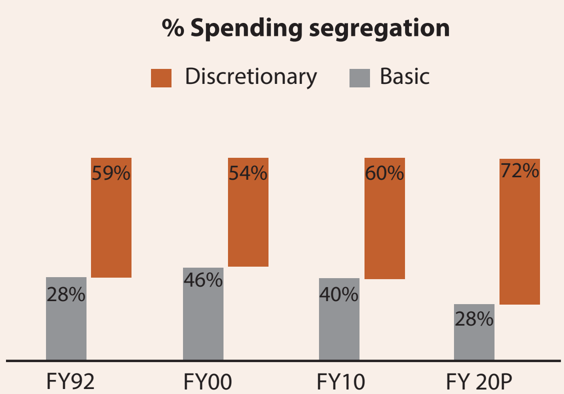


India's GDP per capita grew at a CAGR of 4 percent between 2011 & 2016 and it is expected to grow at double the pace between 2016 & 2021. Also, India is at an inflection point of GDP per capita of USD 2000. Empirical evidence suggests that apparel consumption and revenues in various nations grew exponentially as GDP per capita crossed USD 2000. (Analyst reports, Internal Analysis)

Expectations of rising income in the next decade are also significantly attributed to more women entering the workforce. With more disposable income in hand, the ratio of spending on discretionary items has consistently increased over the years. Empirical evidence suggests that shopping and eating-out have become more of regular activities in contrast to a decade back.

Urbanization

Urban population has grown to 31% in 2011 from 18% in 1961. Higher job opportunities in service & manufacturing sectors are the key factors driving urbanization. Rapid urbanization in tier 2 and tier 3 cities is influencing the traction for organized retail in these cities. 69 percent of India's population which lives in tier 2 and tier 3 cities contributes 54 percent to the total retail consumption, which indicates significant purchasing power and retail potential.

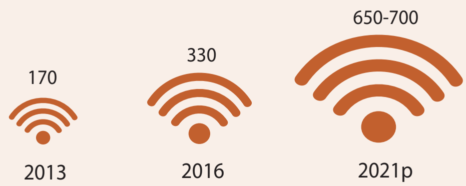


Separately, recent research reports also recognize the emergence of 4 more cities that qualify as metros taking the total metros to 8 in the country apart from 42 more "emerging markets". These markets already command above average per capita income (vis-à-vis national average) and are slated to be consequential retail destinations in the years to come. (Analyst Reports)

E-commerce and social media

Internet penetration and usage have grown exponentially in the recent years because of the availability of broadband & 4G with better network performance and popularity of smartphones available at cheaper prices. There is a greater influence of digital mediums and apps in consumer life.

No. of internet users in India (millions)



Multiple possibilities like online shopping, social networking, streaming media, video-on-demand online, integration through mobile apps, net banking, instant feedback, access to price comparison etc., have increased the convenience and influenced the level of customer expectation & engagement.

This has also opened multiple platforms for the brands to reach out to their target audience, for both retailing and marketing leading to intensified competition across categories. This challenge was even more pronounced for retailers offering primarily third-party brands.

Less cash society

The government decision to demonetize high value currency and promote digital payments has, in many ways, accelerated the integration of the unorganized players into the organized sector and also led to the general traction witnessed by organized players. Studies suggest, in addition to driving speed and transparency for various transactions, cashless transactions also lead to the following benefits:

- More data available because of digital payments, which can be utilized for analyzing and improving practices by businesses
- Economic and business growth as spending grows with increased convenience and spontaneity in payments

Goods and Services Tax (GST)

GST brought in force on 1st July '17, has subsumed several indirect state and federal taxes. There are five tax rates which prevail currently – 0%, 5%, 12%, 18%, 28%. Notwithstanding transition related challenges, GST is expected to benefit businesses over the medium term including by way of simplification of operations, homogeneity of rates across states & categories and reduced/ digital documentation.

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

Nevertheless, the law is still evolving and further significant changes are expected in terms of rationalization of rate slabs, simplification of filings/ compliances and evolution of the enabling GSTN IT infrastructure.

Retail opportunity

India is one of the fastest growing retail and e-commerce markets in the world (CAGR 2015-20: 16.7%) and is expected to reach USD 1.3 trillion by 2020 (BCG Report 2020) including on the back of factors discussed above. Recently, the retail industry in India has emerged as one of the most dynamic industries due to the entry of several new players and growing consumerism. The apparel retail market has evolved significantly in recent years and increasingly there is also a clearer stratification of brands across value, mid-premium, premium and luxury positioning.

While the overall apparel retail market is expected to grow at a CAGR of 9 per cent, the branded apparel retail is slated to expand by 12 per cent between 2015-21. Consumer sentiment was relatively positive in FY 2017-18 with established branded apparel retailers expanding aggressively and new brands witnessing encouraging off take in both online and offline space. (Analyst Reports)

An exponential growth in e-commerce driven by heavy discounting has led retailers to rethink their business approach and to build differentiation in their offer basis product and experience. Consequentially, Indian retail industry is gradually adapting to e-commerce as an additional channel for reaching out to the customers and is starting to realize its benefits.

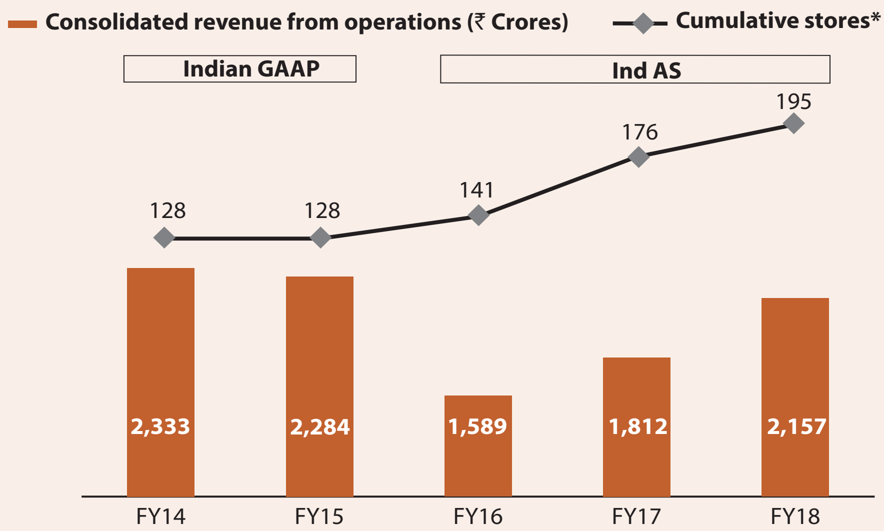
FDI is another powerful catalyst spurring competition in retail industry. The government has allowed 100% FDI in online retail of goods and services through automatic route thereby providing clarity on the existing business of e-commerce companies operating in India. Notwithstanding near-term issues, the organized retail opportunity in India continues to attract interest from large Indian business houses, multinational retailers and entrepreneurs.

The organized retail offers tremendous opportunity but there are also some significant challenges that need to be addressed appropriately:

- **Real estate:** Limited availability of quality real estate coupled with high rentals and non-adherence to committed schedule by builders pose significant challenges to deployment of strategic plans related to expansion. Other challenges include:
  - attractiveness of alternate developments like residential apartments
  - sub-optimal performance of most malls (maintenance, tenant mix, resilience vs proximate newer malls)
  - entry of international players and their clustering in high street malls leading to difficulty in obtaining properties at acceptable economics
  - significant liquidity squeeze faced by the real estate sector given the RBI policy
- **Online competition:** Aggressive discounting being done by online players in "land grab" mode has led to disintermediation for many retailers and driven the "discount seeking" behavior among customers.
- **Cost pressures:** Significant inflation in manpower costs and common area maintenance charges in malls have led to build up of cost pressures in the last few years.
- **Retail talent:** With changing dynamics of the industry along with evolving customer expectations, availability and retention of relevant talent is a concern across the industry.
- **Supply chain management:** Fast changing fashion trends with e-commerce providing a quicker access to these trends pose a challenge with respect to supply chain infrastructure and management.
- **Fast changing fashion trends:** Retail in India is facing unprecedented challenge from the Indian consumer who is more exposed to international lifestyle trends and rapid changes therein.

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

The Company registered a growth of 19 percent with consolidated revenue from operations at ₹ 2,157 Crores. The Group has adopted Indian Accounting Standards ('Ind As') from 1st April, 2015. The following chart represents financials as per 'Ind AS' from FY 2015-16 onwards, whereas the financials from FY 2012-13 to FY 2014-15 are as per Indian GAAP.



*Includes stores opened by Inditex Trent Retail India Private Limited and Trent Hypermarket Private Limited

Principal concepts and focus on sustainable growth

The Company is one of the key players in branded retail industry in India with a focus on pursuing robust business models in each of its retail concepts. We have consistently emphasized the importance of establishing the viability of a retail concept with a limited portfolio of stores prior to embarking on rapid expansion. The Company also follows strong inventory disciplines across the chain of its key concepts. This includes emphasis on own branded offering, ownership of product design & curation, focus on speed of "concept to market", consistency of offer across platforms and strong inventory management.

The approach has yielded encouraging results and has enabled the Company in coping with market challenges. The Company primarily operates stores across four concepts – Westside, Zudio, Star & Landmark.

- **Westside -** Trent's flagship concept- offers branded apparel, footwear and fashion accessories for men, women and children, along with a range of home furnishings and decor. Westside tenaciously adopts an exclusive brands model- involving offerings across a portfolio of own brands that address fashion needs of defined customer segments. This also enables it to compete effectively in the face of disintermediation risks posed by e-commerce players and growing competition from global brands establishing presence in the country. Westside products are known for their style quotient amongst the fashion-conscious consumers in 66 cities across 125 stores.
- **Zudio -** Trent's value fashion concept- offers young fashion at irresistible prices for men, women and children. The concept offers exclusive and striking range of fashion which is curated in-house and made available at very sharp price points. While the range of offerings has been evolved within

the Star ecosystem in the recent years, during the financial year the value fashion business has been transitioned to the Company from THPL and the Company has been expanding the network of Zudio standalone stores. Currently, Zudio is being retailed through 7 standalone stores as well as 15 Star stores.

- **Star –** hypermarket and convenience store chain – offers a wide choice of products, including staple foods, beverages, health & beauty products, apparel, home furnishings, vegetables, fruits, dairy and non-vegetarian products. The market reception for Star stores has been encouraging and the concept is in the process of establishing itself as a place offering a compelling range of quality merchandize at attractive prices. The Star brand has presence with 23 Star Market and 12 Hypermarket stores. Other concepts of varying footprints including Star Dailies have been rationalized/ consolidated over the course of financial year- with Star Market concept seen to be affording the most sustainable platform for expansion along with better returns and throughput.
- **Landmark –** a family entertainment concept – offers a curated range of toys, front-list books and sports merchandize. The back-end operations relating to the concept are significantly integrated with that of the Westside to realize synergies and contain overhead costs. The concept is operational through 5 independent stores in the year under review. In addition to the independent stores, Landmark merchandize is also retailed through select Westside locations.

Operations – Westside

The Westside brand accounts for over 96 percent of the Company's revenues. Aspirational "fashion forward" own brands form the mainstay of the business with active control of the value chain with respect to design, branding, sourcing, logistics, pricing, display, promotion and selling being a defining characteristic. As of March 2018, Westside has presence with 125 stores across 66 cities and online reach across India with exclusive listing through Tatacliq.

➢ **Differentiated business model**

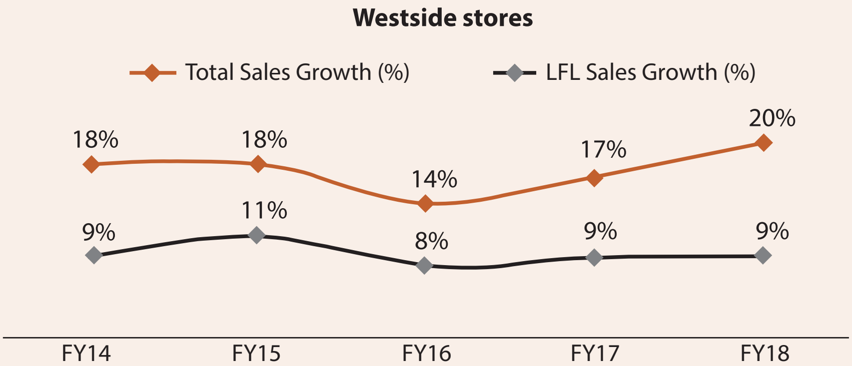
Over 96 percent of the product range retailed both in-store and online are accounted for by own brands. This business approach has been more robust and sustainable than the department store models that predominantly retail third party brands including from a 'return on capital employed' perspective. Empirical evidence also seems to suggest that globally, retailers who control the entire value chain are relatively more successful.

In FY 2017-18, apparels & innerwear accounted for over 79 percent of Westside's sales (with womenswear & lingerie contributing over 50 percent of the total business) and the residual being contributed by a range of categories including footwear, home and cosmetics.

In the year under review, some of the key initiatives pursued include:

- Continued emphasis on aspirational fashionability
- Scale up of exciting exclusive brands in lingerie (Wunderlove) and cosmetics (Studiowest)
- Emphasis on speed of delivering latest fashion each week
- Launch of a new warehouse ecosystem in Vapi to facilitate growing scale and mitigate risk exposure
- Faster store opening to scale up reach
- Building omni-channel presence through Tatacliq

Aided by the strategies pursued and reasonably favorable market conditions, the banner registered 9 percent like-for-like growth in revenues in FY 2017-18.

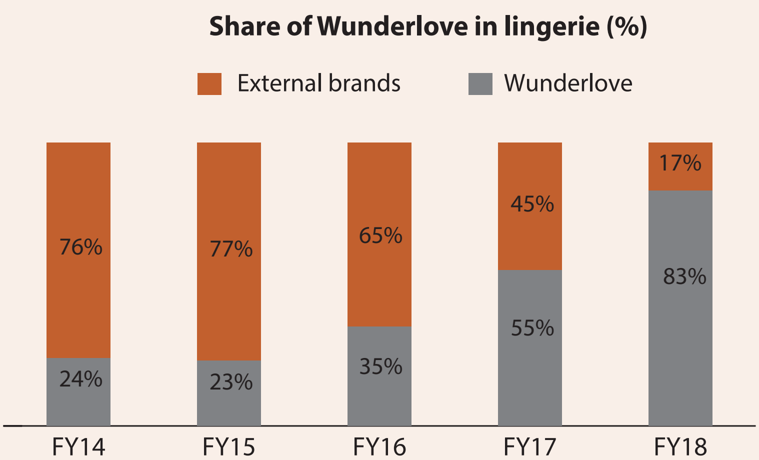


- **Delivering exciting fashion brands**

  Unique and differentiated product offering, ownership of design and control of product value chain have proved to be key levers for the business. Over time, Westside has evolved into a compelling destination offering an exciting portfolio of exclusive fashion brands. These brands target defined customer segments and their unique needs, fashion tastes and purchasing power. We continue to identify unaddressed customer segments and launch relevant brands on an ongoing basis. During the year under review, Studiofit- an athleisure offer was launched to address the requirements of fitness conscious consumers looking for casual and relaxed fashion.

  We also continue to pursue the refresh/scale up of existing brand portfolio as fashion trends and market evolve. The like-for-like performance of individual brands within the portfolio varies- this in many ways affirms the differentiation between the offerings that individual brands represent. A select set of brands including Wunderlove (lingerie), Studiowest (cosmetics) and Bombay Paisley (fusionwear), for instance, registered stellar performance during the year. This performance reflected the ability of the brands to connect with the audience and also afforded a rapid exit from a residual pool of third party brands that were previously retailed from Westside.

  As depicted in the chart below, the share of Wunderlove in the lingerie segment has consistently increased and has afforded exit of third party brands.



Some of our key brands are listed below:

Exciting campaigns through brand videos and social media engagement further support these brands in communicating their unique identity.

Separately, Westside continued to sharpen its fashion credentials by recalibrating its brand portfolio and some of the key related actions include:

- Revisiting space allocated to various fashion brands within stores in terms of optimizing space, range and display
- Exit from Gourmetwest food offer across seven stores and consolidation of space released
- Exit from Lakeland- kitchenware offer (while it represented an aspirational and exclusive offer, it faced challenges in terms of standalone stores and related economics)

➢ **Focus on quality & speed**

Given the competitive environment and an audience with significant real-time exposure to global fashion trends, Westside is increasingly focusing on rapid delivery of latest fashion, strong emphasis on freshness of the range through the season and sharply reducing the "design to market" time window.

Product sourcing

The Company proactively works with its suppliers in ensuring aligned objectives in terms of speed and quality. Sourcing and quality teams have ramped up their engagement with the vendors to drive efficiencies and deliver a desired quality merchandize at the right price and right time. Significant initiatives on this front include optimization of sourcing geographies, sharper definition of fabric choices, tighter vendor pools across categories and emphasis on related social compliance.

Supply Chain

Our new state of the art warehousing facility at Vapi, Gujarat has been operationalized to service increased volumes as well as mitigate risk related to the central warehouse ecosystem. It further facilitates faster replenishment and enables delivery of the latest fashion at the right time in right quantity in the right stores.

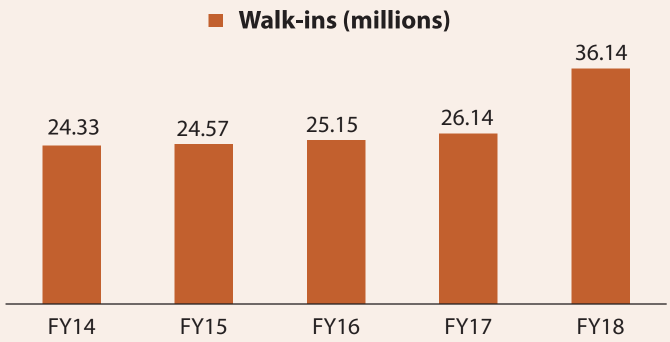
The Company continues to invest in expansion and upgradation of the supply chain network which we believe is vital to the success of a retail organization. Our warehouse operations continue to run at over 99 percent efficiency.

- **Highly prominent stores & differentiated shopping experience**

  In an increasingly crowded marketplace, a differentiated shopping experience, both online and in-store, is of paramount importance for reinforcing brand credentials. Statement making stores, presence in marquee locations, striking window and in-store displays, exciting store ambience and convenience of shopping are some of the key parameters that Westside emphasizes. As part of the journey to deliver a 'fashion theatre' experience, we continue to take significant steps such:

  - Upgrade to an international experience in the existing stores
  - Experimenting with new visual and experience enhancing initiatives across the store portfolio
  - Rigorous process to select the new store locations and layouts, which take customer experience and convenience into account

These initiatives continue to deliver encouraging results including growth in walk-ins.



To deliver great shopping experience for the customer, following initiative was undertaken during the year:

- **Accelerated store modernization**

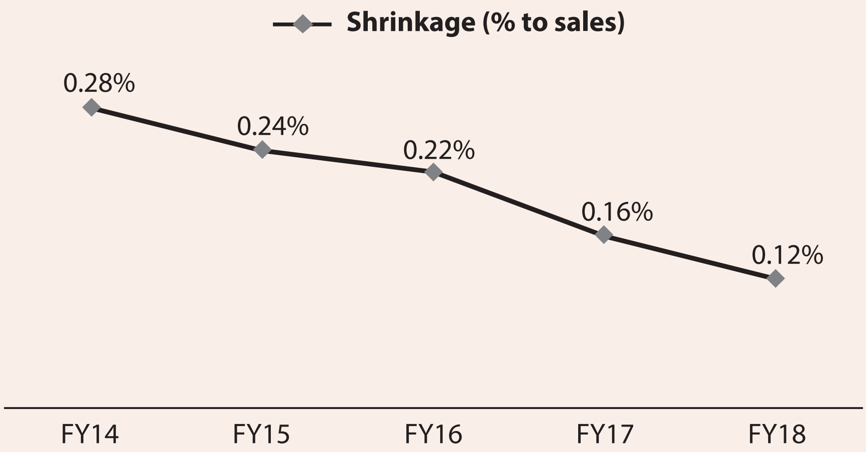
  In an ongoing initiative to improve consistency of brand experience across the store portfolio, and especially given the rapidly evolving store standards, Westside has accelerated the modernization program. In the year under review, 11 Westside stores were modernized, highest in any given year and the customer response has been very encouraging.

  - Karol Bagh, Delhi
  - Brigade Orion, Bangalore
  - Chennai Express, Chennai
  - Powai, Mumbai
  - Korum Mall, Thane
  - Market City, Pune
  - Magrath Road, Bangalore
  - Civic Centre, Jabalpur
  - Nehru Nagar, Vizag
  - Wave Mall, Ludhiana
  - Sevoke Plaza, Siliguri

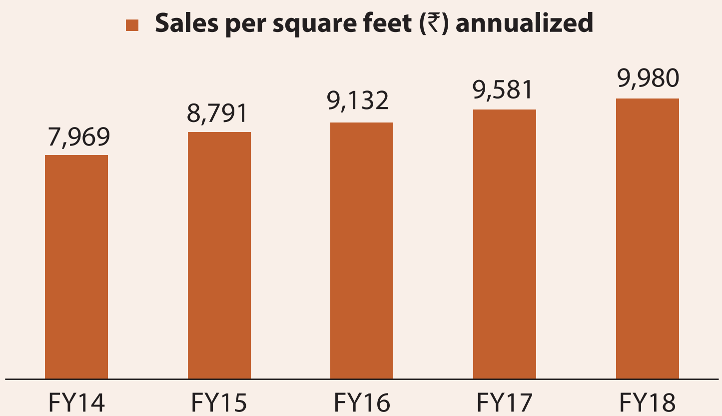
  The intent is to further accelerate this initiative in the coming years.

➢ **Operating Standards**

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



The availability of quality real estate is seen to be shrinking and rentals are estimated to grow further in future. Hence, it has become increasingly important to emphasize efficient utilization of retail space. Westside continues to take initiatives in this direction including through identifying "hot spots" in the stores in terms of revenues and revisiting space allocated to brands with differentiated performance. Sales per square feet is one of the key measures which assesses retail efficiency in terms of space utilization and the measure has shown a growing trend for Westside.

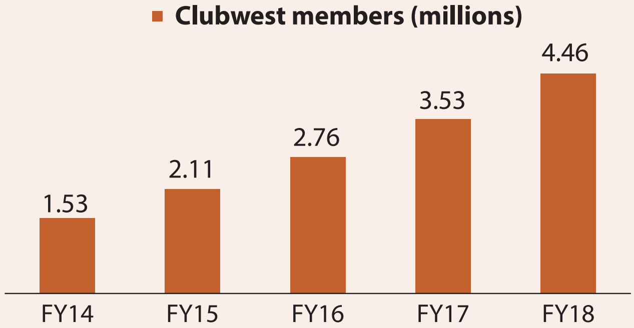


➢ **Active customer listening & engagement**

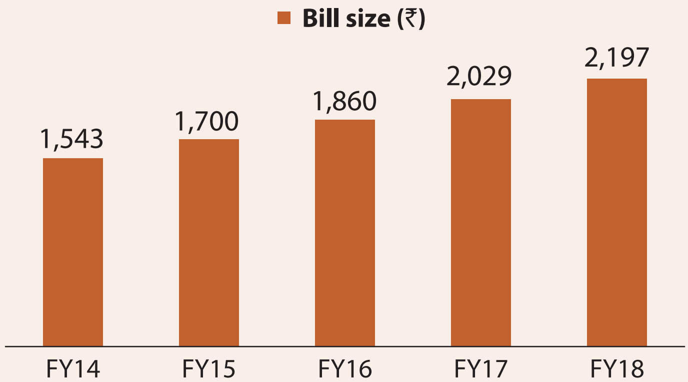
In-store activities and social media are being increasingly deployed as mechanisms for customer engagement, customer listening and learning. Digital campaigns on relevant social media channels have become an integral means to connect with our target audience. We leverage social media by using targeted tools such as Westside page on Facebook & Instagram, Studiowest page on Facebook and Studiowest tutorial videos on YouTube.

Separately, digital video campaigns promoting our power brands is an initiative which has been actively pursued and has received very encouraging traction.

We also engaged with our customers through associations with fashion bloggers, vloggers, influencers, popular fashion events and youth events. The innovative usage of targeted communication methods enables us in connecting with our customers better and enhancing customer satisfaction. Power targeting is used to run customised campaigns for ClubWest members. This has helped us in improving contribution of the active members and increasing frequency of less active members. The following chart depicts the increase in our loyalty customer base over the years.

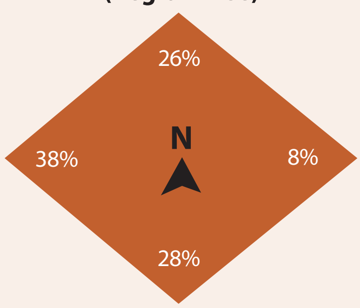


Aided by multiple initiatives including the ones mentioned above, the average bill size registered an encouraging growth of 8.28 percent in FY 2017-18. Bill size represents the average amount spent by each customer on their purchase. The following chart depicts the trend of this measure for Westside in recent years.



- **Scaling up reach**

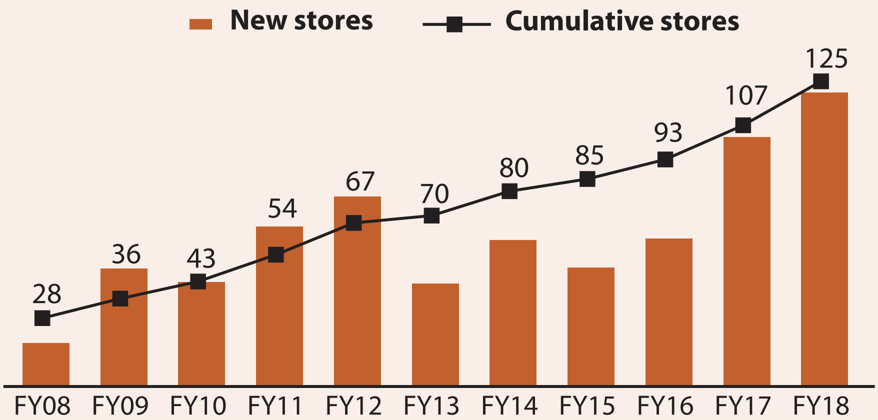
Sales contribution (Region wise)



The Westside proposition continues to witness strong traction across diverse regions.

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

In the year under review, 20 stores were opened across metros & non-metros. Also, 2 stores which were seen to be present in declining/ unviable locations and lacking a sustainable growth outlook were closed. Westside operates through 67 malls/shopping centres and 58 standalone stores across India.



The in-house property team is supported by a well-defined set of processes for analysing the potential market & catchment to pursue expansion opportunities. Westside is planning to accelerate expansion in the coming years by focusing broadly on two concepts - flagship stores, the prominent full offer stores and the curated smaller stores in non-metros/ emerging micro-markets.

The average size of Westside stores is around 17,600 sq. ft. with the investment in fit-outs of around ₹ 2,000 per sq. ft. for newer stores.

Chandigarh, Chhattisgarh and Goa have two stores each. Assam, Haryana, Jammu & Kashmir, Nagaland, Orissa and Sikkim have one store each.

- **Fully integrated store and online**

Online fashion retailing is increasingly gaining traction in India. With an aim to address this fast-emerging market, and especially to enable the convenience for our customers seeking to shop with us online, we have strengthened the exclusive online offer on TataCLiQ - a Tata Group market place initiative. We have also pursued to increase the brand visibility online and adopt an omni-channel approach to servicing our audience.

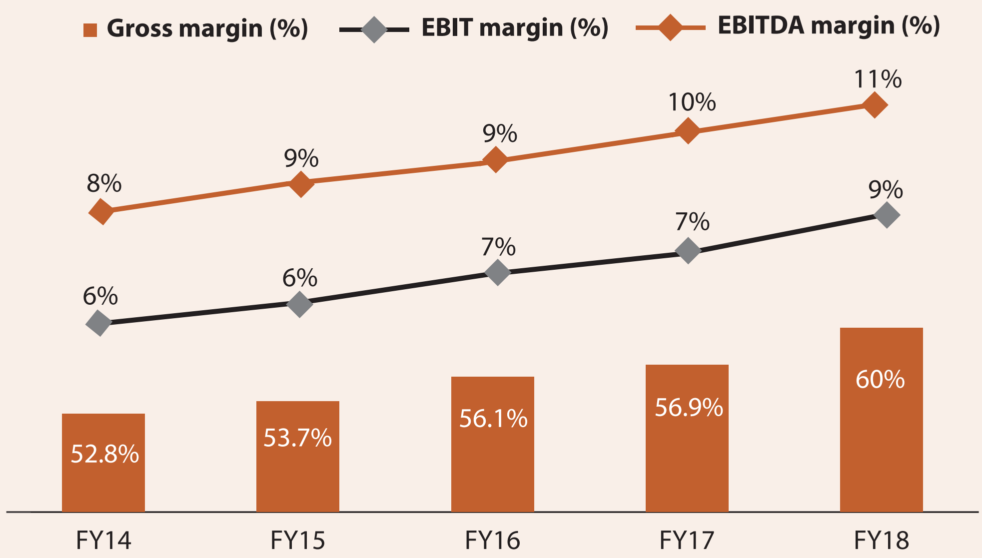
Several of the key choices made regarding the model adopted are seen yielding results including:

- A central inventory position
- Merchandise range synchronised with the in-store offer
- Exclusivity of the arrangement with Tatacliq and
- Emphasis on leveraging the Westside store network in various omni-channel respects

The platform gained traction in FY 2017-18 and notwithstanding the small revenue base, it is encouraging that Westside online revenues were up over three-fold vis-à-vis the previous financial year and the channel is now profitable. Omni-channel initiatives account for over 75 percent of the total sales through this channel. Revenues in the region of ₹ 100 Crores is targeted through this channel in FY 2018-19.

The growth online is facilitated by Westside leveraging its strong digitally enabled product delivery engine across the value chain.

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



In terms of way forward, Westside adopts a multi-pronged approach aimed at leveraging the opportunity afforded by the Indian fashion retailing space with the following guideposts:

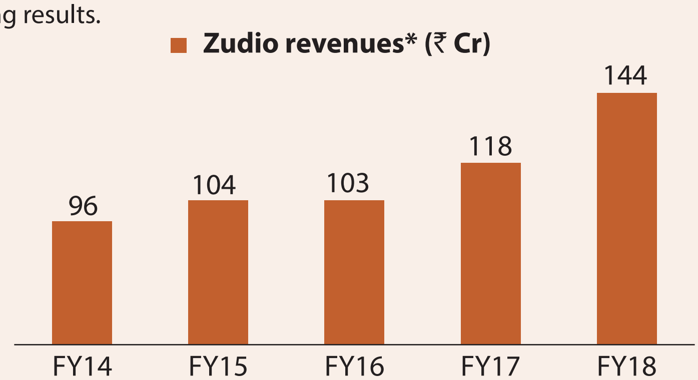
Operations – Zudio

During the year under review, the value fashion offering from the Star ecosystem was acquired by the Company from THPL. The value fashion business is expected to present significant growth opportunities and also afford striking synergies with the existing fashion concepts of the Company.

Zudio addresses the fast and edgy fashion needs of the customers at sharper price points, with infrastructure and backend processes closely aligned with Westside, which enables it to drive better efficiencies. It has presence through 7 standalone stores as well as 15 Star locations. The Company sees value fashion as one of the growth drivers in the medium to long term and intends to scale up the brand significantly in the coming years.

- **Striking fashion- sharper prices**

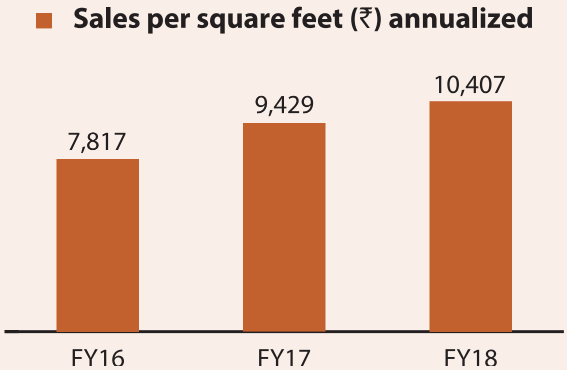
  Zudio focuses on young and edgy fashion through a 100 percent own branded offering. The product range is curated in-house in line with the latest fashion trends and at affordable prices. Apart from ensuring differentiated fashion and experience for customers, active control of value chain is integral to evolving a sustainable business model for the concept. The concept is gaining traction and has delivered encouraging results.



*includes sales from Star, Zudio standalone stores and Tatacliq

➢ **Vibrant stores**

Zudio stores present in striking locations offer compelling shopping experience for the targeted audience. The concept is now profitable at the store level, notwithstanding the relatively young store portfolio. Sales per square feet in the year under review crossed INR 10,000.



*Including as part of select Star locations

Overall, Zudio adopts following principal guideposts:

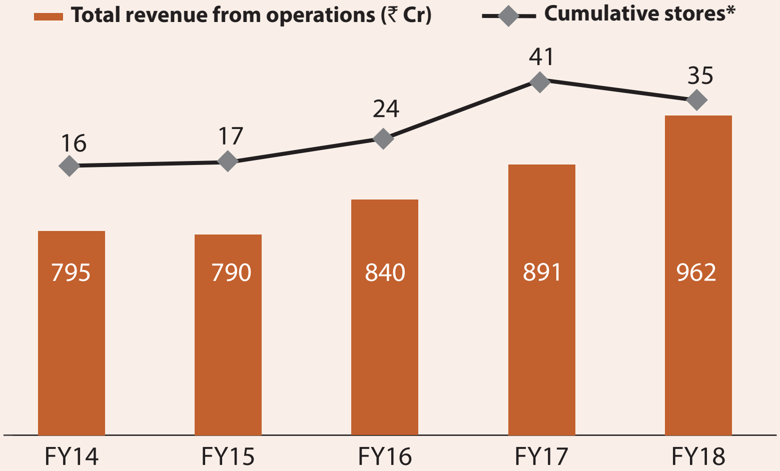
Operations – Star Bazaar

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

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

During the year under review, the like-for-like sales growth of Star concept stores was 8.1 percent as against 2.1 percent witnessed in the preceding year. In 2017-18, THPL recorded total revenues of ₹ 962 Crores (₹ 891 Crores in FY 2016-17), EBITDA was negative ₹ 71.48 Crores (negative ₹ 16.65 Crores in FY 2016-17) and a PAT of negative ₹ 90.50 Crores (negative ₹ 52.49 Crores in FY 2016-17).

Star performance



*Cumulative stores: includes Star dailies that were rationalized in FY 2017-18

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

Star brand is anchored primarily by Star Market concept. It is a supermarket concept that operates in 5,000 to 10,000 sq. ft. and is positioned as a one-stop shop for fulfilling customers' monthly & top-up needs for groceries, fresh produce, FMCG products, personal grooming and general merchandise. The performance of the Star Market stores is broadly in line with expectations and the progress of this portfolio of stores towards viable store economics is encouraging.

During the year under review, Star Daily & Star Hyper concepts were consolidated on the lines of Star Market as we increasingly believe that the Star Market concept affords the most sustainable platform for expansion and the rollout could be further accelerated as we continue to see encouraging results.

Currently, THPL operates 23 Star Market and 10 Star Hypers in the cities of Bengaluru, Hyderabad, Kolhapur, Mumbai and Pune. Separately, FHL- a wholly owned subsidiary of the Company also operates 2 Star Hypers in Ahmedabad & Surat.

- **Fresh food & own branded offerings**

  Star focuses on providing its customers quality & reasonably priced fresh produce. Over the time, it has positioned itself as a distinct retailer famous for 'Fresh Food', which has proved to be the key footfall driver for the concept. We now directly engage with over 250 farmers and a significant proportion of vegetables & fruits are now directly sourced and serviced through a network of collection and distribution centers.

  We believe in own branded private label offerings as key to evolving a sustainable business model. In this context, we have continued to focus on expanding our exclusive range. In 2017-18, following three own brands with around 51 products variants & 82 SKUs were introduced across Star stores :

  - Klia: Range of premium home care products
    - This includes detergents, household cleaning, freshener and disposable ware
  - Fabsta: Range of flavourful food and beverages
    - This includes savouries, biscuits, noodles, breakfast cereals, tea & coffee etc.
  - SKYE: Range of scientifically formulated health and beauty products
    - This includes skin care, hair care, oral care, body sprays & perfumes

  The plan is to continue expanding own branded offerings by emphasizing the proposition of great quality at reasonable prices.

- **Geographical presence**

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

- **Omni channel presence**

  During the year under review, Starquik - the online grocery portal- was launched by FHL with THPL as wholesale supply partner. This has allowed the Company to leverage the capabilities and infrastructure across channels.

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

Operations – Fiora Hypermarket Limited (FHL)

As discussed in earlier reports, FHL (a wholly owned subsidiary of the Company), operates a few of the Star Bazaar stores in the context of the applicable regulations with respect to FDI in Multi Brand Retail Trading. During the year under review, FHL incubated the Starquik online platform and envisages expansion of Star banner stores only in the state of Gujarat. The intent would be to grow the operations of FHL in a calibrated manner that leverages the existing presence & operations.

Operations – Landmark

Landmark has evolved into an entertainment concept offering a range of curated products including toys, front-list books and sports merchandize. The back-end operations relating to the concept are significantly aligned with that of the Westside concept which facilitates to drive synergies and contain overhead costs. During the year under review, the like-for-like sales growth of Landmark stores was 15 percent.

The principal measures pursued in the period under review include:

- **Focus on trendy & newer growth segments**

  We continue to refresh and calibrate our product portfolio at Landmark to offer entertainment options aligned with the latest lifestyle trends. Over the years, Landmark has been able to offer products & experience most relevant to our customers with a sharp focus on "freshness" and "exclusivity". The concept pursues a defined vendor strategy which enables it to offer latest toys, front-list books, trending gadgets and sports & fitness related range, a significant part of which is launched only &/or first in Landmark stores.

- **Customer engagement**

  Landmark's positioning of "For the Child in All of us" has been backed by its endeavor to create exclusive customer engagement experiences. These events attract large number of customers including kids, youth & adults and provide an exciting platform for the customers to interact with the brand. In FY 2017-18, events like Author meet and greet, Landmark quiz and various other in-store competitions, events and activities were conducted to ensure that customers have a truly exciting experience in the stores.

- **Store portfolio**

  Landmark business has 5 independent stores. In addition to the independent stores, Landmark merchandize is also retailed through 10 SIS inside Westside. The intent is to focus efforts on select stores with potential for growth.

Consequent to the various strategies pursued and measures taken, the concept continues to be profitable at store level. The intent is to build on the positive momentum seen in recent periods and evolve a compelling business case.

Other Joint Ventures, Key Operating Subsidiaries and Treasury

- **Zara and Massimo Dutti:** The Company has two separate Joint Ventures with the Inditex group of Spain with a shareholding of 51 percent (Inditex) : 49 percent (Trent) – one for Zara and the other for Massimo Dutti stores in India. The JV for Zara operates 20 stores in Delhi, Mumbai, Bangalore, Pune, Surat, Jaipur, Chandigarh, Chennai, Mohali, Hyderabad & Gurgaon. In the year under review, the JV also opened the flagship Zara store in South Bombay, the reception to which has been positive and overall brand enhancing. This JV entity (Inditex Trent Retail India Private Limited) recorded revenues of ₹ 1221.67 Crores and PAT of ₹ 82.59 Crores in FY 2017-18. Plans are to steadily expand the presence of Zara stores in India over the next three to four years in the major cities – the primary challenge to faster expansion is the availability of high quality retail spaces which can be expected to generate reasonable sales throughput. Including in the context of brand ownership and the arrangements for merchandise supply (with the majority partner entirely controlling the core customer proposition with respect to the fashion offer), the Company views its commitment to this JV primarily as a financial investment and consequently, it may be appropriate not to consider this as a long term strategic investment integral to other retail operations. The JV for Massimo Dutti operates 3 stores in Mumbai and Delhi. This JV entity (Massimo Dutti Private Limited) recorded total revenues of ₹ 45.75 Crore.

- **Fiora Services Limited (FSL)**, a subsidiary of the Company, continues to render various services in terms of sourcing activities, warehousing, distribution, clearing and forwarding. We believe this structure of a separate service providing entity has yielded encouraging results with respect to attracting relevant functional talent and at the same time keeping related costs under control. FSL charges the service receiving entities primarily on a cost plus reasonable markup basis. In FY 2017-18, it reported total revenues of ₹ 32.13 Crores (₹ 45.22 Crores in FY 2016-17) and total comprehensive income of ₹ 2.93 Crores (total comprehensive loss of ₹ 0.56 Crores in FY 2016-17).

- **Fiora Business Support Services Limited (FBSSL)** (formerly known as "Westland Limited"): is now a wholly owned subsidiary of the Company. It reported total revenues of ₹ 13 Crores and total comprehensive income of ₹ 0.93 Crores for FY 2017-18. It is now engaged in the business of providing business support and consultancy services relating to accounting, merchandising, human resources, payroll etc. During the previous year, the Company had transferred its publishing business to Amazon on a slump sale basis. Hence, the current year performance is not comparable with this performance.

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

Overall financial results

Overall, for 2017-18, on a standalone basis the Company has reported total revenues of ₹ 2108.84 Crores (₹ 1,775.57 Crores in FY 2016-17), PAT of ₹ 116.73 Crores (₹ 106.87 Crores in FY 2016-17) and total comprehensive income of ₹ 116.32 Crores (₹ 107.60 Crores in FY 2016-17).

On a consolidated basis, the Company has reported total revenues of ₹ 2201.67 Crores (₹ 1,872.96 Crores in FY 2016-17), PAT of ₹ 87.04 Crores (₹ 84.95 Crores in FY 2016-17) and total comprehensive income of ₹ 87.77 Crores (₹ 82.42 Crores in FY 2016-17).

Internal Controls and Adequacy

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

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

Sustainability

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

➢ **People**

Being part of the Tata Group, we have always been guided by the philosophy of improving the quality of lives of the communities we serve. The Company continues to safeguard interests of consumers, employees, shareholders and the communities.

- **Community initiatives**

  The Company's approach to societal responsibilities and supporting communities is linked to its business and core competencies. We approach all such initiatives with the philosophy of being beneficial to both communities and the business. The Company continues to focus on following:

  - Creating more jobs for the society by following a growth agenda, and recruiting freshers from local communities
  - Increasing employability of colleagues at the entry level through cross-functional training
  - Encouraging colleagues to pursue enriching interests within and outside

  Today, close to 24 percent of Company's workforce comes from the underprivileged classes of the society. The Company also encourages its employees to volunteer for social causes and projects conducted by Tata Strive. The Company has won multiple awards at the Tata Group level for its efforts in making youngsters from the underprivileged classes employable and employing them.

- **Strong teams- shared values**

  The Company believes that strong teams are key to business growth and organizational excellence. The intent is to maintain a balance of different skills, experience and personalities in all the teams. With the aim of strengthening our alignment with customer promise and enhance customer centricity, the concepts follow a matrix structure. In the newly evolved structure, colleagues work together as category teams consisting of buying, merchandising, sourcing, garment technology and sales management, each contributing towards respective category goals and meeting customer needs as one team.

In line with our aggressive growth strategy, the focus is to build functional and leadership skills across the teams. In the year under review, an intensive "Personal Development Laboratory" was conducted to sharpen the skills of high potential store managers and colleagues from across the value chain.

"Talent Acceleration Program- T.A.P" Development Centers were held for high potential department managers to develop their leadership capability. These efforts coupled with identification of internal talent and robust hiring processes involving behavioral interviewing process & psychometric profiling yielded encouraging results for selection of quality teams across the functions. Additionally, Executive Coaching was provided to colleagues in critical positions to support them in delivering business success.

Overall, the Company engaged colleagues in various development initiatives averaging 4 learning man-days per person.

As the Company continues to grow, its shared values bring teams together and guide them in their daily "code of conduct". The Company launched "Values Gestures Code" to instill and reinforce our values among all the colleagues across corporate and store teams. We also celebrated several exemplary "Value Stories" proudly shared by our colleagues which emphasize our commitment in living core values in our day-to-day work interactions. Engaging refresher sessions on 'Tata Code of Conduct' were conducted to emphasize ethical conduct and guide on business dilemmas faced while dealing with multiple stakeholders. Regular POSH (Prevention of Sexual Harassment) awareness sessions sensitize colleagues on acceptable ethical behaviors and promote healthy work environment based on mutual respect.

As of 31st March'18 the staff strength (including corporate staff) was 5,475 at Westside, 195 at Zudio, 183 at Landmark, 2,265 at Star and 646 at subsidiaries including Fiora Services Limited, Fiora Business Support Services Limited, Nahar Retail Trading Services Limited, Fiora Hypermarket Limited with an overall total of 8,764 employees across key concepts / entities within the Company. 43 percent of our colleagues in stores are women.

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

- **Suppliers**

The Company continues to emphasize social and environmental sustainability across the value chain. With the aim of achieving secure working conditions and positive footprints across the supply chain, the Company subscribes to robust social compliance platforms such as SEDEX for evaluating vendors on key aspects including labor standards, health & safety, management systems, business ethics and environmental safety. Regular audits and training workshops by certified institutions provide further support in taking corrective actions as warranted. 70% of our vendors are certified to be compliant on all the key social and environment related parameters.

➢ **Planet**

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

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

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

➢ **Profit**

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

Outlook

In FY 2018-19, Indian economy is expected to grow around 7-7.5 percent and inflation rate is expected to grow around 4.9%. The government's focus on strengthening the investment environment and maintaining economic stability should further boost the economic outlook and translate into positive consumption triggers over time. India has been attracting growing FDI given its large attractive market and positive government initiatives. Over time, this is also expected to increase the purchasing power of the average Indian consumer.

On the other hand, escalating costs (especially wages, electricity and common area maintenance) imply continued challenges. Further, securing properties at acceptable rentals and valuations in the real estate space (with most participants in the organized retail pursuing their growth plans) continue to be challenging. However, across concepts, the preference for standalone properties vis-à-vis mall developments has mitigated this risk to a significant degree. The property pipeline already contracted should still allow opening accelerated number of new stores in FY 2018-19.

The impact of the GST regime rolled out from 1st July is expected to be positive over the medium term as indirect tax compliances should get more streamlined and formalization of the economy is accelerated.

Overall, we continue to be very positive on the underlying case for growth of branded retailing in India over the coming years. The intent going forward is to continue scaling up our presence and in doing so focus on following aspects across the concepts:

- **Brand**
  - Strong emphasis on being a portfolio of aspirational brands (anchored by differentiated products, lifestyle experience and wide retail reach)
  - Continued efforts to refresh & strengthen own-branded/ exclusive offering that are compelling to the target audience with an emphasis on ownership/control of the value chain

- **Supply Chain**
  - Continued emphasis on strong inventory related disciplines across concepts and the value chain- aimed at world class retail availability levels, freshness of offer and effective controls.
- **Reach**
  - Focus on faster expansion including in virgin micro-markets across regions (with at least 25 new stores in each of our concepts in FY 2018-19)
  - Emphasis on highly differentiated and brand enhancing stores led by prominent "standalone" properties/locations;
  - Build on encouraging experience of online business through Tatacliq to expand reach
- **Sustainability**
  - Concentrate resources on substantially growing our anchor concepts (especially Westside, Zudio and Star Market)
  - Emphasis on sustainable store level profitability
  - Focus on strengthening omni-channel capabilities to facilitate seamless integration between customer, store and online operations.

Risks and Concerns

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

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2017-18

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

1] The Company's philosophy on Corporate Governance

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

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

2] Board of Directors

As on 31st March 2018, the Company has 10 Directors including a Non-Executive Chairman, a Managing Director and an Executive Director (Finance) & Chief Financial Officer. Out of 8 Non-Executive Directors, 5 are Independent Directors. The composition of the Board is in conformity with Regulation 17(1) of the Listing Regulations and the Companies Act, 2013 (the Act).

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

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

29 Board/Committee meetings were held during the year under review comprising 6 Board Meetings, 22 meetings of various Committees and 1 Independent Directors Meeting. The Board of Directors of the Company met 6 times during the financial year 2017-18 i.e. on 26th May 2017, 19th July 2017, 31st July 2017, 9th November 2017, 8th February 2018 and 25th March 2018. The necessary quorum was present at all the meetings.

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

Name	Category	No. of Board Meetings held and attended during FY 2017-18		Whether attended last AGM held on Tuesday, 1st August 2017	No. of Directorships in other Indian Public Limited Companies (As on 31st March 2018)#	No. of Committee positions held in other Indian Public Companies (As on 31st March 2018)##		Number of Equity shares held (As on 31st March 2018)
		Held	Attended			Chairman	Member	
Mr. N. N. Tata (Chairman) DIN: 00024713	Non-Independent Non-Executive	6	6	Yes	6	1	1	8,86,930
Mr. Z.S. Dubash DIN: 00026206	Independent Non-Executive	6	6	Yes	1	Nil	Nil	Nil
Mr. B. Bhat DIN: 00148778	Non-Independent Non-Executive	6	5	Yes	8	Nil	3	Nil
Mr. S. Susman DIN: 03503013	Independent Non-Executive	6	2	No	Nil	Nil	Nil	Nil
Mr. B. N. Vakil DIN: 00283980	Independent Non-Executive	6	6	Yes	3	Nil	1	Nil
Mr. H. R. Bhat DIN: 00478198	Non-Independent Non-Executive	6	6	Yes	6	Nil	4	Nil
Ms. S. Singh DIN: 07108778	Independent Non-Executive	6	5	Yes	Nil	Nil	Nil	1,220
Mr. Philip N. Auld* (Managing Director) DIN: 03543080	Non-Independent Executive	6	6	Yes	1	Nil	Nil	Nil
Mr. A. Sen DIN: 00002593	Independent Non-Executive	6	6	Yes	4	1	2	Nil
Mr. P. Venkatesalu Executive Director (Finance) & CFO DIN: 02190892	Non -Independent Executive	6	6	Yes	7	Nil	Nil	Nil

Excludes alternate Directorships, Directorships of private limited companies, foreign companies and companies under Section 8 of the Act.

Represents Chairmanship/Membership of Audit Committee and Stakeholders Relationship Committee.

* Mr. Philip N. Auld was re-appointed as a Managing Director of the Company on fresh terms and conditions of appointment and remuneration w.e.f. 1st May 2017 to 30th April 2020.

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

The Company did not have any pecuniary relationship or transactions with Non-Executive Directors during the financial year ended 31st March 2018 except for payment of sitting fees, Commission and reimbursement of expenses incurred in the discharge of their duties. None of the Directors are inter-se related to each other. None of the Directors hold convertible instruments of the Company.

Separate Meeting of Independent Directors

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 8th February 2018 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations. All the Independent Directors i.e. Mr. B. N. Vakil, Mr. Z. S. Dubash, Mr. S. Susman, Ms. S. Singh and Mr. A. Sen attended the Meeting of Independent Directors. Mr. B. N. Vakil Chaired the meeting.

Code of Conduct

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

Board, Director and Committee Evaluation and Criteria for Evaluation

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

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

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

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

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

Familiarization Programme for Independent Directors

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

The details of familiarization programmes imparted to the Independent Directors is disclosed on the Company's Website www.mywestside.com.

3] Audit Committee

a) Terms of reference:

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

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

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

- To give suitable directions for initiating penal action against any person upon being informed by the Compliance Officer that such person has violated the Tata Code of Conduct for Prevention of Insider Trading and/or Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

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

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

b) Composition and attendance during the year:

The Audit Committee of the Company is constituted in line with Regulation 18 of the Listing Regulations and Section 177 of the Act. As on 31st March 2018, the Audit Committee comprises of 4 Non-Executive Directors, 3 of which are Independent.

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

Name of Members	Category	No. of Committee Meetings held and attended during the financial year 2017-2018	
		Held	Attended
Mr. A. Sen, Chairman	Independent Non-Executive	7	7
Mr. N. N. Tata	Non-Independent Non-Executive	7	7
Mr. Z. S. Dubash	Independent Non-Executive	7	6
Mr. B. N. Vakil	Independent Non-Executive	7	5

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

During the year 2017-18, 7 Audit Committee meetings were held on 21st April 2017, 28th April 2017, 26th May 2017, 31st July 2017, 8th November 2017, 7th February 2018 and 8th March 2018. The necessary quorum was present at all the meetings.

The Chairman of the Audit Committee, Mr. A. Sen was present at the AGM held on 1st August 2017. The Chairman of the Audit Committee briefs the Board members about the significant discussions held at the Audit Committee meetings.

Vigil Mechanism/Whistle Blower Policy

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

4] **Nomination and Remuneration Committee**

a) **Terms of Reference**

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

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

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

The Nomination and Remuneration Committee ('NRC') of the Company is constituted in line with Regulation 19 of the Listing Regulations and Section 178 of the Act. As on 31st March 2018, the NRC comprises of 4 Non-Executive Directors, 2 of which are Independent.

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

Name of Members	Category	No. of Committee Meetings held and attended during the financial year 2017-18	
		Held	Attended
Mr. B. N. Vakil, Chairman	Independent Non-Executive	5	4
Mr. N. N. Tata	Non-Independent Non-Executive	5	5
Mr. B. Bhat	Non-Independent Non-Executive	5	5
Mr. A. Sen	Independent Non-Executive	5	5

During the year 2017-18, 5 NRC meetings were held on 26th May 2017, 31st July 2017, 9th November 2017, 8th February 2018 and 27th March 2018.

The Chairman of the NRC, Mr. B. N. Vakil was present at the AGM held on 1st August 2017.

5] REMUNERATION OF DIRECTORS

a) Remuneration Policy

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

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

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

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

Key principles governing this remuneration policy are as follows:

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

- Independent Directors ("ID") and Non-Independent Non-Executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of Committees of which they may be members) and commission within regulatory limits.
- Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
- Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives).
- Overall remuneration should be reflective of size of the Company, complexity of the sector/ industry/Company's operations and the Company's capacity to pay the remuneration and overall remuneration practices should be consistent with recognized best practices.

- Quantum of sitting fees may be subject to review on a periodic basis, as required.
- The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
- The NRC will recommend to the Board the quantum of commission for each Director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and Committee meetings, individual contributions at the meetings and contributions made by Directors other than at meetings.
- In addition to the sitting fees and commission, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/ her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/Committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organized by the Company for Directors).

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

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

- o Industry benchmarks of remuneration,
- o Performance of the individual.

- The Company also provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the individual performance appraisal process and the performance of the Company.

b) Directors' Remuneration

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

The Directors' remuneration and sitting fees paid in the financial year 2017-18 is given below:

Non-Executive Directors

Name of the Director	Commission for the financial year 2016-17 paid in the financial year 2017-18 [₹]	Sitting Fees for attending Board and Committee Meetings held during financial year 2017-18 [₹]
Mr. N. N. Tata	18,00,000	11,70,000
Mr. Z. S. Dubash	13,00,000	11,55,000
Mr. B. Bhat	10,00,000	5,90,000
Mr. S. Susman	5,00,000	2,25,000
Mr. B. N. Vakil	13,50,000	12,00,000
Mr. H. R. Bhat*	-	3,60,000
Ms. S. Singh	7,50,000	5,40,000
Mr. A. Sen	15,50,000	15,15,000

*Mr. H. R. Bhat has not accepted commission for the year 2016-17.

The remuneration paid to Mr. P. Auld – Managing Director for FY 2017-18 is as follows:

Salary: ₹ 24.92 lakhs, Perquisites and allowances: ₹ 421.62 lakhs, Bonus and Performance linked incentives: ₹ 167.87 lakhs, Retirals: ₹ 2.99 lakhs

Term: The Board at its meeting held on 16th March 2017 (based on recommendation of NRC) approved the re-appointment of Mr. P. Auld as a Managing Director of the Company on fresh terms and conditions of appointment and remuneration w.e.f. 1st May 2017 to 30th April 2020, subject to necessary approvals, if any. The Shareholders at the AGM held on 1st August 2017 approved the re-appointment and remuneration of Mr. Auld for the aforesaid period.

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

Stock Options : Nil

The remuneration paid to Mr. P. Venkatesalu - Executive Director (Finance) and Chief Financial Officer for FY 2017-18 is as follows:

Salary: ₹ 58.39 lakhs, Perquisites and allowances: ₹ 80.90 lakhs, Bonus and Performance linked incentives: ₹ 83.70 lakhs, Retirals: ₹ 12.85 lakhs

Term: Mr. P. Venkatesalu was appointed as Executive Director (Finance) and Chief Financial Officer of the Company for a period of 3 years with effect from 1st June 2015 to 31st May 2018.

The Board at its meeting held on 3rd May 2018 (based on recommendation of NRC) has approved the re-appointment of Mr. P. Venkatesalu as Executive Director (Finance) and Chief Financial Officer on terms and conditions of re-appointment and remuneration for a period of 5 years i.e. from 1st June 2018 to 31st May 2023, subject to necessary approvals if any.

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

Stock Options : Nil

6] Stakeholders' Relationship Committee

a) Terms of Reference

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

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

b) Composition and attendance during the year:

The composition of the Stakeholders' Relationship Committee is given below:

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

During the year 2017-18, one Stakeholders' Relationship Committee meeting was held on 31st July 2017 which was attended by Mr. H. R. Bhat and Mr. P. Venkatesalu.

The Chairman of the Stakeholders' Relationship Committee, Mr. H. R. Bhat was present at the AGM held on 1st August 2017.

The Company Secretary acts as the Secretary of the Committee.

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

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

[b] Details of shareholders complaints received and redressed during FY 2017-18 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
3	11	14	0

[c] Number of pending share transfers/requests for dematerialization of shares as on 31st March 2018: 14 requests for dematerialization and 14 requests for share transfer were pending as on 31st March 2018. The same have been processed subsequently, as certified by the Registrars.

7] Corporate Social Responsibility Committee

a) Terms of Reference:

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

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause above;

- Monitor the Corporate Social Responsibility Policy of the Company from time to time;
- Oversee the Company's conduct with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen;
- Oversee activities impacting the quality of life of various stakeholders.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company. The Annual Report on CSR activities for the year 2017-18 forms a part of the Board's Report.

b) Composition and attendance during the year

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

Name of Members	Category	No. of Committee Meetings attended during the financial year 2017-18	
		Held	Attended
Mr. A. Sen, Chairman	Independent Non-Executive	3	3
Mr. N. N. Tata	Non-Independent Non-Executive	3	3
Mr. B. Bhat	Non-Independent Non-Executive	3	3
Ms. S. Singh	Independent Non-Executive	3	3

During the year 2017-18, 3 CSR Committee meetings were held on 31st July 2017, 9th November 2017 and 8th February 2018.

8] Borrowing and Investment Committee

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

The Composition of the Borrowing and Investment Committee is given below:

Name of Members	Category
Mr. N. N. Tata, Chairman	Non-Independent Non-Executive
Mr. Z. S. Dubash	Independent Non-Executive
Mr. H. R. Bhat	Non-Independent Non-Executive
Mr. P. Venkatesalu	Non-Independent Executive

During the year 2017-18, 1 Borrowing and Investment Committee Meeting was held on 12th December 2017 which was attended by all the Members.

9] Property Committee

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

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

Name of Members	Category	No. of Committee Meetings attended during the financial year 2017-18	
		Held	Attended
Mr. N. N. Tata, Chairman	Non-Independent Non-Executive	5	5
Mr. Z. S. Dubash	Independent Non-Executive	5	5
Mr. P. Auld	Non-Independent Executive	5	3
Mr. P. Venkatesalu	Non-Independent Executive	5	5

During the year 2017-18, 5 Property Committee Meetings were held on 28th April 2017, 30th August 2017, 12th December 2017, 19th January 2018 and 28th February 2018.

10] Subsidiary Companies

The Company does not have any unlisted material subsidiary incorporated in India. The Company has formulated a policy for determining material subsidiaries. The Policy is disclosed on the Company's website www.mywestside.com.

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

11] General Body Meetings

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

AGM	Date	Time	Venue
63rd AGM	7th August 2015	11.00 a.m.	Rangaswar Auditorium, Y.B. Chavan Centre, 4th Floor, General Jagannath Bhosale Marg, Nariman Point, Mumbai 400021
64th AGM	12th August 2016	10.45 a.m.	Walchand Hirachand Hall,4th Floor, Indian Merchant Chamber (IMC), IMC Building, IMC Marg, Churchgate, Mumbai -400020
65th AGM	1st August 2017	10.45 a.m.	Walchand Hirachand Hall, 4th Floor, Indian Merchant Chamber (IMC), IMC Building, IMC Marg, Churchgate, Mumbai - 400020

All resolutions moved at the last AGM were passed with requisite majority by the shareholders.

The following are the special resolutions passed at the AGM held in the last three years.

AGM Held on	Special Resolution Passed	Summary
7th August 2015	Yes	Appointment of Mr. P. Venkatesalu as an Executive Director of the Company
		Offer or invitation to subscribe to Non-Convertible Debentures on a Private Placement basis
12th August 2016	Yes	Offer or invitation to subscribe to Non-Convertible Debentures on a private placement basis
1st August 2017	Yes	Re-appointment of Ms. Sonia Singh as an Independent Director of the Company
		Re-appointment of Mr. Abhijit Sen as an Independent Director of the Company
		Re-appointment of Mr. Philip N. Auld as the Managing Director of the Company
		Offer or invitation to subscribe to Non-Convertible Debentures on private placement basis

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

12] Means of Communication

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

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

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

13] Other Disclosures

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

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

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

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

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

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

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

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

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

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

14] Secretarial Audit

- Parikh & Associates, Practicing Company Secretaries have conducted the Secretarial Audit of the Company for the year 2017-18. Their Audit Report confirms that the Company has complied with the applicable provisions of the Act and the Rules made there under, Listing Regulations, applicable SEBI Regulations, Secretarial Standards and other laws applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.
- Pursuant to Regulation 40(9) of the Listing Regulations, certificates have been issued on a half-yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.
- A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ listed capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

15] General Shareholder Information

Annual General Meeting:

Date and Time	Thursday, 9th August 2018 at 10.45 a.m.
Venue	Walchand Hirachand Hall, 4th Floor, Indian Merchant Chamber (IMC), IMC Building, IMC Marg, Churchgate, Mumbai – 400020
Date of book closure	Tuesday, 31st July 2018 to Thursday, 2nd August 2018 (both days inclusive)
Dividend Payment date	On or after Tuesday,14th August 2018
Listing on Stock Exchanges	The Company's Equity Shares are listed on the following Stock Exchanges:
	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001
	National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

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

As required under Listing Regulations particulars of Director seeking re-appointment are appended to the Notice of the AGM to be held on 9th August 2018.

Financial Year ending 31st March

The Company has paid annual listing fees to BSE Limited (BSE) and to National Stock Exchange of India Limited (NSE) for the financial year 2017-18.

Stock Code and ISIN:

Stock Code	ISIN	BSE	NSE
EQUITY	INE849A01020	500251	TRENT EQ

NSE – NCDs
INE849A08066

Debenture Trustee

Axis Trustee Services Limited

Registered & Corporate Office Address:- Axis House, Bombay Dyeing Mills Compound,

Pandurang Budhkar Marg, Worli, Mumbai – 400025

Tel: 022-6226 0075/6226 0074

Email Id: debenturetrustee@axistrustee.com

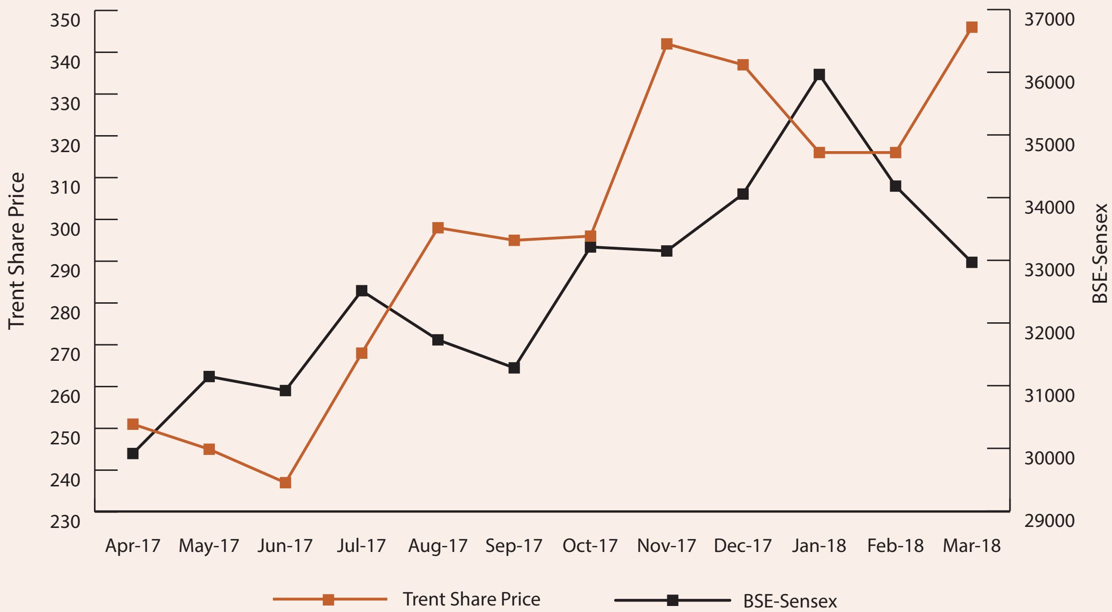
Market Information

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

Month	BSE			NSE		
	High [₹]	Low [₹]	No. of Shares Traded	High [₹]	Low [₹]	No. of Shares Traded
April 2017	271.95	251.00	4,44,679	271.90	251.40	26,87,745
May 2017	257.50	240.50	2,01,660	257.50	239.35	15,78,597
June 2017	255.55	234.40	6,00,570	255.40	234.90	23,26,606
July 2017	267.75	235.65	4,65,726	267.80	236.75	53,15,898
August 2017	299.60	265.55	9,86,208	299.75	266.30	70,75,950
September 2017	311.70	285.60	8,50,648	311.00	285.15	55,45,620
October 2017	322.95	293.40	6,71,174	323.40	292.55	38,72,268
November 2017	351.75	295.35	19,22,700	351.25	294.70	47,06,571
December 2017	338.00	325.35	2,73,291	337.55	326.35	28,17,008
January 2018	350.40	315.90	3,76,857	350.25	315.05	39,95,450
February 2018	323.15	306.15	2,18,952	323.15	304.90	15,80,813
March 2018	350.50	310.30	3,49,958	350.90	310.25	32,87,540

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

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



Registrar and Transfer Agents:

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

(i) For transfer lodgement, delivery and correspondence:

TSR Darashaw Limited	Tel: 022-6656 8484
Unit: **Trent Limited**	Fax: 022- 6656 8494
6-10 Haji Moosa Patrawala Industrial Estate,	E-mail : csg-unit@tsrdarashaw.com
20 Dr. E Moses Road, Near Famous Studio,	website : www.tsrdarashaw.com
Mahalaxmi, Mumbai – 400 011	

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

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

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

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

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

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

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

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

Distribution of Shareholding as on 31st March 2018:

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

Range (Shares)	Holding	Amount (₹)	Percentage to capital	Number of holders	% of t otal holders
1 to 500	37,17,424	37,17,424	1.12	31216	66.57
501 to 1,000	36,98,590	36,98,590	1.11	4758	10.15
1,001 to 2,000	58,11,295	58,11,295	1.75	3907	8.33
2,001 to 3,000	51,87,213	51,87,213	1.56	2073	4.42
3,001 to 4,000	42,26,263	42,26,263	1.27	1207	2.57
4,001 to 5,000	48,97,360	48,97,360	1.47	1067	2.28
5,001 to 10,000	1,26,92,339	1,26,92,339	3.82	1811	3.86
Greater than 10,000	29,20,86,246	29,20,86,246	87.89	853	1.82
Total	**33,23,16,730**	**33,23,16,730**	**100.00**	**46,892**	**100.00**

Categories of Shareholders:

Category	As on 31st March 2018		As on 31st March 2017		% Variance 2018 v/s 2017
	Number of Equity Shares Held	% to Paid-up Capital	Number of Equity Shares Held	% to Paid-up Capital	
Promoters	1,08,38,0150	32.61	108,38,0150	32.61	0.00
Mutual Funds and Unit Trust of India	3,74,42,749	11.27	2,97,93,736	8.97	2.30
Government Companies, Financial Institutions, Banks and Insurance Companies, Venture Capital Funds	1,09,21,470	3.29	99,29,744	2.99	0.30
Foreign Corporate	8,05,76,095	24.25	8,88,67,936	26.74	(2.49)
Bodies Corporate	3,49,10,611	10.51	3,56,19,118	10.72	(0.21)
Alternative Investment Fund	5,10,950	0.15	2,15,950	0.06	0.09
Others :					
Resident Individuals	5,57,54,759	16.78	5,67,07,404	17.07	(0.29)
Non-Resident Individuals	20,74,029	0.62	17,25,462	0.52	0.10
Trust	19,520	0.01	81,350	0.02	(0.01)
Directors & their Relatives	9,19,940	0.28	9,19,940	0.28	0.00
NBFCs registered with RBI	70,950	0.02	75,940	0.02	0.00
IEPF	7,35,507	0.22	0	0.00	0.22
TOTAL	**33,23,16,730**	**100.00**	**33,23,16,730**	**100.00**	**0.00**

Dematerialization of shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the Depositories in India viz., NSDL and CDSL. Equity shares representing 98.28% of the Company's Share Capital are dematerialized as on 31st March 2018.

The Company's shares are regularly traded on BSE and NSE, in the electronic form.

Benefits of Dematerialization:

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

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

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

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

Action required regarding non-receipt of dividends:

In case of non-receipt/non-encashment of dividend warrants, the investors are requested to correspond with the Company's Registrars/the Registrar of Companies, as mentioned hereunder:

2010-11 to 2016-17	TSR Darashaw Limited	Letter on plain paper.
Upto 2009-10	Investor Education and Protection Fund Authority	Online Claim in Form IEPF – 5 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and then send the same duly signed along with, requisite documents as enumerated in Form IEPF-5 to the Company at Registered Office for verification of the claim.

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

Financial Year	Date of Declaration of Dividend	Last date for claim by shareholders
2010-2011	5th August 2011	4th September 2018
2011-2012	10th August 2012	9th September 2019
2012-2013	2nd August 2013	1st September 2020
2013-2014	14th August 2014	13th September 2021
2014-2015	7th August 2015	6th September 2022
2015-2016	12th March 2016 (Interim Dividend)	11th April 2023
2016-2017	1st August 2017	31st August 2024

Shareholders who have not yet encashed their dividend warrant(s) for the financial year ended 31st March 2011 or any subsequent financial years, are requested to make their claim to the Registrar and Transfer Agent of the Company. Pursuant to Sections 205A and 205C other applicable provisions, if any, of the Companies Act, 1956, all unclaimed/unpaid dividends remaining unpaid or unclaimed for a period of seven years from the date they became due for payment, were required to be transferred to IEPF.

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

As per Section 124(6) of the Act read with the IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred in the name of IEPF. Accordingly, during FY 2017-18 the Company has transferred 7,35,507 equity shares in aggregate (0.22% of the share capital) to the demat account of the IEPF Authority on which dividend remained unclaimed for seven consecutive years from the dividend declared on 14th August 2009 and 18th August 2010.

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

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

The Company has uploaded the information in respect of unclaimed dividends, as on the date of last AGM i.e. 1st August 2017 on the website of the Company www.mywestside.com. The Company also sends a reminder annually to all such shareholders whose dividend has remained unclaimed for any prior period of seven years.

Support towards digitization

Green Initiatives:

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

The Company has sent circulars in March 2017 and February 2018 to the shareholders requesting them to register their email address. We once again request you to join us in this initiative and register your e-mail ID with Company's Registrar and Transfer Agent, TSR Darashaw Limited, in case you are holding shares in physical form. In case you are holding shares in dematerialized form, please register your e-mail ID with your depository participant directly. As on 31st March 2018, 66% of the shareholders have registered their email-id's thereby lending their support towards saving the environment.

Direct credit of dividend:

Payment of dividend through electronic mode has following advantages:

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

The Company has sent a circular in March 2017 to the shareholders requesting them to register their bank details. Members who have still not registered are requested to register their Bank Account Details (Core Banking Solutions enabled account number, 9 digit MICR and 11 digit IFSC Code), in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with the Company's Registrar and Transfer Agent, TSR Darashaw Limited. As on 31st March 2018, 86% of the shareholders have availed the facility of receiving direct credit of dividend in their bank accounts.

Nomination

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

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

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

In accordance with Para D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them for the Financial Year ended 31st March 2018.

For Trent Limited

Philip Auld
Managing Director

Mumbai, 3rd May, 2018