

BOARD'S REPORT

TO THE MEMBERS OF

TRENT LIMITED

The Directors present their sixty eighth Annual Report together with the audited financial statements for the financial year ended 31st March 2020. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

1. Financial Results

(₹ in Crores)

	Standalone		Consolidated	
	2019-2020	2018-2019	2019-2020	2018-2019
Revenue from operations	3,177.67	2,531.68	3,485.98	2,630.24
Other Income	151.76	36.30	144.50	40.82
Total Revenue	3,329.43	2,567.98	3,630.48	2,671.06
Total Expenses	3,083.88	2,378.37	3,435.06	2,490.94
Profit/(Loss) before exceptional items and tax	245.55	189.61	195.42	180.12
Exceptional Items	(0.03)	(0.45)	-	-
Share in profit and loss of Associates/Joint venture as per Equity method	-	-	(30.43)	(11.65)
Profit/(Loss) before tax	245.52	189.16	164.99	168.47
Total Tax expenses	90.94	61.67	59.01	73.61
Pre-acquisition Profit/(Loss)	-	-	-	(0.02)
Profit/(Loss) for the period from continuing operations	154.58	127.49	105.98	94.84
Profit/(Loss) from discontinued operations (after tax)	-	-	-	-
Profit/(Loss) for the period	154.58	127.49	105.98	94.84
Other Comprehensive Income				
Items that will not be reclassified to profit and loss	(2.93)	(2.24)	(6.55)	(1.39)
Income tax relating to items that will not be reclassified to profit or loss	0.39	0.47	0.58	0.43
Items that will be reclassified to profit and loss	-	-	(0.01)	0.01
Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Other Comprehensive Income for the period, net of tax	(2.54)	(1.77)	(5.98)	(0.95)
Total Comprehensive Income for the period	152.04	125.72	100.00	93.89
Profit/(loss) attributable to Equity holder of Company	-	-	122.78	96.96
Profit/(loss) attributable to Non-Controlling interest	-	-	(16.80)	(2.12)
Total Comprehensive Income attributable to Equity holder of Company	-	-	116.90	96.00

(₹ in Crores)

	Standalone		Consolidated	
	2019-2020	2018-2019	2019-2020	2018-2019
Total Comprehensive Income attributable to Non-Controlling interest	-	-	(16.90)	(2.11)
Retained earnings - Opening Balance	450.84	375.67	158.26	113.62
Appropriations				
Ind AS 116 Transition Adjustment	(247.57)	-	(276.26)	-
Transfer to Debenture Redemption Reserve	-	6.25	-	6.25
Dividend on equity shares (excluding tax)	43.20	38.21	43.30	38.21
Tax on dividend	8.88	7.86	8.88	7.86
Closing balance of retained earnings	305.77	450.84	(47.30)	158.26

2. Covid-19

The operations of the Company have been impacted by the various Covid-19 pandemic related developments. The Company is engaged in retailing of apparels, footwear, accessories & other lifestyle products and primarily operates through stores. The Company had temporarily closed all stores, offices and warehouses as applicable under the lockdown regulations. Our food stores operated by our joint venture/subsidiaries and their offices (to the extent required) and dealing in essentials have continued to operate with significant measures to ensure the safety of colleagues, customers and associates. The Company also facilitated work from home for select teams/end users through secured remote access with continued robust financial controls. The Company has actively communicated with colleagues across the country and prioritized timely remittance of compensation/other payments notwithstanding disruption of operations and has also connected with various vendor and property partners to evolve a collaborative, fair and yet contractually consistent approach to dealing with the challenges posed by the developments. The Company has prioritized cash conservation, cost reductions to maintain adequate liquidity and minimal borrowings. Certain of our stores retailing fashion products (Westside/Zudio/Utsa) have since reopened over the last fortnight and as of date seventy of the stores have commenced operations in accordance with local regulations and adoption of various safety procedures. Our expectation is

for resumption of economic activity in phases as indicated by the authorities and a gradual return of normalcy over the next few months. The Company has visibility to adequate resources to sustain the Covid-19 related impact in the interim period and we do not foresee any continued adverse impact over the medium to long term.

3. Dividend

Considering the Company's financial performance, impact of Covid-19 and taking a view of reasonable consistency in approach to various stakeholders, the Board of Directors recommend a dividend @ 100% i.e. ₹ 1/- per Equity Share on 35,54,87,461 Equity Shares of ₹ 1/- each (previous year @ 130% i.e. ₹ 1.30/- per Equity Share on 33,23,16,730 Equity Shares of ₹ 1/- each) for the Financial Year ended 31st March 2020, subject to approval of the shareholders. The dividend recommended at 100% for FY 2019-20 is lower than that paid with respect to the previous year. This is entirely in the context of the impact and uncertainty entailed by the Covid-19 related situation. The Company would seek to revert to the regular trajectory of dividend payments post stabilization of business operations in the following year. In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the shareholders. The Company shall, accordingly, make the payment of Dividend after deduction of tax at source. The total dividend on Equity Shares for FY 2019-20 would aggregate to ₹ 35.55 Crores,

resulting in a dividend payout of 23% of the unconsolidated profits of the Company.

4. Dividend Distribution Policy

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Board of the Company has adopted a Dividend Distribution Policy, which is annexed as **Annexure A**. The Policy is uploaded on the website of the Company www.westside.com.

5. Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profit for FY 2019-20 in the statement of profit and loss.

6. Share Capital

The paid up Equity Share Capital as on 31st March 2020 is ₹ 35,54,87,461/- comprising of 35,54,87,461 Equity Shares of ₹ 1/- each. The Company has allotted 2,31,70,731 Equity Shares of ₹ 1/- each at a price of ₹ 410/- per equity share amounting to ₹ 9,49,99,99,710/- on a preferential basis to Tata Sons Private Limited, promoter of the Company, on 6th August 2019, pursuant to special resolution passed by the shareholders vide postal ballot on 24th July 2019. The Company has utilized an amount of ₹ 804.32 Crores approximately of the issue proceeds towards the object of the issue and the balance unutilized amount of ₹ 145.68 Crores as on 31st March 2020 has been invested mainly in mutual funds.

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

7. Management Discussion and Analysis Report

A separate section on Management Discussion and Analysis Report ("MD&A") is included in the Annual Report as required under Regulation 34(2)(e) of the Listing Regulations. The MD&A includes discussion on the following matters within the limits set by the Company's competitive

position: industry prospects & developments, opportunities & risks, the performance of key retail formats & the outlook for the business, risks & concerns, internal control systems & their adequacy, discussion on financial performance, material developments in Human Resources/ Industrial Relations front and details of significant changes in key financial ratios.

8. Business Excellence Initiative

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

9. Board and Audit Committee Meetings

During the year nine Board Meetings and eight Audit Committee Meetings were held.

The Audit Committee consists of Mr. A. Sen as the Chairman and Mr. N. N. Tata, Mr. Z. S. Dubash (ceased w.e.f. 26th April 2020) and Mr. B. N. Vakil as Members. There have not been any instances during the year when recommendations of the Audit Committee were not accepted by the Board.

10. Directors

At the sixty seventh Annual General Meeting ("AGM") of the Company held on 1st August 2019, the shareholders had approved the re-appointment of Mr. Z. S. Dubash, Mr. S. Susman and Mr. B. N. Vakil as Independent Directors, not being liable to retire by rotation, for their second term from 14th August 2019 up to 25th April 2020, 10th May 2021 and 24th June 2022 respectively.

Consequently, Mr. Z. S. Dubash ceased to be a Director of the Company w.e.f. 26th April 2020 pursuant to completion of his term. The Board places on record its sincere appreciation for the significant contribution made by him as a Director and also as a member of several committees viz, Audit Committee, Property Committee, Borrowing and Investment Committee and Finance Committee in providing advice with regard to the Company's business.

At the sixty fifth AGM of the Company held on 1st August 2017, the shareholders of the Company, on the recommendation of the Nomination and Remuneration Committee ("NRC") and the Board, had approved the re-appointment and the revised remuneration of Mr. Philip N. Auld as Managing Director of the Company for a period of 3 years with effect from 1st May 2017 to 30th April 2020. The Board of Directors of the Company at its meeting held on 20th March 2020, on the recommendation of the NRC approved the re-appointment of Mr. Philip N. Auld with the designation Executive Director of the Company on fresh terms and conditions of re-appointment and remuneration with effect from 1st May 2020 and up to 2nd September 2021, in accordance with the governance guidelines adopted earlier by the Board, subject to approval of the shareholders and such other approvals as may be necessary. A resolution seeking shareholders approval for re-appointment and remuneration of Mr. Philip N. Auld is proposed at the ensuing AGM of the Company. The Board of Directors commend the re-appointment and remuneration of Mr. Philip N. Auld.

All the Independent Directors have submitted declarations that each of them meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 ("Act") and Regulation 16(1)(b) of the Listing Regulations and there has been no change in the circumstances which may affect their status as independent directors during the year.

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

11. Key Managerial Personnel

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

12. Particulars of loans, guarantees or investments

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

13. Related Party Transactions

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

The Related Party Transactions are placed before the Audit Committee for prior approval, as required under applicable law.

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

The Company has adopted a policy on Related Party Transactions. The policy as approved by the Audit Committee and the Board of Directors is uploaded on the website of the Company www.westside.com.

14. Business Responsibility Report

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

15. Risk Management Policy

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

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

The Company has also constituted a Risk Management Committee of the Board of Directors of the Company under the Chairmanship of Mr. A. Sen, Independent Director of the Company w.e.f. 1st April 2019, to assist the Audit Committee and the Board of Directors in overseeing the Company's risk management processes and controls.

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

16. Subsidiaries, joint venture and associates of the Company

Key subsidiaries, joint venture and associates of the Company:

- a) **Booker India Limited** ("BIL") [formerly known as Booker India Private Limited] During the year, the Company acquired 51% of the share capital of BIL thereby making it a subsidiary of the Company. BIL is engaged in the wholesale cash and carry business. BIL reported a total revenue of ₹ 266.97 Crores for the period under review and total comprehensive loss of ₹ 37.65 Crores.
- b) **Booker Satnam Wholesale Limited** ("BSWL") [formerly known as Booker Satnam Wholesale Private Limited], a subsidiary of BIL, is engaged in the wholesale cash and carry business. BSWL reported a total revenue of ₹ 50.35 Crores for the period under review and total comprehensive loss of ₹ 4.27 Crores.

- c) **Fiora Services Limited** ("FSL") a subsidiary of the Company, continues to render various services in terms of sourcing activities, warehousing, distribution, clearing and forwarding. FSL reported a total revenue of ₹ 34.43 Crores (₹ 30.28 Crores in FY 2018-19) for the period under review and total comprehensive income of ₹ 0.03 Crores (₹ 3.22 Crores in FY 2018-19).

- d) **Fiora Business Support Services Limited** ("FBSSL") a subsidiary of the Company, is engaged in the business of providing business support and consultancy services relating to accounting, merchandising, human resources, payroll etc. FBSSL reported a total revenue of ₹ 17.93 Crores (₹ 19.03 Crores in FY 2018-19) for the period under review and total comprehensive income of ₹ 0.89 Crores (₹ 0.85 Crores in FY 2018-19).

FSL and FBSSL had filed a joint petition with the Hon'ble National Company Law Tribunal ("NCLT") for the approval of the Scheme of Merger by absorption of FSL with FBSSL and their respective shareholders ("Scheme"), with effect from the Appointed Date i.e. 1st April 2018, subject to requisite approvals. The merger will lead to greater efficiency in combined business including economies of scale, efficiency of operations, cash flow management, increase asset base for the purpose of development of businesses of the combined entity and enhance their growth opportunities. The merger shall also result in simplification of the group structure. NCLT vide its Order dated 23rd April 2020 approved the said Scheme. The Scheme would be effective upon obtaining all the requisite sanctions and approvals, as may be required.

- e) **Fiora Hypermarket Limited** ("FHL"), a subsidiary of BIL is engaged in the retailing business (under the Star banners). FHL reported a total revenue of ₹ 123.51 Crores (₹ 93.65 Crores in FY 2018-19) for the period under review and total comprehensive loss of ₹ 11.35 Crores (₹ 0.90 Crores in FY 2018-19). During the period under review, 99.99% of the

share capital of FHL was acquired by BIL from the Company.

- f) **Flora Online Limited** ("FOL"), a subsidiary of BIL is engaged in online grocery retailing business with its brand name - StarQuik. FOL reported total revenue of ₹ 33.35 Crores (₹ 15.82 Crores in FY 2018-19) for the period under review and total comprehensive loss of ₹ 21.25 Crores (₹ 14.38 Crores in FY 2018-19). During the period under review, 74.99% of the equity share capital and 100% of the preference share capital of FOL was acquired by BIL from FHL.
- g) **Trent Hypermarket Private Limited** ("THPL"), a joint venture of the Company, operates the retail business (under the Star Banners). THPL reported a total revenue of ₹ 1,234.93 Crores (₹ 1,007.84 Crores in FY 2018-19) for the period under review and total comprehensive loss of ₹ 165.87 Crores (₹ 84.56 Crores in FY 2018-19).
- h) **Inditex Trent Retail India Private Limited** ("ITRIPL"), an associate of the Company, is engaged in operation of Zara stores in India. ITRIPL reported a total revenue of ₹ 1,576.25 Crores (₹ 1,441.25 Crores in FY 2018-19) for the period under review.

The Company has nine subsidiaries, a joint venture with Tesco PLC and two associations with Inditex of Spain as on 31st March 2020. Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries, joint venture and associations in Form AOC-1 is attached to the financial statements of the Company.

Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company www.westside.com. Any Member, who is interested in obtaining a copy of the audited financial statements in respect of subsidiaries, may write to the Company Secretary at investor.relations@trent-tata.com.

17. Deposits

During the year under review, the Company has not accepted any deposits from the Public. As on 31st March 2020, there were no deposits which were unclaimed and due for repayment.

18. Significant and material orders passed by regulators or courts

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

19. Material changes and commitments, if any, affecting the financial position of the Company

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

20. Internal Financial Controls

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

Details of the internal controls system are given in the MD&A.

21. Particulars of Employees

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

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

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

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

The NRC has defined the evaluation criteria for the performance evaluation of individual Directors, the Board and its Committees.

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

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

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

in mind and motivating and providing guidance to the Executive Directors etc.

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

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

Procedure for Nomination and Appointment of Directors

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

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

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

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

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

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

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

Remuneration Policy

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

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

The NRC has considered the following factors while formulating the Policy:

- i. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iii. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is as per the Remuneration Policy of the Company.

The policy on Directors appointment which also lays down the criteria for determining qualifications, positive attributes and independence of a Director and the Remuneration Policy as approved by the NRC and the Board of Directors is available on the website of the Company www.westside.com.

24. Details of establishment of Vigil Mechanism/ Whistle Blower Policy

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

25. Corporate Social Responsibility

Corporate Social Responsibility ("CSR") is an integral part of the Company's culture. The Company strongly believes in the Tata ethos of "what comes from the community should go back many times". One of the key features of our CSR projects is focus on participatory and collaborative approach with the community. The Company continues to emphasize on implementation of key areas denoted and chosen in its sustainability. The Company has adopted a CSR Policy in compliance with the provisions of the Act which is available on the website of the Company www.westside.com.

Majority of our interventions are weaved around key CSR focus areas, including Employability, Education, Entrepreneurship and Affirmative

Action initiatives. Under Educational interventions, our focus is English Communication skills, along with support for infrastructure and capacity building. Under Employability, focus is on skill development especially for youth and women. The Company, under its Affirmative Action programme, focuses on empowering the SC/ST youth to earn a livelihood. Under Entrepreneurship, our focus is on skilling as well as empowering the rural women with entrepreneur skills along with an opportunity to contribute towards the family income. The above projects are in accordance with Schedule VII of the Act. The Company has spent ₹ 269.85 Lakhs towards the CSR projects for the Financial Year 2019-20.

The Annual Report on CSR activities is attached as **Annexure C**.

26. Secretarial Auditor's Report

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Parikh & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the year ended 31st March 2020. The Secretarial Audit Report is given as **Annexure D**. The Secretarial Auditor's Report does not contain any qualification, reservations or adverse remarks.

27. Extract of Annual Return

Pursuant to Section 92(3) of the Act, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extracts of the Annual Return in form MGT-9 as at 31st March 2020 forms part of this report as **Annexure E**. The same is available on the website of the Company www.westside.com.

28. Corporate Governance

A separate section on Corporate Governance is included in the Annual Report along with the certificate from the Practicing Company Secretary confirming compliance with conditions on Corporate Governance as stipulated in the Listing Regulations as on 31st March 2020.

29. Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, and secretarial auditors including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year ended 31st March 2020.

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

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

30. Auditors

The shareholders of the Company at the sixty fifth AGM held on 1st August 2017 had approved the appointment of Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018), as the Statutory Auditors of the Company, to hold office till the conclusion of seventieth AGM of the Company to be held in the year 2022. The Auditor's reports do not contain any qualifications, reservations or adverse remarks.

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

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, to provide protection to employees at the workplace and for prevention and redressal of complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee to consider and to redress complaints of sexual harassment. During FY 2019-20, the Committee has received 19 complaints pertaining to sexual harassment and 17 of which were resolved with appropriate action taken.

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

- A. Conservation of Energy: The Company consciously makes all efforts to conserve energy across all its operations.
- B. Technology Absorption : Nil

- C. Foreign Exchange Earnings and Outgo: The Company incurred ₹ 229.81 crores in foreign currency for purchase of goods, receipt of services and reimbursement of expenses. The Company earned ₹ 28.96 crores in foreign currency from retail sales through International credit cards.

33. Compliance with Secretarial Standards

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

34. Maintenance of Cost Records

The Company is not engaged in the business of production of goods or providing of services as specified in Rule 3 of the Companies (Cost Records and Audit) Rules, 2014 ("Rules"). Accordingly, the requirement of maintaining cost records in accordance with Section 148(1) of the Act read with the Rules is not applicable to the Company for the period under review.

35. Acknowledgements

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

On behalf of the Board of Directors

Noel N. Tata
Chairman

Mumbai, 22nd May 2020