

Notice

NOTICE is hereby given that the **FIFTY - FOURTH ANNUAL GENERAL MEETING of TRENT LIMITED** will be held at Bombay House Auditorium, Bombay House, 24, Homi Mody Street, Mumbai – 400 001 on Friday, 8th September, 2006 at 3.30 p.m. to transact the following business:

- 1] To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March 2006 and the Balance Sheet as at that date together with the report of the Directors and Auditors thereon.
- 2] To declare a dividend.
- 3] To appoint a Director in place of Mr. K. N. Suntook, who retires by rotation and is eligible for re-appointment.
- 4] To appoint a Director in place of Mr. B. S. Bhesania, who retires by rotation and is eligible for re-appointment.
- 5] To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:
“RESOLVED THAT Mr. Zubin S. Dubash, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 27th October 2005 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 (“Act”) and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company”.
- 6] To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:
“RESOLVED THAT in partial modification of Resolution No. 5 passed at the Annual General Meeting of the Company held on 3rd September 2004 and in accordance with the provisions of the Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 (“Act”) read with Schedule XIII of the Act, the Company hereby approves of the revision in the perquisites and allowances payable to Mr. N. N. Tata, Managing Director, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with effect from April 1, 2006 for the remainder of the tenure of his contract as set out in the Explanatory Statement annexed to the Notice convening this meeting.”
“RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”
- 7] To consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution:
“RESOLVED THAT pursuant to the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956 (“Act”), a sum not exceeding one per cent per annum of the net profits of the Company, calculated in accordance with the provisions of Sections 198, 349 and 350 of the Act, be paid to and distributed amongst the Directors of the Company or some or any of them (other than the Managing Director and the Whole-time Director) in such amounts or proportions and in such manner and in all respects as may be directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each year of the period of five years commencing 1st April, 2006 and expiring with the financial year ending 31st March, 2011.”
- 8] To appoint Auditors and to fix their remuneration.

Notes:

- [a] The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the business under Items Nos. 5 to 7 set out above and the relevant details of directors seeking appointment / re-appointment under Items Nos. 3 to 5 above, pursuant to Clause 49 of the Listing Agreement, are annexed hereto.

- [b] A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- [c] The Register of Members and the Transfer Books of the Company will be closed from Tuesday 8th August 2006 to Tuesday 29th August 2006, both days inclusive. If the dividend as recommended by the Board of Directors is approved at the Meeting, payment of such dividend will be made on or after 9th September, 2006 as under:
- (i) To all beneficial owners in respect of shares held in electronic form as per the data as may be made available by the National Securities Depository Limited and the Central Depository Services (India) Limited as of the close of business hours on 7th August 2006.
 - (ii) To all shareholders in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 7th August 2006.
- [d] The entitlement to the discount coupons issued by the Company to the shareholders is related to their shareholding.
- [e] Pursuant to Section 205A of the Companies Act, 1956, all unclaimed/unpaid dividends up to the financial year ended 31st March, 1995 have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not yet encashed their dividend warrant(s) for the said period, are requested to forward their claims in prescribed Form No. II to the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 to the Office of the Registrar of Companies, Central Government Office Bldg., 'A' Wing, 2nd Floor, Next to Reserve Bank of India, CBD, Belapur 400 614, Telephone No. 27576802.
- Consequent upon the amendment to Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies [Amendment] Act, 1999, the amount of dividend for the subsequent years remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India and no payments shall be made in respect of any such claims by the IEPF.
- Accordingly, the Company has transferred to IEPF all unclaimed / unpaid dividends in respect of the Financial Years 1995-96 to 1997-98.
- Members who have not yet encashed their dividend warrant[s] for the financial year ended 31st March 1999 and subsequent financial years, are requested to make their claims to the Company accordingly, without any delay. It may be noted that the unclaimed dividend for the financial year ended 31st March 1999 is due for transfer to IEPF on 26th September 2006.
- [f] Having regard to the difficulties experienced by shareholders in disposing of the shares held by them in physical form, TSR DARASHAW LIMITED, Registrars of the Company, has framed a Scheme for the purchase of such shares. Interested shareholders may contact TSR DARASHAW LIMITED for further details.
- [g] No Hand bags/Parcels of any kind will be allowed inside the auditorium. The same will have to be deposited outside the Auditorium on the counter provided, at the shareholders'/proxies' own risks.

By Order of the Board of Directors,

MRS. H. R. WADIA
Company Secretary

Registered Office:
Bombay House,
24, Homi Mody Street,
Mumbai 400 001.
Mumbai, 2nd August, 2006

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173 (2) OF THE COMPANIES ACT, 1956 (THE ACT)

The following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 7 in the accompanying Notice dated 2nd August, 2006.

Item No. 5

Mr. Zubin Dubash was appointed as an Additional Director of the Company w.e.f. 27th October 2005. As per the provisions of Section 260 of the Act, Mr. Dubash holds office as Additional Director upto the date of the forthcoming Annual General Meeting of the Company and is eligible for appointment. The Company has received a notice pursuant to Section 257 of the Act, along with the requisite deposit from a member signifying an intention to propose Mr. Dubash as a candidate for the office of Director.

The details of Mr. Dubash along with his brief resume are given in the Annexure to the Notice. Taking into account the experience and expertise of Mr. Dubash the Board recommends his appointment.

None of the Directors except Mr. Zubin Dubash is deemed to be interested or concerned in passing of this Resolution.

Item No. 6

Mr. N. N. Tata was re-appointed as the Managing Director of the Company for the period of 5 years with effect from 15th June 2004 on the terms and conditions and remuneration as approved by the Shareholders at the Annual General Meeting of the Company held on 3rd September 2004.

In order to give flexibility to the Board of Directors (the Board) to decide upon the perquisites and allowances to be granted to Managing Director from time to time, within the overall ceilings prescribed under the Act, it is proposed to revise the terms of remuneration relating to perquisites and allowances of Mr. N. N. Tata with effect from 1st April, 2006. The Board of Directors at its meeting held on 28th June, 2006 have approved of the aforesaid proposal, subject to the approval of the Members. All the other terms and conditions of re-appointment and remuneration of Mr. N. N. Tata would remain unchanged. The revised terms of remuneration are as set out below:

- A. Remuneration:** Salary up to a maximum of Rs. 4,00,000/- per month with annual increments effective 1st April every year as may be decided by the Board of Directors based on merit and taking into account the Company's performance, benefits, perquisites and allowances as determined by the Board from time to time; and commission based on certain performance criteria to be prescribed by the Board.
- B. Minimum Remuneration:** Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Tata, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and, perquisites and allowances, as specified above.

The aggregate of the remuneration as aforesaid shall be within the maximum limits as laid down under Sections 198, 309 and all other applicable provisions, if any, of the Act read with Schedule XIII of the Act as amended from time to time.

In compliance with the provisions of Section 309 and 310 read with Schedule XIII of the Act, the revised terms of the remuneration of Mr. Tata are now being placed before the Members in general meeting for their approval. The Board recommends the Resolution for approval by the Members.

Mr. N. N. Tata, Managing Director and Mrs. S. N. Tata, Chairman are concerned or interested in the Resolution mentioned in Item No. 6 of the Notice.

This may also be treated as an abstract of the draft Agreement between Mr. N. N. Tata and the Company pursuant to Section 302 of the Act.

Item No. 7

At the Annual General Meeting of the Company held on 27th August 2001, the members had approved of the payment of remuneration by way of commission to the non-whole-time Directors of the Company, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of the Act, for a period of five years commencing 1st April 2001.

Taking into consideration the increased role of Directors in the emerging competitive environment, especially the added responsibilities of non-whole-time Directors, required by the new Corporate Governance regulations at various Board and Committee Meetings, it is appropriate that the Directors (apart from the Managing Director and Whole-time Directors, if any) be compensated and therefore, it is proposed that, in terms of Section 309 of the Act, the non-whole-time Directors be paid for each of the five financial years commencing from 1st April, 2006, a remuneration not exceeding 1% of the net profits of the Company, computed in accordance with the provisions of the Act. This remuneration will be distributed amongst all or some of the non-whole-time Directors in accordance with the directions given by the Board. The commission that will be paid will be in addition to the sitting fees for attendance of Board / Committee Meetings.

All the Directors of the Company apart from the Managing Director are concerned or interested in the Resolution mentioned at Item 7 of the Notice to the extent of the remuneration that may be received by them.

By Order of the Board of Directors,

MRS. H. R. WADIA
Company Secretary

Registered Office:

Bombay House,
24, Homi Mody Street,
Mumbai 400 001.

Mumbai, 2nd August, 2006

DETAILS OF MR. K. N. SUNTOOK, MR. B. S. BHESANIA AND MR. ZUBIN DUBASH AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT

Item No. 3

Mr. K. N. Suntook has been appointed on the Board of Directors w.e.f. 22nd August, 1995. Mr. Suntook has experience in general and legal, in particular. His qualifications are B.A., LL.B. (Advocate), F.C.S.

Names of the other Public Companies in which : Tata Investment Corporation Ltd., National
Mr. K. N. Suntook holds Directorships : Peroxide Ltd., The Associated Building Company
as on 31st March, 2006 : Ltd., Tata McGraw-Hill Publishing Co. Ltd.

Chairman / Member of the Committees of the Board of other Companies on which Mr. K. N. Suntook is a Director as on 31st March, 2006 : Tata Investment Corporation Ltd. – Audit Committee (Chairman), Investment Committee, Remuneration Committee (Chairman), Asset / Liability Committee; National Peroxide Ltd. – Audit Committee, Remuneration Committee, Cricket Club of India Ltd. – Executive Committee, Investment Committee.

Number of Shares held in the Company : 275

Item No. 4

Mr. B. S. Bhesania has been appointed on the Board of Directors of the Company w.e.f. 17th May 1983 and is a senior partner of M/s. Mulla & Mulla & Craigie Blunt & Caroe, with specialization in areas in shipping laws, corporate laws, property laws etc. His qualification are B.Sc.LL.M. Advocate, High Court, Mumbai and Supreme Court of India, Solicitor, High Court, Mumbai, Supreme Court of England & Wales and Supreme Court of Hongkong.

Names of the other Public Companies in which Mr. B. S. Bhesania holds Directorships as on 31st March, 2006 : Bhansali Engineering & Polymers Ltd., Bombay Rayon Fashions Ltd, DGP Hinoday Industries Ltd., Gilt Edge Finance & Investments Ltd.

Chairman / Member of the Committees of the Board of other Companies on which Mr. B. S. Bhesania is a Director as on 31st March, 2006 : Bhansali Engineering & Polymers Ltd.– Remuneration Committee; Bombay Rayon Fashions Ltd, Audit Committee

Number of Shares held in the Company : Nil

Item No. 5

Mr. Zubin Dubash is the Group Chief Financial Officer of WNS Global Services, the No.1 provider in leveraged offshore outsourcing solutions to the Global 500. He has over 24 years of international experience in finance and business development.

Prior to joining WNS, Mr. Dubash served as Executive Director of the Indian Hotels Company Ltd (Taj Group of Hotels). He was directly responsible for strategic planning, business development and finance for the Taj Group. He has also served as a Director of Tata Financial Services, a division of Tata Sons Ltd and was involved in advising Tata Group companies on their corporate finance requirements.

Mr. Zubin Dubash holds a Bachelors Degree in Commerce from Mumbai University and a Masters in Business Administration from The Wharton School, Philadelphia. He is also a Chartered Accountant from the Institute of Chartered Accountants in England and Wales.

Names of the other Public Companies in which Mr. Zubin Dubash holds Directorships as on 31st March, 2006 : None

Chairman / Member of the Committees of the Board of other Companies on which Mr. Zubin Dubash is a Director as on 31st March, 2006 : None

Number of Shares held in the Company : Nil

DIRECTORS' REPORT

TO THE MEMBERS,

The Directors are pleased to present their Fifty Fourth Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2006.

FINANCIAL RESULTS

	2005-2006 [Rupees in Crores]	2004-2005 [Rupees in Crores]
Total Income	357.59	246.10
Profit before taxes and Exceptional Items	35.04	24.56
Less: Exceptional Items	0.75	-
Less: Provision for taxation	9.91	5.31
Profit fo the year after Tax	24.38	19.25
Add/Less: Excess/(Short) Tax Provision for prior years [Net]	-	(0.19)
Net Profit	24.38	19.06
Balance brought forward from previous year	15.28	15.21
Balance available for appropriation	39.66	34.27
- Interim Dividend	-	7.87
- Proposed Dividend	9.38	-
- Tax on Dividend	1.32	1.12
- Transfer to Debenture Redemption Reserve	13.00	-
- Transfer to General Reserve	2.50	10.00
Profit carried forward	13.46	15.28
	39.66	34.27

The total Income of the Company for the fiscal year under review stood at Rs.357.59 Crores, i.e., an increase of 45% over the previous year, thus doubling its turnover in the last 2 years. Profit before taxes at Rs.34.29 Crores grew by 39% over the previous year and profit after taxes of Rs.24.38 Crores by 28%. On a consolidated basis, the turnover for the year was at Rs.419.11 Crores with a net profit after tax of Rs.28.80 Crores.

DIVIDEND

On 28th June 2006, the Board of Directors recommended a final dividend of Rs.6.50 per share (65%) on 1,44,27,811 shares, involving a distribution of Rs. 9.38 Crores.

ISSUE OF PARTLY CONVERTIBLE DEBENTURES WITH DETACHABLE WARRANTS

During the year, the Company issued 13,10,047 Partly Convertible Debentures of Rs.900/- each. The Convertible portion of Rs.400/- each has been converted into 1 equity share of a face value of Rs.10/- each at a premium of Rs.390/- each on the date of allotment. The Non-Convertible portion of a face value of Rs.500/- will be redeemable at a premium of Rs.98/- in July 2010. Further, a similar amount of warrants were also issued, entitling the holders to apply for 1 equity share of Rs.10/- at a premium of Rs.640 after expiry of 54 months from the date of allotment, or earlier in the event the Company proposes to issue further securities.

Consequent to the above issue, the paid-up capital of the Company has increased from Rs.1311.78 Lakhs to Rs.1442.78 Lakhs on 31st March 2006.

RETAILING BUSINESS

The Retailing Business had another good year with a strong growth in revenue of 49% at Rs.338.93 Crores,

reinforced by a segment profit of Rs.24.91 Crores, i.e., 75% above the previous year. Six new stores were commissioned at various intervals, all performing in line with the Company's expectations. These are mostly located in areas supporting existing flagship stores. STAR INDIA BAZAAR the first Hypermarket of the Company located in Ahmedabad, consolidated its position. A second hypermarket, situated in Bangalore will be opening soon. As of March end, the Company was operating 23 stores covering 600,000 sq ft.

TREASURY INCOME

Compared to the previous year the Company's Treasury Income was lower by 5% as the Company only booked a modest profit on the sale of some of its long-term investments.

NEW BUSINESS

During 2005-06, the Company alongwith its subsidiaries acquired 79% interest in the partnership firm, LANDMARK, the largest book and music retailer in the country, which is poised for a rapid expansion. The cost of this acquisition was Rs.108.5 Crores. LANDMARK has been converted into a public limited company and is now a subsidiary of the Company. For the year 2005-06, LANDMARK recorded a turnover of Rs.96.01 Crores and posted a net profit after tax of Rs.6.69 Crores. The Company's share of the profit for the period (31st August, 2005 to 31st March 2006) amounting to Rs. 2.38 Crores has been included in the financial results of Trent Limited.

STOCK OPTIONS

The Company has granted 45850 stock options, under the Employee Stock Option Scheme, to senior managers and selected officers of the Company.

The entire cost of Rs.3.96 Crores will be amortized over the 24-month vesting period commencing 1st December 2005 as per SEBI Guidelines. The proportionate amortization cost for the year amounting to Rs.0.64 Crores has been debited to Profit & Loss Account.

SUBSIDIARIES:**TRENT BRANDS LIMITED**

Trent Brands Limited ended the year with a net profit of Rs.5.41 Crores in the year under review. The Company has declared an interim dividend of Rs. 1.95 Crores (60%) on 24th March, 2006.

FIORA SERVICES LIMITED

Fiora Services Limited continues to render various services to the Company, including sourcing and warehousing. It posted a profit of Rs.0.56 Crores for the year under review and did not declare any dividend.

SATNAM DEVELOPERS & FINANCE PRIVATE LIMITED

Satnam Developers & Finance Private Limited is a 100% subsidiary of the Company which is developing office space partly for the Company's use in the Bandra-Kurla Complex. Construction work on the project is in progress after some initial delays due to late receipt of approvals.

NAHAR THEATRES PRIVATE LIMITED

The Company acquired 100% of the share capital of Nahar Theatres Private Limited, the owner of premises from where the Company operates its WESTSIDE Store at Lajpat Nagar, New Delhi, at a cost of Rs. 28.33 Crores.

FIORA LINK ROAD PROPERTIES LIMITED

Fiora Link Road Properties Limited is 100% subsidiary of the Company and holds 0.05% in the share capital of Landmark Limited.

COMMUNITY SERVICES

The Company, being city-centered, has forged ahead with its support to 36 child welfare organizations, especially those involved with street children, in the cities where it operates. Our representatives have visited them to convey our appreciation and support for their laudable work. At the same time, the Company has continued supporting NGOs for sale of their products, either as suppliers to the Company or on special displays during the festival season.

Combining our business purpose with our community responsibility, we shall continue to expand our initiatives focusing on children and women welfare. The Company also assisted various organizations/NGOs with donations in the field of health care and environment.

APPRECIATION

The Directors wish to thank each and every employee for their contribution to the good performance of the Company. The culture of efficiency, dedication and integrity witnessed at all levels of the organization will continue to sustain a profitable growth.

Information as per Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, is annexed and forms an integral part of this Report.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A Report on Corporate Governance and a Management Discussion and Analysis Report are attached to this Report.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956, and the Company's Articles of Association, Mr. K.N. Suntook and Mr. B.S. Bhesania retire at the ensuing Annual General Meeting and are eligible for re-appointment.

Mr. Zubin Dubash has been appointed as an Additional Director, w.e.f. 27th October 2005. However, as an Additional Director, Mr. Dubash holds office up to the date of the Annual General Meeting and is eligible for appointment. The Directors recommend the appointment of Mr. Zubin Dubash as Director on the Board of the Company.

AUDITORS

The Auditors of the Company, M/s. N.M. Raiji & Co., retire at the ensuing Annual General Meeting and offer themselves for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, based on the representations received from the Operating Management, confirm that: -

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;

- ii) they have, in the selection of the accounting policies, consulted the Statutory Auditors and have 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;
- iii) they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) they have prepared the annual accounts on a going concern basis.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

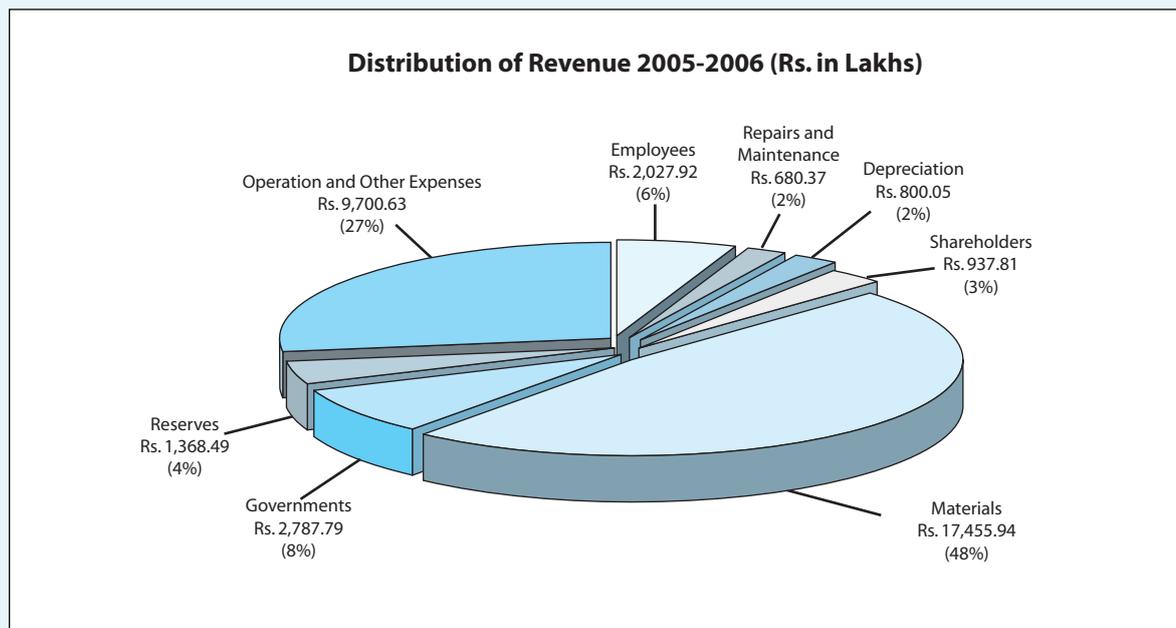
Information relating to energy conservation is not applicable to the Company as per Section 217(1) C of the Companies Act, 1956.

Foreign Exchange earnings and outgo are stated on Page 41, Note 16 & 17 on the Balance Sheet and Profit and Loss Accounts. The Company earned Rs.10.49 crores in foreign currency from retail sales through international credit cards.

On behalf of the Board of Directors,

SIMONE N. TATA
Chairman

Mumbai, 2nd August, 2006



MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRY DEVELOPMENT

The high growth rate of the Indian economy has once again been the highlight of the year under review with the service and industrial sectors in the forefront. It is expected that this momentum will be further sustained in the current year with a general buoyancy extending to all segments of the economy.

The organised retailing industry has also been on a high growth path for several years fuelled by favourable economic conditions. Whilst added competition has developed nationwide over the last 6 years, consumer demand has, nevertheless, accelerated and expanded resulting in a much larger customer audience than hitherto. Noteworthy, is the contribution of the service industry which absorbs year after year a larger number of well remunerated young Indians, eager to spend and share in the "Good Life" reserved so far to a few privileged ones.

OPERATIONS - WESTSIDE

Your Company has had another successful year and grew from 16 to 22 stores. The new entrants are located in Bangalore, Vadodara, Kolkata, Ghaziabad, Gurgaon and Delhi, thus extending its coverage in existing large cities and expanding to new ones. Three of our properties have also been expanded at Lajpat Nagar (Delhi), Noida and in Mumbai's Kala Goda.

In keeping with its objective of fashion leadership, new initiatives have been undertaken in many fields. Noteworthy, has been the re-launch of the Men's Fashion Department, with upgradations in styles, quality of fabric and designs. Lately, the Company launched a new brand, ASCOT, aimed at discerning customers. This new line has been extremely well received and is widening and strengthening the range of our men's apparel. The Footwear line, after its initial success, has also been expanded to more stores.

STAR INDIA BAZAAR

The Company's hypermarket located in Ahmedabad progressed substantially in the later part of the year,

which has seen a large upsurge in its footfalls. The opening of a second hypermarket in Bangalore had to be postponed to the current year, due to non-completion of the building.

LANDMARK

During the year 2005-06, the Company acquired 79% interest in LANDMARK, a partnership firm engaged primarily in retailing books and music, which is the largest in India. By the close of the financial year, it operated 5 stores located in Chennai and Bangalore, and it recorded a turnover of Rs.96.01 crores. In May 2006, a new store was opened in Andheri, Mumbai. LANDMARK expects to end the current financial year with a total of 10 stores. The Company holds over 100,000 book titles and is a treasure trove for all avid readers. Besides it has a strong presence in toys and furnishings.

TREASURY INCOME

As the stock market witnessed a phenomenal bull run in the period under review, the Company marginally increased its investments into the equity market which yielded good results.

Compared to the previous year, however, Treasury Income was lower as only a small part of its profit on long term investments was realized.

TECHNOLOGY & MANAGEMENT

In October 2004, the Company successfully completed the implementation of SAP IS Retail for its Hypermarket Division, which was the first of its kind in India. This has been acknowledged as a success story on its completion by the SAP Management. The Company has embarked on a further plan to upgrade the IT infrastructure of its WESTSIDE Stores, including the introduction of SAP. This project will be completed by the end of this financial year.

In July 2005 the Company became the second Indian Company to be inducted in the Hall of Fame of the Balance Score Card (BSC), which is a strategy focused organization concept. The BSC implementation has been instrumental in driving significant growth in profitability, turnover and customer satisfaction.

OUTLOOK 2006-07

The emergence and growth of modern retailing, such as witnessed in the last 6 years is a reflection of the aspirations of the young generation as well as of the new dynamism which has spread in the economic activities of the nation, creating a much larger middle and affluent class.

As witnessed, incomes have been fast growing and discretionary spending is following the same curve, a clear indication of the potential ahead for the retail industry. First-time customers will also drive consumption as they will upgrade their buying habits. Exploiting demographic and geographic opportunities whilst adhering to its price-value equation, remain the corner stone of the Company philosophy.

In 2007, WESTSIDE will be expanding by another 6 stores and one STAR INDIA BAZAAR and will then cover 900,000 sq ft. Some will be in new destinations and others by expanding in existing areas. Other properties have already been signed on, and will become operational only in 2007-08. This will take the total area covered by the Company to 1.25 million sq ft.

RISK & CONCERNS

The challenge posed by the competitive landscape in which the Company operates has considerably evolved and expanded since the Company's inception. This more than ever requires a deep understanding of consumer demand, taste and trends, as also the know-how to address them on a continuous and sustained manner. However, the positive environment and the innovative culture prevailing in the Company, and its significant success in building its own brand, will no doubt sustain its growth pattern.

At the same time the country has witnessed a frenzy in the property market leading to a manifold increase in land and property prices. If this trend continues it will adversely affect the growth/profits of the Industry as a whole.

Also the speed of growth of the retail industry has far outstripped the supply of retail manpower which combined with the reluctance of new retailers to train their manpower is leading to an explosion of manpower costs.

ANNEXURE TO DIRECTORS ' REPORT

Information as per Section 217(2A) read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2006.

Name	Designation/ Nature of Duties	Remuner- ation Received Rs.	Net Remuner- ation Rs.	Qualifications	Exper- ience	Date of Commence- ment of Employment	Age	Last Employment before joining the Company
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Anand P.K.	Vice- President – Operations	41,49,448	22,52,275	M.Com	31	17.08.1998	52	Vice President – Flora Cosmetics Ltd. Trent Limited
Newman Gary*	Head of Buying [Hypermarket]	30,91,046	17,55,336	B.A.(Eco)	35	19.12.2005	57	
Phene S.V.	Vice- President – Corp. Planning	40,81,364	20,08,355	B.Com, A.C.A.	28	04.08.1986	50	Sr. Manager – Finance – Hindustan Construction Co. Ltd.
Tata N.N.	Managing Director	94,72,200	59,92,176	B.A. (Eco) Univ. of Sussex, IEP,INSEAD, France	23	03.02.1998	49	Managing Director – Lakme Exports Ltd.
Himanshu Chakrawarti	General Manager- Marketing	28,58,024	14,57,573	B.E & P.G.D.M	15	03.11.2000	39	Heinz India Limited

NOTES :

1. 'Remuneration Received' includes salary, taxable value of perquisites and Company's contribution to Provident and Superannuation Funds, wherever applicable.
2. 'Net Remuneration' is arrived at by deducting from the Gross Remuneration, Income tax and Company's contribution to Provident and Superannuation Funds and the monetary value of non-cash perquisites, wherever applicable.
3. The Company has made a provision for contribution to the Employees' Gratuity Fund based on actuarial valuation. This amount has not been included in 'Gross Remuneration' as no separate figures are available for individual employees.
4. * The employee was in service only for a part of the year.
5. All the employees have adequate experience to discharge the responsibilities assigned to them.
6. The nature of employment in all cases is contractual.
7. Mr. N.N. Tata is a relative of a Director of the Company.

Mumbai
Date :2nd August, 2006

On behalf of the Board of Directors,
SIMONE N. TATA
Chairman

ANNEXURE TO DIRECTORS' REPORT

**Disclosure pursuant to the provisions of Securities and Exchange Board of India
(Employee Stock Option Scheme) Guidelines, 1999**

Sl. No.	Particulars	Disclosures
a)	Options granted	45,850
b)	Pricing Formula	Rs.10/- per share at face value as approved by the shareholders
c)	Options vested	NA since options not exercisable before the expiry of two years from the grant of option
d)	Options exercised	NA
e)	Total number of shares arising as a result of exercise of option	NA
f)	Options lapsed (as at 31st March 2006)	950
g)	Variation of terms of options	There has been no variation in the terms of options
h)	Money realised by exercise of options	NA
i)	Total number of options in force (as at 31st March 2006)	44,900
j)	Employee wise details of options granted to	N N Tata - Managing Director - 5000 Options S V Phene - V.P Corporate Planning - 1500 Options P K Anand - V.P Operations - 1500 Options
	i) Senior Management Personnel;	
	ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year;	None
	iii) Identified employees who were granted option during any year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	None
k)	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'	Rs.16.84
l)	i) Method of calculation of employee compensation cost	The company has calculated the employee compensation cost using the intrinsic value method of accounting to account for options issued. The stock-based compensation cost as per the intrinsic value method for the year ending on 31st March 2006 is Rs. 64.75 lakhs
	ii) Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognized if it had used the fair value of the Options	Had the fair value method been used the employee compensation cost would have been lower by Rs. 3.29 lakhs
	iii) The impact of this difference on profits and on EPS of the company	Had the fair value method been used, in respect of stock options granted, Profit after tax would have been higher by Rs.3.29 lakhs and the basic and diluted earnings per share would have been higher by Re.0.02 & Re.0.02 respectively.
m)	Weighted average exercise price and weighted average fair value	NA
n)	Fair value of Options based on Black Scholes methodology	
	Assumptions	
	Risk-free rate	6.25%
	Expected life	2.13 years
	Expected volatility	47.98%
	Expected dividends	Rs. 6 per share
	Closing market price of share on date of option grant	Rs. 865.20

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2005-2006

1] A brief statement on Company's philosophy on Code of Governance

The Company's philosophy, since its inception, has always looked at good Corporate Governance as a way of life, observing the highest level of ethics in all its dealings, in line with the Tata Group long standing legacy of fair and transparent governance.

Included in its objectives are the protection of the interest of its shareholders, suppliers, customers, employees and society at large.

2] Board of Directors

The Board of Directors comprises of eight Directors including the Non -Executive Chairman and one Managing Director. More than one-third of the total number of Directors are independent Directors. The requirements of having more than 50% of the Board comprising of Non-Executive Directors, is complied with by the Company.

The Directors of the Company make necessary disclosures regarding the Committee positions held by them in all the Companies in which he or she is a Director. None of the Directors of the Company is a Member on more than ten Committees and a Chairman on more than five Committees across all the Companies in which he or she is a Director.

The constitution of the Board, the attendance at Board Meetings and at the last Annual General Meeting and the number of Directorships and Committee Memberships held by them in other Public Companies are given below:

Name	Category	No. of Board Meetings attended during 2005-06	Whether attended last AGM held on 27 th September, 2005	No. of Directorships in other Public Limited Companies		No. of Committee positions held in other Companies	
				Chairman	Member#	Chairman	Member#
Mrs. S. N. Tata	NE	14	Yes	1	-	-	-
Mr. N. A. Soonawala	NE-P	14	Yes	1	5	3	-
Mr. B. S. Bhesania	IND. - NE	14	Yes	-	4	-	1
Mr. A. D. Cooper	IND. - NE	14	Yes	-	2	-	-
Mr. K. N. Suntook	IND. - NE	13	Yes	1	3	1	1
Mr. F. K. Kavarana	NE-P	12	Yes	5	4	4	2
Mr. Zubin S. Dubash*	IND. - NE	4 ^{##}	N. A. Appointed after the AGM	-	-	-	-
Mr. N. N. Tata	EXE. DIR	14	Yes	-	6	1	-

Membership excludes Chairmanship

^{##} Details provided from the date of appointment.

* Appointed w.e.f. 27th October, 2005.

The listing above excludes private, foreign and Companies registered under Section 25 of Companies Act, 1956.

Chairmanship / Membership of Board committees includes only Audit and Shareholders / Investor Grievance Committee.

NE-P means Non-Executive-Promoter Director, IND. – NE means Independent Non-Executive Director, EXE. DIR means Executive Director.

The Board of Directors of the Company met fifteen times during the year 2005-2006, on 27th April 2005, 17th June 2005, 21st July 2005, 16th August 2005, 22nd August 2005, 30th August 2005, 27th September 2005, 27th October 2005, 28th November 2005, 18th January 2006, 2nd March 2006, 9th March 2006, 20th March 2006, 21st March 2006 and 31st March 2006.

The gap between two Meetings did not exceed three months. The required information as enumerated in Annexure I to clause 49 of the Listing Agreement 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 year ended 31st March 2006 except for payment of sitting fees and Commission.

Code of Conduct:

The Company has adopted the Tata Code of Conduct for its Managing Director, senior management personnel and other executives of the Company. The Company has received confirmations from the Managing Director as well as senior management personnel regarding compliance of the Code during the year under review. The Company has also adopted the Code of Conduct for Non-Executive Directors of the Company. The Company has received confirmations from the Non-Executive Directors regarding compliance of the Code for the period ended 31st March 2006. A declaration to this effect duly signed by the Managing Director (CEO) is annexed hereto. Both the Codes are posted on the website of the Company.

3] Audit Committee

The Audit Committee comprises of three independent, non-executive Directors, thus complying with the requirements of Clause 49 II [A] of the Listing Agreement.

During the year under review, the Audit Committee of Directors held discussions with the Statutory Auditors and Internal Auditor of the Company concerning the accounts of the Company, internal control systems, scope of internal audit and reports of the Internal Auditor, compliance with Accounting Standards and Listing Agreement, reviewed the quarterly, half yearly and annual financial Statements before they were submitted to the Board of Directors. The Audit Committee of Directors also reviewed the matters prescribed under Clause 49 II [D] of the Listing Agreement. At the Audit Committee Meetings, the Statutory Auditors of the Company were invited and their findings / observations were also discussed.

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

The composition of the Audit Committee and the details of Meetings attended by the Directors are given below:

Name of Members	Category	No. of Committee Meetings attended during the year 2005-2006
Mr. A. D. Cooper, Chairman	Independent Non-Executive	5
Mr. B. S. Bhesania, Member	Independent Non-Executive	5
Mr. K. N. Suntook, Member	Independent Non-Executive	3

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

The Company Secretary also acts as the Secretary of the Audit Committee Meeting.

During the year 2005-06, five Audit Committee meetings were held on 17th June 2005, 21st July 2005, 27th October 2005, 6th December 2005, and 18th January 2006

The Chairman of the Audit Committee, Mr. A. D. Cooper, was present at the Annual General Meeting held on 27th September 2005.

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 employees of the Company to approach the Ethics Counsellor / Chairman of the Audit Committee of the Company and make

protective disclosures about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

4] Remuneration Committee

The Remuneration Committee of the Company is empowered to review the remuneration of whole-time directors and retirement benefits to be paid to them under the Retirement Benefit Guidelines adopted by the Board.

The composition of the Remuneration Committee and the details of meetings attended by the Directors are given below:

Name of Members	Category	No. of Committee Meetings attended during the year 2005-2006
Mr. A. D. Cooper, Chairman	Independent Non-Executive	1
Mr. N. A. Soonawala, Member	Non-Executive-Promoter	1
Mr. B. S. Bhesania, Member	Independent Non-Executive	1

For the year ended 31st March, 2006, the Remuneration Committee met on 14th June, 2005, when all the Members were present.

The Chairman of the Remuneration Committee, Mr. A. D. Cooper, was present at the Annual General Meeting held on 27th September 2005.

The non-mandatory requirement of Clause 49 regarding the Remuneration Committee has been complied with by the Company as stated above.

Remuneration Policy

The remuneration of the Managing Director is decided by the Board, based on the recommendation of the Remuneration Committee, within the ceilings fixed by the Shareholders of the Company. The Company pays remuneration by way of salary, perquisites and allowances (fixed component), and commission (variable components) to its Managing Director. Annual increments are decided by the Remuneration Committee with the salary scale approved by the Members and are effective from 1st April annually. The Remuneration Committee decides on the commission payable to the Managing Director on determination of profits for the financial year, within the ceilings on net profits prescribed under sections 198 and 309 of the Companies Act, 1956 (the Act).

In the last few years, efforts have been made to link the annual variable pay of senior managers with the performance of the Company in general and their individual performance for the relevant year measured against specific Key Result Areas, which are closely aligned, to the Company's objectives.

The remuneration by way of commission to the non-executive directors is distributed to them based on their attendance and contribution at the Board and certain committee meetings, as well as time spent on operational matters other than at the meetings.

Details of remuneration paid in 2005-2006

Non-Executive Directors

Name of the Director	Commission for the financial year 2004-2005 [Rs.]	Sitting Fees for attending Board and Committee Meetings [Rs.]
Mrs. S. N. Tata	4,50,000/-	73,000/-
Mr. N. A. Soonawala	3,60,000/-	1,04,000/-
Mr. B. S. Bhesania	3,90,000/-	1,07,000/-
Mr. A. D. Cooper	2,90,000/-	1,04,000/-
Mr. H. N. Sethna*	1,65,000/-	-
Mr. F. K. Kavarana	20,000/-	80,000/-
Mr. K. N. Suntook	2,90,000/-	95,000/-
Mr. Z. S. Dubash**	-	20,000/-

* Up to 1st November 2004.

** Appointed as Director w.e.f. 27th October, 2005.

Commission for the financial year 2005-2006 is payable in 2006-2007.

Managing Director

Name	Salary [Rs. Lakhs]	Perquisites & Allowances [Rs. Lakhs]	Commission [Rs. Lakhs]	Term of Contract
Mr. N. N. Tata	40.66	17.01	55.00 Payable in 2005-2006	5 years

Options Granted to Managing Director

Sr. No.	Particulars	Details
1.	Stock Options granted	5000
2.	Date of Grant	1 st December 2005
3.	Vesting Period	24 Months
4.	Exercise Price (Rs.)	10/-

5] Investment Committee

In order to monitor and optimize returns from investments of surplus funds of the Company, the Board of Directors has constituted an Investment Committee of Directors. The Investment Committee comprises of four Directors viz. Mr. N. A. Soonawala, Mr. F. K. Kavarana, Mr. K. N. Suntook and Mr. N. N. Tata. Mr. N. A. Soonawala is the Chairman of the Committee.

During the year under review the Committee met four times to review the investments made by the Company and its subsidiaries and to recommend to the Board any new investments to be made by the Company.

6] Shareholders' / Investors' Grievance Committee

For redressal of Shareholders' and Investors' complaints/grievances, the Board has constituted a Shareholders'/Investors' Grievance Committee comprising of Mrs. S. N. Tata and Mr. B. S. Bhesania. There being no major complaint / grievance during the year, the Committee met only once on 30th March 2006. The Company Secretary is also the Secretary of the Shareholders'/Investors' Grievance Committee. The other details pertaining to this Committee's meeting are as under:

- [a] Name of the Non - Executive Director heading the Committee: Mrs. S. N. Tata
- [b] Name and Designation of Compliance Officer: Mrs. H. R. Wadia, Company Secretary
- [c] No. of shareholders' complaints/queries and communications received during the financial year: 2747
- [d] No. of complaints not solved to the satisfaction of the shareholders: 0
- [e] No. of pending share transfers / requests for dematerialisation of shares as on 31st March, 2006: 57

7] Subsidiary Companies:

The Company does not have any material non-listed Indian subsidiary company and hence, it is not required to have an independent director of the Company on the Board of such subsidiary Company. The Audit Committee reviews the financial statements, particularly the investments made by the Company's non-listed subsidiary companies. Attention of the Directors of the Company is drawn to all significant transactions and arrangements entered into by the subsidiary companies.

8] General Body Meetings

Location and time, where last three AGMs were held:

Annual General Meeting (AGM)	Date	Time	Venue	No. of Special Resolutions passed
51 st AGM	27 th August, 2003	3.30 p.m.	Bombay House Auditorium, Bombay House, 24, Homi Mody Street, Mumbai 400 001.	One
52 nd AGM	3 rd September, 2004	3.30 p.m.	Bombay House Auditorium, Bombay House, 24, Homi Mody Street, Mumbai 400 001.	—
53 rd AGM	27 th September, 2005	3.30 p.m.	Bombay House Auditorium, Bombay House, 24, Homi Mody Street, Mumbai 400 001.	Two

No postal ballot was conducted during the year.

At the last Annual General Meeting of the Company Special Resolutions were passed for:

- (a) Approval to the Company's Employees Stock Option Scheme (the ESOS).
- (b) Approval for Grant of Stock Options under the ESOS to the employees of the Company's Subsidiaries.

9] Disclosures

- [a] Transactions with the related parties are disclosed in Note 19 of the notes on the Balance Sheet and Profit and Loss Account in the Annual Report
- [b] A statement in summary form of transactions with related parties in the ordinary course of business has been periodically placed before the Audit Committee.
- [c] The Company has no material individual transactions with related parties, which are not in the normal course of business.
- [d] Details of material individual transactions with related parties or others, which are not on arm's length basis are placed before the Audit Committee together with Management's justification for the same.
- [e] There has been no instance of non-compliance by the Company on any matter related to capital markets, during the last three years. No penalties or strictures have been imposed by SEBI, the Stock Exchange or any statutory authority on the Company.
- [f] The Company has fulfilled the following non – mandatory requirements as prescribed in Annexure ID to clause 49 of the listing agreement with the stock exchanges.
 - (i) The Company has set up a Remuneration Committee. Please see para on Remuneration Committee for details.
 - (ii) The Company has adopted a Whistle Blower Policy and has established necessary mechanism in line with clause 7 of Annexure ID to Listing Agreement with the stock exchanges, for employees to report concerns about unethical behaviours. No person has been denied access to the Audit Committee.
- [g] The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of financial statements, the Company has not adopted a treatment different from that prescribed in any Accounting Standard.
- [h] 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.
- [i] The Company discloses to the Audit Committee the uses / applications of funds raised through the Rights Issue, on a quarterly and annual basis as a part of their declaration of financial results. This statement is certified by the Statutory Auditors of the Company.

10] Means of Communication

The annual, half-yearly and quarterly results are posted by the Company on the Tata website www.tata.com on the Company's website www.mywestside.com and on SEBI website www.sebiedifar.nic.in.

These are also submitted to the Stock Exchange, Mumbai and the National Stock Exchange of India, in accordance with the Listing Agreement and published in leading newspapers like the Indian Express and the Loksatta.

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

Management Discussion and Analysis Report forms part of the Annual Report.

11] General Shareholder Information

AGM: Date, time and venue -

Friday 8th September, 2006 at 3.30 p. m.
at Bombay House Auditorium, Bombay House,
24, Homi Mody Street, Mumbai 400 001.

As required under Clause 49VI [A], particulars of Directors seeking re -appointment are appended to the Notice of the Annual General Meeting to be held on 8th September, 2006.

Financial Calendar

Year ending 31st March
AGM 8th September, 2006.

Date of Book Closure

Tuesday, 8th August, 2006 to Tuesday, 29th August, 2006

Listing on Stock Exchanges

Bombay Stock Exchange, Limited;
The National Stock Exchange of India Limited.

The Company has paid annual listing fees to the Bombay Stock Exchange Limited and to the National Stock Exchange of India Limited for the financial year 2006-2007.

Stock Code –

	EQUITY	NCDs	WARRANTS
BSE	500251	934770	961675
NSE	TRETEQ	TRETN1	TRENTW1

Market Information:

Month	BSE		NSE	
	High [Rs.]	Low [Rs.]	High [Rs.]	Low [Rs.]
April 2005	586.80	531.25	586.45	529.30
May 2005	680.50	542.55	682.20	541.55
June 2005	714.05	658.30	715.30	657.10
July 2005	681.25	652.60	683.30	655.70
August 2005	907.00	660.90	911.45	656.65
September 2005	891.60	827.40	893.15	829.75
October 2005	917.95	737.20	919.5	735.95
November 2005	873.10	761.75	875.25	759.80
December 2005	935.30	837.70	940.90	838.40
January 2006	1001.85	907.90	1002.45	907.00
February 2006	930.80	884.05	930.35	890.05
March 2006	899.35	857.40	914.85	855.70

Source BSE & NSE

Comparison between Trent Limited Share Price and BSE Sensex



Registrar and Transfer Agents:

TSR Darashaw Limited, (TSRDL) (formerly Tata Share Registry Limited) Army & Navy Building, 148, Mahatma Gandhi Road, Fort, Mumbai 400 001.
Tel: 66568484 Fax: 66568494
E-mail: csg-unit@tsrdarashaw.com
Website: www.tsrdarashaw.com

Branches of (TSRDL):	
TSR DARASHAW LTD. 503, Barton Centre (5 th Floor) 84, Mahatma Gandhi Road, Bangalore – 560 001 E-mail: tsrlbang@tsrdarashaw.com Tel: 080 – 25320321; Fax: 080 – 25580019	TSR DARASHAW LTD. Bungalow No.1, "E" Road, Northern Town, Bistupur, Jamshedpur – 831 001 E-mail: tsrljsr@tsrdarashaw.com Tel: 0657-2426616; Fax: 0657-2426937
TSR DARASHAW LTD. 2/42, Sant Vihar, Ansari Road, Daryaganj, New Delhi – 110 002 E-mail: tsrldel@tsrdarashaw.com Tel: 011-23271805; Fax: 011-23271802	TSR DARASHAW LTD. Tata Centre, 1 st Floor, 43, Chowringhee Road Kolkata – 700 071 E-mail: tsrlcal@tsrdarashaw.com Tel: 033-22883087; Fax: 033-22883062

Share Transfer System: Share Transfers in physical form can be lodged with TSR Darashaw Limited at the above mentioned address or at any of its branch offices.

The Transfers are normally processed within 15 days from the date of receipt, if the documents are complete in all respects. Certain Directors and the Company Secretary are severally empowered to approve transfers.

Distribution of Shareholding:

Number of Equity Shares Held	Number of Shareholders
	31st March 2006 [%]
1 to 500	94.37
501 to 1000	4.12
1001 to 2000	0.85
2001 to 3000	0.25
3001 to 4000	0.05
4001 to 5000	0.04
5001 to 10000	0.11
Over 10000	0.21
TOTAL	100.00

Categories of Shareholders:

Category	Number of Shareholders	Voting Strength	Number of Equity Shares Held
	As on 31st March, 2006		
Tata Group Companies	7	26.35	3801207
Individuals	32,261	37.12	5355011
Unit Trust of India	2	0.02	2889
Government & Other Public Financial Institutions	2	0.21	29764
Companies	615	6.19	892574
Nationalised Banks, Mutual Funds and Trusts	56	14.37	2072748
Foreign Institutional Investors & Foreign Companies	33	15.76	2273618
TOTAL	32,976	100.00	14427811

Dematerialization of: 90.08% of the Company's Share Capital is dematerialised as on 31st March, 2006.

Shares and liquidity The Company's shares are regularly traded on the Bombay Stock Exchange, Limited (BSE). And The National Stock Exchange of India Limited (NSE).

Outstanding Warrants:

The Company had allotted detachable warrants with partly convertible debentures on rights basis on 7th July 2005. Each warrant is convertible into equity share of Rs.10/- each on payment of Rs. 650/- each warrant after 54 months from the date of allotment or earlier in the event the Company proposes to issue further securities.

STORE LOCATIONS:

WESTSIDE:

1. Abhijeet -V, Ellisbridge, Near Law Gardens, **Ahmedabad - 380 006.**
2. The Forum, 21, Hosur Road, Koramangla, **Bangalore - 560 029.**
3. No.77, Commercial Street, **Bangalore - 560 007.**
4. Garuda Mall, Magrath Road, **Bangalore - 560 025.**
5. 769, Spencer Plaza, Anna Salai, **Chennai - 600 002.**
6. Pacific Mall, Sahiabad Industrial Area – **Ghaziabad (U. P.) – 201 010.**
7. DLF Grand Mall, **Gurgaon – 122 002.**
8. Khan Lateef Khan Estate, Fateh Maidan Road, **Hyderabad - 500 001.**
9. 17, Racecourse Road, **Indore - 452 003**
10. 22, Camac Street, **Kolkata - 700 017.**
11. The Garihatta Mall, 13, Jamir Lane, **Kolkata – 700 019.**
12. 39, Hughes Road, **Mumbai - 400 007.**
13. Army & Navy Building, 148, M. G. Road, Fort, **Mumbai - 400 001.**
14. R-Mall, L. B. S. Marg, Mulund (W), **Mumbai - 400 080.**
15. Infinity Mall, Oshiwara, Andheri Link Road, Andheri (West), **Mumbai - 400 058.**
16. “Landmark,” Ramdas Peth, Wardha Road, **Nagpur - 440 001.**
17. 15A, 34/35, Ajmal Khan Road, Karol Bagh, **New Delhi - 110008.**
18. A-15, Feroze Gandhi Marg, Alankar Cinema Bldg, **New Delhi - 110 024.**
19. TDI Mall, Shivaji Place, Rajouri Gardan **New Delhi – 110 027.**
20. Centrestage Mall, L-1, Sector-18, **Noida (U.P.) - 201 301.**
21. 231, Kakade Magnum Mall, Moledina Road, - **Pune 411 001.**
22. Monalisa, Jatalpur, Race Course Road, **Vadodara – 390 007.**

STAR INDIA BAZAR:

ISCON Mall, Near Jodhpur Char Rasta **Ahmedabad – 380 015.**

LANDMARK :

1. The Forum, 21, Hosur Road, Koramangla, **Bangalore - 560 029.**
2. Apex Plaza, 3, Nungambakkam, **Chennai - 600 034.**
3. 769, Spencer Plaza, Anna Salai, **Chennai - 600 002.**
4. Citi Centre, No. 10 & 11, Dr. Radhakrishnan Salai, **Chennai - 600 004.**
5. Infinity Mall, Oshiwara, Andheri Link Road, Andheri (West), **Mumbai - 400 058.**
6. Monalisa, Jatalpur, Race Course Road, **Vadodara – 390 007.**

Address for : Trent Limited
correspondence Navsari Buildings, 3rd Floor, 240, Dr. D. N. Road, Mumbai 400 001.
Tel: 22077205 / 22071464 Fax: 22070216
E-mail: hr.wadia@trent-tata.com

CERTIFICATE

To The Members of
Trent Limited

We have examined the compliance of the conditions of Corporate Governance by Trent Limited, for the year ended 31st March, 2006, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that based on the report issued by the Registrars of the Company to the Investors' Grievance Committee, as on 31st March, 2006 there were no investor grievance matters against the Company remaining unattended / pending for more than 30 days.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **N. M. RAIJI & Co.**,
Chartered Accountants

M. N. THAKKAR
Partner

Membership No. 8873

Mumbai, 2nd August, 2006

**DECLARATION BY THE CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING
ADHERENCE TO THE CODE OF CONDUCT**

In accordance with Clause 49 sub-clause I(D), of the Listing Agreement with the Stock Exchanges, I hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial Year ended 31st March, 2006.

N.N. TATA
Managing Director

Mumbai, 28th June, 2006

Auditors' Report

To the Members of Trent Limited

1. We have audited the attached Balance Sheet of **TRENT LIMITED**, as at 31st March, 2006, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
 2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order, to the extent applicable.
 4. Further to our comments in the Annexure referred to above, we report that:
 - (i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, to the extent applicable;
 - (v) on the basis of written representations received from the directors, as on 31st March, 2006, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2006 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2006;
 - (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **N. M. RAIJI & Co.**,
Chartered Accountants

M. N. THAKKAR
Partner
Membership No. 8873

Mumbai, 30th June, 2006

Annexure to the Auditors' Report

(Referred to in paragraph (3) of our report of even date)

- | | |
|---|--|
| <p>(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.</p> <p>(b) As explained to us, physical verification of major items of fixed assets was conducted by the management during the year. In our opinion, the frequency of physical verification is reasonable having regard to the size and operations of the Company and the nature of its assets. On the basis of explanations received, in our opinion, the discrepancies found on physical verification were not significant.</p> <p>(c) The Company has not disposed off substantial part of fixed assets during the year.</p> | <p>there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in internal control system.</p> |
| <p>(ii) (a) The inventories have been physically verified by the management at reasonable intervals during the year.</p> <p>(b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.</p> <p>(c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.</p> | <p>(v) Based on the audit procedures applied by us and according to the information and explanations given to us, there are no transactions that need to be entered into the register in pursuance of section 301 of the Companies Act, 1956.</p> <p>(vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year. In respect of unclaimed deposits matured in earlier years that are outstanding during the year, the Company has complied with the provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975. As informed to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.</p> <p>(vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.</p> <p>(viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for the products of the Company.</p> |
| <p>(iii) The Company has neither granted nor taken any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, sub-clause (b), (c) and (d) are not applicable.</p> | <p>(ix) (a) According to the records of the Company, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax,</p> |
| <p>(iv) In our opinion and according to the information and explanations given to us,</p> | |

Service Tax, Custom Duty, Excise Duty, cess and any other statutory dues applicable to it. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of undisputed statutory dues which remained outstanding as at 31st March 2006 for a period of more than six months from the date they became payable.

- (b) According to the records made available to us and the information and explanations given by the management, the details of the dues of sales tax / income tax / custom duty / wealth tax/ Service Tax / excise duty / cess, which have not been deposited on account of any dispute, are given below :

Particulars	Financial year to which the matter pertains	Forum where the dispute is pending	Amount (Rs. in lakhs)
Excise Duty	1984-85, 1985-86	Appellate Tribunal	88.63
Sales Tax	1994-95, 1995-96, 2000-01, 2001-02, 2002-03	Deputy Commissioner	14.35
Income Tax	2002-03	Commissioner (Appeals)	179.30
Custom Duty	1995-96	Commissioner (Appeals)	18.73

- (x) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) The Company has not taken any loans from any banks or financial institutions. There has been no repayment of any dues to debenture holders during the year.
- (xii) Based on our examination of the records and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit / nidhi / mutual benefit fund / society.
- (xiv) Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that in respect of the investment activity of the Company, proper records have been maintained of the

transactions and contracts and timely entries have been made in those records. All the investments of the Company are held in its own name except as permissible under section 49 of the Companies Act, 1956.

- (xv) On the basis of the information and explanations given to us, the Company has given guarantee for loans taken by its wholly owned subsidiary from Bank. The terms and conditions of the guarantee are not prejudicial to the interest of the Company.
- (xvi) The Company has not obtained any term loans.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) As per the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) As per the information and explanations given to us, the Company has created security in respect of debentures issued.
- (xx) We have verified that the end use of the money raised by public issues is as disclosed in the notes to the financial statements.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **N. M. RAJI & Co.,**
Chartered Accountants

M. N. THAKKAR
Partner

Mumbai, 30th June, 2006 Membership No. 8873

Balance Sheet as at 31st March, 2006

	Schedule	Page	Rupees in lakhs	Rupees in lakhs	As at 31.03.2005 Rupees in lakhs
SOURCES OF FUNDS :					
1. SHAREHOLDERS' FUNDS :					
(a) Capital	A	30	1,442.78		1,311.78
(b) Reserves and Surplus	B	30	25,517.21		20,401.56
				26,959.99	21,713.34
2. LOAN FUNDS :	C	31			
(a) Secured Loans			6,550.24		-
(b) Unsecured Loans			22.14		25.88
				6,572.38	25.88
3. Deferred Tax Liability (Net) (Note No. 4, Page 39]				632.94	709.51
4. TOTAL FUNDS EMPLOYED				34,165.31	22,448.73
APPLICATION OF FUNDS :					
5. FIXED ASSETS :	D	31			
(a) Gross Block			9,154.03		7,651.84
(b) Less : Depreciation			2,501.20		1,766.22
(c) Net Block			6,652.83		5,885.62
(d) Capital Work-in-Progress			542.95		363.22
				7,195.78	6,248.84
6. INVESTMENTS	E	32 to 33		23,296.62	11,313.03
7. CURRENT ASSETS, LOANS AND ADVANCES :					
(a) Inventories	F	34	5,336.29		3,762.84
(b) Sundry Debtors	G	34	198.90		162.06
(c) Cash and Bank Balances	H	35	1,342.77		834.03
(d) Loans and Advances	I	35	7,242.01		5,892.22
			14,119.97		10,651.15
8. Less: CURRENT LIABILITIES AND PROVISIONS :					
(a) Liabilities	J	36	7,829.12		4,730.25
(b) Provisions	K	36	2,617.94		1,075.47
			10,447.06		5,805.72
9. NET CURRENT ASSETS				3,672.91	4,845.43
10. MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	L	36		-	41.43
11. TOTAL ASSETS (NET)				34,165.31	22,448.73

(For Schedule 'M' and notes see pages 37 to 45)

As per our report attached.

For N.M. RAIJI & CO.,
Chartered Accountants

M.N. THAKKAR
Partner
Mumbai, 30th June, 2006

MRS. H.R. WADIA
Company Secretary
28th June, 2006

For and on behalf of the Board,

S. N. TATA Chairman

N.A. SOONAWALA
B.S. BHESANIA
A.D. COOPER
K.N. SUNTOOK
F. K. KAVARANA
ZUBIN DUBASH } Directors

N. N. TATA Managing Director

Profit and Loss Account for the year ended 31st March, 2006

	Schedule	Page	Rupees in lakhs	Rupees in lakhs	Previous Year Rupees in lakhs
INCOME :					
1. INCOME FROM OPERATIONS	2	29	34,644.09		23,448.24
2. OTHER INCOME	3	29	1,114.91		1,161.46
3. TOTAL INCOME				35,759.00	24,609.70
EXPENDITURE :					
4. MANUFACTURING AND OTHER EXPENSES	1	28	31,348.57		21,699.49
5. DEPRECIATION			800.05		454.18
6. INTEREST				32,148.62	22,153.67
(a) DEBENTURES			96.19		-
(b) OTHERS			10.02		0.03
7. TOTAL EXPENDITURE				106.21	0.03
PROFIT BEFORE TAXES AND EXCEPTIONAL ITEMS				32,254.83	22,153.70
8. EXCEPTIONAL ITEMS	4	29		3,504.17	2,456.00
9. PROVISION FOR TAXATION				75.00	-
CURRENT TAX			1,014.00		498.50
FRINGE BENEFIT TAX			53.91		-
DEFERRED TAX			(76.57)		32.66
PROFIT FOR THE YEAR AFTER TAXES				991.34	531.16
10. SHORT TAX PROVISION FOR PRIOR YEARS (NET)				2,437.83	1,924.84
NET PROFIT				-	(18.92)
11. BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR				2,437.83	1,905.92
PROFIT AVAILABLE FOR APPROPRIATION				1,527.49	1,520.87
12. APPROPRIATIONS :				3,965.32	3,426.79
(i) GENERAL RESERVE				250.00	1,000.00
(ii) DEBENTURE REDEMPTION RESERVE				1,300.00	-
(iii) INTERIM DIVIDEND				-	787.07
(iv) PROPOSED DIVIDEND				937.81	-
(v) TAX ON DIVIDEND				131.53	112.23
(vi) BALANCE CARRIED TO BALANCE SHEET				1,345.98	1,527.49
13. Earnings Per Share (Rs.) (Note 20, page 45)				3,965.32	3,426.79
Basic				17.19	14.11*
Diluted				16.84	14.11*

* Restated for adjustment on account of Rights Issue.
(For Schedule 'M' and notes see pages 37 to 45)

As per our report attached.

For N.M. RAJI & CO.,
Chartered Accountants

M.N. THAKKAR
Partner
Mumbai, 30th June, 2006

MRS. H.R. WADIA
Company Secretary
28th June, 2006

For and on behalf of the Board,

S. N. TATA Chairman

N.A. SOONAWALA
B.S. BHESANIA
A.D. COOPER
K.N. SUNTOOK
F. K. KAVARANA
ZUBIN DUBASH } Directors

N. N. TATA Managing Director

Schedule forming part of the Profit and Loss Account

**Schedule '1' (Item No. 4, page 27)
MANUFACTURING AND OTHER EXPENSES**

	Rupees in lakhs	Rupees in lakhs	Previous Year Rupees in lakhs
(1) RAW MATERIALS CONSUMED		234.25	225.84
(2) PURCHASE OF FINISHED PRODUCTS		18,875.51	12,793.72
(3) PAYMENTS TO AND PROVISIONS FOR EMPLOYEES			
(a) Salaries, Wages, Bonus, etc. (refer note 'c' of schedule B, page 30)	1,807.87		1,296.18
(b) Contribution to Provident, Superannuation and Gratuity Funds	115.17		92.87
(c) Workmen and Staff Welfare Expenses	104.88		77.00
		2,027.92	1,466.05
(4) OPERATION AND OTHER EXPENSES			
(a) Processing Charges	185.66		199.11
(b) Packing Materials Consumed	230.01		156.44
(c) Power and Fuel	968.75		679.60
(d) Repairs to Building	513.31		312.14
(e) Repairs to Machinery	82.26		89.54
(f) Repairs Others	84.80		74.53
(g) Rent	583.70		470.80
(h) Rates and Taxes	358.87		382.28
(i) Insurance	59.67		43.45
(j) Advertisement and Sales Promotion	2,985.19		2,117.22
(k) Travelling Expenses	207.50		188.07
(l) Professional and Legal Charges	314.96		202.84
(m) Printing and Stationery	70.22		53.47
(n) Bank Charges	188.27		134.28
(o) Postage, Telegrams and Telephones	143.87		109.23
(p) General Expenses [Note 5(i), Page 39]	1,026.78		845.70
(q) Retail Business Fees	1,907.46		1,368.14
(r) Sales tax paid	1,494.35		894.59
(s) Directors' Fees	5.83		4.69
(t) Commission to non Whole-time Directors	32.50		20.00
(u) Store Launch Expenses Amortised	35.43		101.37
(v) Excise Duty	—		16.42
		11,479.39	8,463.91
(5) FREIGHT AND FORWARDING CHARGES		291.32	222.15
(6) CHANGES IN FINISHED PRODUCTS			
Accretion to stocks deducted		1,559.82	1,472.18
		31,348.57	21,699.49

Schedules forming part of the Profit and Loss Account

Schedule '2' (Item No. 1, page 27)
INCOME FROM OPERATIONS

	Rupees in lakhs	Rupees in lakhs	Previous Year Rupees in lakhs
(1) Sales		33,892.93	22,793.37
(2) Other Operating Income			
(a) Display and Sponsorship Income	50.48		65.49
(b) Commission on sales	246.96		164.86
(c) Discounts and Fees	46.80		49.57
(d) Others	132.70		76.50
		476.94	356.42
(3) Income from Current Investments - Non trade			
(a) Dividend on Current Investments	166.71		226.98
(b) Profit on sale of Current Investments (Net)	107.48		70.52
(c) Profit on valuation of Current Investments (Net)	0.03		0.95
		274.22	298.45
		34,644.09	23,448.24

Schedule '3' (Item No. 2, page 27)
OTHER INCOME

	Rupees in lakhs	Rupees in lakhs	Previous Year Rupees in lakhs
(1) Rent received		50.90	49.33
(2) Miscellaneous Income		97.44	66.34
(3) Liquidated Damages		—	25.00
(4) Interest on Loans and Advances - Gross [Tax deducted at source: Rs 31.77 lakhs (2004-2005: Rs 24.66 lakhs)]		149.87	206.75
(5) Interest on Deposits with Banks - Gross [Tax deducted at source: Rs 4.60 lakhs (2004-2005: Rs 1.77 lakhs)]		17.05	5.66
(6) Interest on Long Term Investments - Gross		2.98	2.97
(7) Dividend on Long Term Investments - Gross			
(a) Trade	3.00		3.00
(b) Subsidiary Company	195.00		195.00
(c) Others	187.63		94.71
		385.63	292.71
(8) Profit on Sale of long term Investments (Net)		86.03	495.64
(9) Profit on Fixed Assets sold/discarded (Net)		86.64	9.14
(10) Excess provision no longer required written back		0.35	7.92
(11) Share of Profit in Partnership - Landmark (for the period 31-08-2005 to 31-03-2006)		238.02	—
		1,114.91	1,161.46

Schedule '4' (Item No. 8, page 27)
EXCEPTIONAL ITEMS

	Rupees in lakhs	Previous Year Rupees in lakhs
Provision for Contingencies (Note 2(e), Page No 38)	75.00	—
	75.00	—

Schedules forming part of the Balance Sheet

Schedule 'A' [Item No. 1(a), page 26]

CAPITAL

	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
AUTHORISED :		
1,50,00,000 Equity Shares of Rs.10/- each	1,500.00	1,500.00
1,00,00,000 Unclassified Shares of Rs.10/- each	1,000.00	1,000.00
	2,500.00	2,500.00
ISSUED, SUBSCRIBED AND PAID UP :		
1,44,27,811 Equity Shares of Rs. 10/- each fully paid-up [2004-2005 : 1,31,17,764 Equity Shares of Rs. 10/- each fully paid-up]	1,442.78	1,311.78
	1,442.78	1,311.78

Notes : Of the above -

- (a) 1,08,81,021 Equity Shares were allotted as fully paid Bonus Shares by capitalisation of Share Premium and Reserves.
- (b) 1,12,616 Equity Shares were allotted as fully paid pursuant to Schemes of Amalgamation without payment being received in cash.
- (c) During the year, 13,10,047 equity shares were allotted as fully paid up on conversion of Partly Convertible Debentures.
- (d) During the year, the Company has issued 13,10,047 warrants to the shareholders along with Partly Convertible Debentures. The Warrant holder is entitled to apply for one equity share of Rs.10/- each at a premium of Rs. 640/- each within 30 days after the expiry of 54 months from 7th July 2005, being the date of allotment.
- (e) During the year, the Company has granted 45,850 stock options under the Employee Stock Option Scheme. Stock Option outstanding as on 31st March 2006, are 44,900.

Schedule 'B' [Item No. 1(b), page 26]

RESERVES AND SURPLUS

	Rupees in lakhs	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
(1) SECURITIES PREMIUM ACCOUNT			
(a) Addition: Premium on issue of Equity Shares	5,109.18		—
(b) Deduction: Premium on redemption of Non-Convertible Debentures	1,283.85		—
(c) Deduction: Write off of Debentures issue expenses	142.92		—
		3,682.41	—
(2) DEBENTURE REDEMPTION RESERVE			
Transferred from Profit and Loss Account		1,300.00	—
(3) EMPLOYEE STOCK OPTIONS			
a) Employee Stock Options Outstanding			
Additions	396.72		—
Lapsed	8.22		—
Outstanding	388.50		—
b) Less: Deferred Employee Compensation			
Additions	396.72		—
Amortised/Lapsed	72.97		—
Balance	323.75		—
Net Employee Stock Options		64.75	—
(4) GENERAL RESERVE :			
(a) Balance as per last account	17,381.12		16,381.12
(b) Add: Transferred from Profit and Loss Account	250.00		1,000.00
		17,631.12	17,381.12
(5) AMALGAMATION RESERVE :			
Arising out of Amalgamation		1,492.95	1,492.95
(6) PROFIT AND LOSS ACCOUNT			
		1,345.98	1,527.49
		25,517.21	20,401.56

Notes: Of the above -

- (a) Premium on issue of Equity Shares represents issue of 13,10,047 equity shares on conversion of Partly Convertible Debentures at a premium of Rs. 390/- per share.
- (b) The Expenditure incurred on Rights Issue and the provision for Premium on Redemption of Debentures have been debited to Securities Premium Account.
- (c) In respect of Options granted under the Company's Employee Stock Options Scheme 2005 (ESOS), in accordance with guidelines issued by SEBI, the accounting value of options is accounted as deferred employee compensation, which is amortised on a straight line basis over the vesting period. Consequently, salaries, wages, bonus etc. include Rs. 64.75 lakhs (2004-2005: Rs. Nil), being the amortisation of deferred employee compensation after adjusting for reversals on account of options lapsed (refer Schedule M, note 10 page 37).

Schedules forming part of the Balance Sheet

Schedule 'C' (Item No. 2, page 26)

LOAN FUNDS

	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
(1) SECURED LOANS :		
Non Convertible Debentures	6550.24	—
(2) UNSECURED LOANS :		
Sales Tax loan from Government of Maharashtra	22.14	25.88
	<u>6,572.38</u>	<u>25.88</u>

Notes:

- During the year, the Company issued 13,10,047 Partly Convertible Debentures of Rs. 900/- each. Of the above, Convertible Debenture of the face value of Rs. 400/- has been converted into one equity share of Rs. 10/- each at a premium of Rs. 390/- per share on the date of allotment. The Non Convertible Debenture of face value of Rs. 500/- are redeemable at a premium of Rs. 98/- each on 7th July, 2010.
- The Non Convertible Debentures are secured by way of charge on assets of the Company costing at least 1.33 times of the value of the Debentures in favour of the Debenture Trustees.
- Premium payable on redemption of Debentures amounting to Rs. 1,283.85 lakhs has been fully provided and debited to Securities Premium Account .
- Of the above unsecured loans, amount repayable within a year Rs. 5.34 lakhs (2004-2005: Rs. 3.74 lakhs)

Schedule 'D' (Item No.5, page 26)

FIXED ASSETS

ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION			NET BLOCK	
	As at 1.4.2005	Additions/ Adjustments	Deductions/ Adjustments	As at 31.3.2006	As at 1.4.2005	Deductions/ Adjustments	For the year	As at 31.3.2006	As at 31.3.2006
	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs
Freehold Land	400.08 (400.08)	—	—	400.08 (400.08)	— (—)	— (—)	— (—)	— (—)	400.08 (400.08)
Buildings	2,310.03 (2,228.76)	159.63 (87.40)	78.46 (6.13)	2,391.20 (2,310.03)	519.99 (438.50)	38.67 (3.51)	89.91 (85.00)	571.23 (519.99)	1,819.97 (1,790.04)
Plant and Machinery	2,045.74 (1,531.24)	461.67 (533.00)	15.57 (18.50)	2,491.84 (2,045.74)	393.80 (313.08)	5.31 (6.60)	240.01 (87.32)	628.50 (393.80)	1,863.34 (1,651.94)
Furniture, Fixtures, Office and Other Equipment	2,825.33 (2,056.00)	953.84 (774.96)	5.53 (5.63)	3,773.64 (2,825.33)	829.89 (559.50)	3.21 (3.06)	461.28 (273.45)	1,287.96 (829.89)	2,485.68 (1,995.44)
Vehicles	68.44 (86.85)	44.37 (4.07)	37.76 (22.48)	75.05 (68.44)	20.80 (24.57)	17.88 (10.97)	6.27 (7.20)	9.19 (20.80)	65.86 (47.64)
Intangible Assets	2.22 (1.25)	20.00 (0.97)	—	22.22 (2.22)	1.74 (0.52)	— (—)	2.58 (1.22)	4.32 (1.74)	17.90 (0.48)
Total	7,651.84 (6,304.18)	1,639.51 (1,400.40)	137.32 (52.74)	9,154.03 (7,651.84)	1,766.22 (1,336.17)	65.07 (24.14)	800.05 (454.18)	2,501.20 (1,766.22)	6,652.83 (5,885.62)
Capital Work-in-Progress									542.95 (363.22)
Total									7,195.78 (6,248.84)

Notes : (1) Figures in brackets are in respect of previous year.

(2) Included in Buildings is an amount of Rs. 1,050 (2004-2005: Rs.1,550) representing value of Shares in Co-operative Housing Societies/Condominium.

Schedule forming part of the Balance Sheet
Schedule 'E' (Item No. 6, Page 26)
INVESTMENTS

	Balance as at 1.4.2005		Purchased during the year		Sold during the year		Balance as at 31.3.2006	
	No.of. Shares/Units	Rs. Lakhs	No.of. Shares/Units	Rs. Lakhs	No.of. Shares/Units	Rs. Lakhs	No.of. Shares/Units	Rs. Lakhs
Long Term Investment (at Cost less provision for diminution in value) Face Value of Rs 10/- each, Unquoted and fully paid-up unless otherwise stated Trade Investments at Cost (unquoted and fully paid unless otherwise stated)								
The Associated Building Company Limited (Equity shares of Rs. 900/- each)	50	0.45	—	—	—	—	50	0.45
Tata International Limited (Equity shares of Rs. 1000/- each)	1,000	2.00	—	—	—	—	1,000	2.00
Tata Services Limited (Equity shares of Rs. 1000/- each)	45	0.45	—	—	—	—	45	0.45
Total Trade Investment		2.90						2.90
Other Investments at Cost (unquoted and fully paid unless otherwise stated)								
(a) In Subsidiary Company								
Nahar Theatres Pvt Ltd. (Equity shares of Rs. 1000/- each)	—	—	1,996	2,832.13	—	—	1,996	2,832.13
Nahar Theatres Pvt Ltd.- Pref Shares (9.5% Cumulative Redeemable Preference Shares of Rs 1000/- each)	—	—	100	1.00	—	—	100	1.00
Satnam Developers & Finance Pvt. Ltd. (Change in Face Value of Equity shares from Rs. 100/- to Rs 10/- each)	10,000	902.25	40,000	4.00	—	—	50,000	906.25
Trent Brands Limited	32,50,000	325.00	—	—	—	—	32,50,000	325.00
Fiora Link Road Properties Pvt Ltd.	—	—	50,000	5.00	—	—	50,000	5.00
Fiora Services Limited (Equity shares of Rs. 100/- each)	39,000	76.58	—	—	—	—	39,000	76.58
Total Investment in Subsidiary Companies		1,303.83						4,145.96
(b) In Partnership Firm								
Landmark - Capital Account *	—	—	—	390.00	—	—	—	390.00
Landmark - Right In Partnership	—	—	—	8,761.57	—	—	—	8,761.57
Total Investment in Partnership Firm								9,151.57
(c) In Other Company								
Associated Cement Co. Ltd.(Quoted)	—	—	11,000	51.07	8,000	37.14	3,000	13.93
Gail (India) Limited(Quoted)	—	—	20,000	48.10	—	—	20,000	48.10
Hindalco Industries Limited(Quoted) (Equity shares of Rs. 1/- each)	—	—	50,000	68.40	—	—	50,000	68.40
Hindalco Industries Limited(Quoted) (Equity shares of Rs. 1/- each - Partly Paid Rs.0.25 per share)	—	—	14,313	3.43	—	—	14,313	3.43
ITC Limited(Quoted) - (Equity shares of Rs.1/- each)	—	—	10,000	12.18	—	—	10,000	12.18
Larsen & Toubro Limited(Quoted) (Equity shares of Rs.2/- each)	—	—	4,000	53.08	2,000	26.54	2,000	26.54
NTPC Limited(Quoted)	—	—	25,000	24.32	—	—	25,000	24.32
Oil & Natural Gas Corporation Limited.(Quoted)	—	—	4,000	38.52	—	—	4,000	38.52
Punjab National Bank Limited(Quoted)	—	—	12,500	52.39	—	—	12,500	52.39
Reliance Capital Ventures Limited(Quoted) (Issued 3,000 Shares in lieu of 3,000 Shares held in RIL as per Scheme of Arrangement)	—	—	3,000	0.27	—	—	3,000	0.27
Reliance Communication Ventures Limited(Quoted) (Issued 3,000 Shares of Rs 5/- each in lieu of 3,000 Shares held in RIL as per Scheme of Arrangement)	—	—	3,000	8.11	—	—	3,000	8.11
Reliance Energy Ventures Limited(Quoted) (Issued 3,000 Shares in lieu of 3,000 Shares held in RIL as per Scheme of Arrangement)	—	—	3,000	1.53	—	—	3,000	1.53
Reliance Industries Limited(Quoted)	—	—	7,000	38.83	4,000	27.94	3,000	10.89
Reliance Natural Resources Limited(Quoted) (Issued 3,000 Shares of Rs 5/- each in lieu of 3,000 Shares held in RIL as per Scheme of Arrangement)	—	—	3,000	0.15	—	—	3,000	0.15
Steel Authority of India Ltd(Quoted)	—	—	35,000	20.99	35,000	20.99	—	—
Tata Investment Corporation Limited(Quoted)	42,832	49.99	21,416	—	—	—	64,248	49.99
Tata Sons Limited	63,000	630.00	—	—	—	—	63,000	630.00
6% Cumulative Redeemable Preference Shares of Rs. 1,000/- each	—	—	—	—	—	—	—	—
Tata Auto Comp System Limited	50,00,000	500.00	—	—	—	—	50,00,000	500.00
7% Cumulative Redeemable Preference Shares	—	—	—	—	—	—	—	—
US-64 Bonds(Quoted) (6.75% Tax Free Bonds of Rs. 100/- each)	44,103	44.10	—	—	—	—	44,103	44.10
Total Investment in Other Companies		1,224.09						1,532.85
(d) In Mutual Funds								
Birla Bond Plus-Instl-Growth	—	—	26,77,259	337.00	—	—	26,77,259	337.00
Birla Dividend Yield Plus Plan-A-Dividend	17,32,044	214.55	5,22,231	60.48	—	—	22,54,274	275.03
DSP Merrill Lynch Floating Rate Fund-Growth	—	—	44,90,668	500.00	44,90,668	500.00	—	—
DSP Merrill Lynch Short Term-Growth	—	—	33,90,921	398.24	—	—	33,90,921	398.24
FT India Balanced Fund-Dividend	4,18,994	50.49	—	—	4,18,994	50.49	—	—
FT India Monthly Income Plan-Plan A Dividend	42,93,572	500.00	—	—	42,93,572	500.00	—	—
Grindlays Floating Rate Short Term-Instt Plan B-Growth	—	—	45,14,265	500.00	45,14,265	500.00	—	—
HDFC Floating Rate IF Short Term Plan-Growth	—	—	52,25,742	590.00	43,96,687	496.40	8,29,056	93.60
HDFC Short Term Plan-Growth	—	—	24,69,868	300.00	—	—	24,69,868	300.00

Schedule forming part of the Balance Sheet

Schedule 'E' (Item No. 6, Page 26)

INVESTMENTS

	Balance as at 1.4.2005		Purchased during the year		Sold during the year		Balance as at 31.3.2006	
	No.of Shares/Units	Rs. Lakhs	No.of Shares/Units	Rs. Lakhs	No.of Shares/Units	Rs. Lakhs	No.of Shares/Units	Rs. Lakhs
ING Vysya Select Debt Fund-Growth	—	—	47,76,270	500.00	—	—	47,76,270	500.00
JM Equity & Derivative Fund Dividend	20,00,000	200.00	56,076	5.67	—	—	20,56,076	205.67
JM MIP Fund-Dividend	2,60,000	26.00	—	—	2,60,000	26.00	—	—
Kotak Flexi Debt Scheme-Growth	—	—	48,20,281	500.00	—	—	48,20,281	500.00
Principal IF Short Term Instt Plan-Growth	—	—	62,00,559	699.01	—	—	62,00,559	699.01
Pru ICICI Instt Short Term Plan-Cumulative	—	—	77,80,830	1,000.00	—	—	77,80,830	1,000.00
Pru ICICI Blended Plan A-Dividend	—	—	20,00,000	200.00	—	—	20,00,000	200.00
Reliance Floating Rate Fund-Growth	—	—	67,02,807	700.00	67,02,807	700.00	—	—
Tata Dividend Yield Fund-Dividend	30,00,000	300.00	—	—	—	—	30,00,000	300.00
Tata Infrastructure Fund-Dividend	20,00,000	200.00	—	—	—	—	20,00,000	200.00
Templeton India Montly Income Plan-Growth	6,21,863	87.97	—	—	6,21,863	87.97	—	—
Templeton India Short Term Income Plan-Growth	—	—	32,222	400.00	—	—	32,222	400.00
Total investment in Mutual Fund		1,579.01						5,408.55
Total Investment in Long Term		4,109.83						20,241.83
Current Investments								
Other Investments at Cost (unquoted and fully paid unless otherwise stated)								
ABN Amro Floating Rate Fund-Instt-Dividend	—	—	30,06,571	301.10	30,06,571	301.10	—	—
Birla Floating Rate Fund Short Term Plan-Dividend	73,55,000	762.68	21,547	2.23	73,76,547	764.91	—	—
Birla Cash Plus-Instt-Dividend	—	—	56,24,108	609.44	56,24,108	609.44	—	—
Birla MIP II Wealth 25 Plan-Dividend	41,55,276	416.21	63,410	6.55	42,18,686	422.76	—	—
Chola Liquid Instt Plus-Cumulative	—	—	21,96,627	300.00	21,96,627	300.00	—	—
Deutsche Floating Rate Fund- Monthly Dividend	—	—	29,60,417	302.88	29,60,417	302.88	—	—
Deutsche Insta Cash Plus Fund-Instt Plan-Dividend	—	—	63,47,672	637.95	12,46,366	125.26	51,01,306	512.69
Deutsche Insta Cash Plus Fund-Regular Dividend	—	—	67,36,450	684.63	67,36,450	684.63	—	—
Deutsche MIP Fund-Plan A monthly Dividend	10,34,983	103.89	22,543	2.30	10,57,526	106.19	—	—
DSP Merrill Lynch Floating Rate Fund-Dividend	—	—	49,94,162	501.09	49,94,162	501.09	—	—
DSP ML Liquidity Fund-Weekly Regular-Dividend	—	—	40,32,893	500.42	40,32,893	500.42	—	—
DSP ML Liquidity Fund Weekly-Instt Plan-Dividend	—	—	50,199	502.44	50,199	502.44	—	—
DSP Merrill Lynch Savings Plus Aggressive-Dividend	10,56,379	105.76	13,547	1.39	10,69,926	107.15	—	—
DSP Merrill Lynch Savings Plus Moderate-Dividend	20,01,058	209.55	19,959	2.13	20,21,017	211.68	—	—
Grindlays Cash Fund-Instt Plan B-Dividend	—	—	43,90,294	452.31	14,55,957	150.00	29,34,337	302.22
GFRM Grindlays Floating Rate Fund-Dividend	72,97,899	731.79	61,870	6.20	73,59,769	737.99	—	—
HDFC Cash Management-Savings Plan-Dividend	28,74,696	305.58	3,67,92,941	3,911.41	3,96,67,637	4,216.99	—	—
HDFC Cash Management-Savings Plus Plan-Dividend	—	—	73,81,666	739.76	73,81,666	739.76	—	—
HDFC Floating Rate IF Short Term Plan-Dividend	—	—	24,95,776	251.11	24,95,776	251.11	—	—
HDFC Multiple Yield Fund-Growth	20,00,100	200.01	—	—	—	—	20,00,100	200.01
HSBC Cash Fund-Institutional-Monthly Dividend	—	—	47,94,042	502.05	47,94,042	502.05	—	—
HSBC Cash Fund-Institutional-Growth	38,61,927	427.97	—	—	38,61,927	427.97	—	—
HSBC Floating Rate Fund Short Term Instt-Dividend	—	—	79,92,922	803.25	79,92,922	803.25	—	—
HSBC MIP-Savings Plan-Dividend	52,02,916	520.63	75,174	7.68	52,78,090	528.31	—	—
JM Floater Fund-Long Term Plan-Dividend	30,54,737	305.48	1,36,919	13.71	—	—	31,91,655	319.19
JM Floater Fund-Short Term Plan-Dividend	38,94,902	391.33	56,00,921	563.70	94,95,823	955.03	—	—
Kotak Liquid Instt Premium-Growth	—	—	48,03,571	650.00	48,03,571	650.00	—	—
Magnum Instt Income Fund-Savings-Growth	—	—	27,74,926	300.00	27,74,926	300.00	—	—
Principal Cash Mgmt Fund LO-IP-Dividend	—	—	1,40,58,633	1,407.69	1,40,58,633	1,407.69	—	—
Principal MIP Plus-Dividend	10,39,007	103.42	16,195	1.66	10,55,202	105.08	—	—
Pru ICICI Floating Rate Plan C-Dividend	93,48,464	935.52	12,50,074	125.08	49,88,974	499.36	56,09,564	561.36
Pru ICICI Institutional Liquid Plan-Growth	22,83,360	363.41	6,05,265	100.00	28,88,624	463.41	—	—
RLF-Treasury Plan-Instt Option-Dividend	—	—	24,77,256	400.00	24,77,256	400.00	—	—
Sundaram Money Fund Institutional-Appreciation	—	—	21,19,183	300.00	21,19,183	300.00	—	—
Tata Floating Rate Fund Short Term Income/Bonus	74,62,225	747.87	1,31,79,340	1,327.93	1,49,24,763	1,500.46	57,16,802	575.34
Tata Liquid SHIF-Monthly Dividend	—	—	1,70,905	1,935.78	1,70,905	1,935.78	—	—
Templeton Floating Rate IF Short Term Plan-Growth	10,77,282	124.59	—	—	—	—	10,77,282	124.59
Templeton India Treasury Management A/c-Growth	26,931	439.67	—	—	26,931	439.67	—	—
UTI Liquid Cash Plan Institutional Growth	—	—	53,966	600.00	13,458	148.45	40,508	451.55
Tata Chemicals Limited(Quoted)	17,775	6.84	—	—	—	—	17,775	6.84
Total Current Investment		7,202.20						3,053.79
Application for membership of Retailers Association of India (Equity shares of Rs. 1000/- each)	100	1.00	—	—	—	—	100	1.00
Total Investment		11,313.03						23,296.62
Aggregate book value of Investments								
Unquoted		11,212.10						22,886.93
Quoted [Market value Rs.800.30 lakhs (2004-2005: Rs.203.24 lakhs)]		100.93						409.69
Total		11,313.03						23,296.62

* Partners	Share
Trent Limited	78.00%
Hemalatha Ramaiah	21.00%
Trent Brands Limited	0.80%
Fiora Services Limited	0.05%
Fiora Link Road Properties Private Limited.	0.05%
Satnam Developers & Finance Private. Limited.	0.05%
Satnam Realtors Private. Limited.	0.05%

Note: The Partnership Firm Landmark has been converted into Company Landmark Limited, under part IX of the Companies Act 1956, to carry on the business of Landmark Partnership Firm with effect from 1-04-2006.

Schedules forming part of the Balance Sheet

Schedule 'F' [Item No.7(a), page 26]

INVENTORIES

	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
Stocks		
(1) Raw Materials	104.43	58.62
(2) Packing Materials	25.54	36.02
(3) Finished Products	5,184.24	3,624.42
(4) Stocks-in-Transit	22.08	43.78
	<u>5,336.29</u>	<u>3,762.84</u>

Schedule 'G' [Item No.7(b), page 26]

SUNDRY DEBTORS

	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
(1) Debts outstanding for a period exceeding six months	94.12	93.11
(2) Other Debts	105.40	69.57
	<u>199.52</u>	<u>162.68</u>
(3) Less : Provision for Doubtful Debts	0.62	0.62
	<u>198.90</u>	<u>162.06</u>
Considered Good - Unsecured	198.90	162.06
Considered Doubtful - Unsecured	0.62	0.62
	<u>199.52</u>	<u>162.68</u>

Schedules forming part of the Balance Sheet

Schedule 'H' [Item No.7(c), page 26]

CASH AND BANK BALANCES

	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
(1) Cash on hand (including cheques on hand Rs. 1.03 lakhs) (2004-2005: Rs. 6.97 lakhs)	150.44	72.52
(2) Balances with Scheduled Banks		
(a) Current Accounts	831.09	503.62
(b) Fixed Deposit Accounts	292.83	150.13
(c) Unpaid Dividend Accounts	68.41	107.76
	1,192.33	761.51
	1,342.77	834.03

Schedule 'I' [Item No. 7(d), page 26]

LOANS AND ADVANCES

	Rupees in lakhs	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
(1) Security Deposits			
Deposits for premises - Subsidiaries	412.50		250.00
Deposits for premises - Others	2,612.11		2,279.49
Other Deposits	177.05		136.84
		3,201.66	2,666.33
(2) Loans			
Loan to Subsidiaries	1,086.50		270.00
Loan to Landmark - Partnership Firm	1,766.46		—
Other Loans	135.67		1,977.30
		2,988.63	2,247.30
(3) Other Loans and Advances recoverable in cash or in kind or for value to be received		377.10	196.13
(4) Balances with Customs/Port Trust etc.		40.31	40.28
(5) Other Receivables		49.10	188.44
(6) Bills of Exchange		114.20	114.20
(7) Advances on Capital Account		48.94	83.93
(8) Advance payment of taxes - net of provision		577.90	503.82
		7,397.84	6,040.43
(9) Less : Provision for Doubtful Advances		155.83	148.21
		7,242.01	5,892.22
Considered Good - Secured		50.00	1,918.66
Considered Good - Unsecured		7,192.01	3,973.56
Considered Doubtful - Unsecured		155.83	148.21
		7,397.84	6,040.43

Schedules forming part of the Balance Sheet

Schedule 'J' [Item No. 8(a), page 26]

LIABILITIES

	Rupees in lakhs	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
(1) Acceptances		1,749.45	600.57
(2) Sundry Creditors (Note 7, Page 39)			
Small Scale Industrial Undertakings	82.54		107.67
Others	5,757.10		3,751.72
		5,839.64	3,859.39
(3) Subsidiary Company - Fiora Services Limited		33.75	25.61
(4) Security Deposits Received		135.52	136.52
(5) Investor Education and Protection Fund (Appropriate amount shall be transferred to "Investor Education and Protection Fund" if and when due - Note 8, Page 39)			
(a) Unpaid / Unclaimed Dividend	68.41		107.76
(b) Unpaid / Unclaimed Matured Deposits	0.30		0.40
(c) Unpaid Application Money received by the Company for allotment of Rights Issue and due for refund	2.05		—
		70.76	108.16
		7,829.12	4,730.25

Schedule 'K' [Item No.8(b), page 26]

PROVISIONS

	Rupees in lakhs	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
(1) Interim Dividend		—	787.07
(2) Proposed Dividend		937.81	—
(3) Tax on Dividend		131.53	110.38
(4) Contingencies (Note 2(e) , Page 38)		205.00	130.00
(5) Retirement Benefits		59.76	48.02
(6) Redemption Premium of Debentures		1,283.84	—
		2,617.94	1,075.47

Schedule 'L' [Item No. 10, page 26]

**MISCELLANEOUS EXPENDITURE
(to the extent not written off or adjusted)**

	Rupees in lakhs	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
(1) Store Launch Expenses		—	35.43
(2) Voluntary Retirement Expenses		—	6.00
		—	41.43

Schedule forming part of the Balance Sheet and Profit and Loss Account

Schedule 'M'

SIGNIFICANT ACCOUNTING POLICIES

1.0 Basis of preparation of accounts

The accounts have been prepared to comply in all material aspects with applicable accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

2.0 Fixed Assets and Depreciation

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

2.2 Depreciation on tangible assets is provided in accordance with the provisions of Schedule XIV to the Companies Act, 1956 as under: -

- (a) In respect of the assets of the Retail Business on "Straight Line" method.
- (b) In respect of all other assets on "Written Down Value" method.

2.3 Improvement to leasehold premises are depreciated over the period of lease remaining as at the date of their capitalisation.

2.4 Intangible Assets are amortised over their useful life not exceeding ten years.

3.0 Investments

Long Term Investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of Long Term Investments. Current Investments are stated at lower of cost or fair value.

4.0 Inventories

Inventories are valued as under :

Raw materials and packing materials : at cost.

Finished Products : at lower of cost or net realisable value.

5.0 Income

5.1 Sale of goods is recognised on delivery to customers and include amounts recovered towards sales tax.

5.2 Interest income is accounted on accrual basis.

5.3 Dividend income is accounted when right to receive payment is established.

6.0 Retirement Benefits

6.1 Contributions in respect of Provident Fund, Employees' Pension Scheme and Superannuation are being charged to revenue as incurred.

6.2 In respect of certain employees, the Company has created gratuity fund. Contribution to gratuity fund is made on the basis of actuarial valuation. In respect of other employees, the Company has taken a Group Gratuity Policy from Life Insurance Corporation of India. Gratuity is provided on the basis of the above policy.

6.3 Provision for Leave Encashment benefit on retirement is made on actuarial valuation basis.

7.0 Foreign Currency Transactions

Foreign Currency transactions are accounted at the rates prevailing on the date of transaction.

Year end current assets and liabilities are translated at the exchange rate ruling on the date of the Balance Sheet.

Exchange differences on settlement/conversion are adjusted to :

- (i) Cost of fixed assets, if the foreign currency transaction relates to fixed asset ;
- (ii) Profit and Loss Account, in other cases.
- (iii) Wherever forward contracts are entered into, the exchange differences are dealt with in the Profit and Loss Account over the period of the contracts.

8.0 Store Launch Expenses

Various expenses for opening of new stores incurred up to 31st March, 2003 are amortised over a period of three years from opening of the respective stores. From 1st April, 2003, in accordance with the Accounting Standard on Intangible Assets (AS-26), such expenses for opening of new stores incurred during the year have been charged off to the profit and loss account.

9.0 Voluntary Retirement Expenses

Voluntary Retirement Compensation paid is amortised over a period of five years.

10.0 Employee Stock Option Scheme (ESOS)

In respect of Options granted under the Company's Employee Stock Options Scheme (ESOS), in accordance with guidelines issued by SEBI , the accounting value of options is accounted as deferred employee compensation, which is amortised on a straight line basis over the vesting period.

11.0 Provisions and Contingent Liabilities

The Company recognises a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

12.0 Taxation

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

12.2 Deferred Tax: Deferred tax is recognised on timing difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised if there is virtual certainty that there will be sufficient future taxable income available to realise such losses.

Notes on the Balance Sheet and Profit and Loss Account

1. (a) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 193.04 lakhs (2004-2005: Rs.118.33 lakhs).
- (b) Uncalled Liability on Equity Shares partly paid: Rs. 10.31 lakhs (2004-2005 : Rs. Nil)
2. **Contingent Liabilities :**
 - (a) Sales tax, Excise and Customs demands against which the Company has filed appeals: Rs. 146.81 lakhs (2004-2005: Rs. 144.04 lakhs) - net of tax Rs.97.39 lakhs (2004-2005: Rs.91.33 lakhs).
 - (b) Claims made against the Company not acknowledged as debts: Rs. 549.93 lakhs (2004-2005: Rs.525.74 lakhs)
 - (c) Income-tax demands against which the Company has filed appeals: Rs. 656.32 lakhs (2004-2005: Rs. 507.39 lakhs).
 - (d) Corporate Guarantee given on behalf of Subsidiary : Rs. 100,00.00 lakhs (2004-2005: Rs. 60,00.00 lakhs)
 - (e) As a matter of abundant caution, a general provision for contingencies of Rs. 205.00 lakhs (2004-2005: Rs. 130.00 lakhs) has been made against items (a), (b) and (c) above, which are disputed by the Company.

3. **Managerial Remuneration :**

Managerial remuneration for Managing Director and Non- Whole time Directors

	2005-2006 Rupees in lakhs	2004-2005 Rupees in lakhs
(a) Salaries (including Company's Contribution to Provident Fund and Superannuation Fund)	40.66	33.66
(b) Commission	87.50	60.00
(c) Perquisites	17.01	14.40
(d) Directors' sitting fees	5.83	4.69
	151.00	112.75

Note: The above figures do not include contribution to Gratuity Fund as separate figure not available for the Managing Director, the amortised cost of 5000 Employee Stock Options granted to the Managing Director and retirement benefits of Rs. 11.74 lakhs (2004-2005: Rs. 11.03 lakhs) paid to a former Managing Director.

Computation of Net Profit in accordance with Section 309 (5) of the Companies Act, 1956 :

	2005-2006 Rupees in lakhs	2004-2005 Rupees in lakhs
Profit before taxes as per Profit and Loss Account	3,429.17	2,456.00
Add :		
(i) Depreciation as per accounts	800.05	454.18
(ii) Managerial Remuneration	151.00	112.75
(iii) Provision for doubtful debts/advances	7.63	0.66
(iv) Provision for Contingencies	75.00	—
	1,033.68	567.59
	4,462.85	3,023.59
Less :		
(i) Depreciation as per Section 350	800.05	454.18
(ii) Capital Profit	155.57	515.01
(ii) Pro- rata Premium on Redemption of Debentures *	192.58	—
(iv) Pro-rata Amortisation of Rights Issue Expenses *	21.44	—
	1,169.64	969.19
Net Profit as per Section 309 (5)	3,293.21	2,054.40
Commission:		
(a) Managing Director	55.00	40.00
(b) Non-Wholetime directors- 1% of Net Profits Rs. 3,293.21 lakhs (2004-05: Rs. 2,054.40 lakhs) restricted to Rs. 32.50 lakhs (2004-2005 Rs.20.00 lakhs)	32.50	20.00
	87.50	60.00

* Represents the pro-rata of the amount which has been debited to Securities Premium Account

Notes on the Balance Sheet and Profit and Loss Account (Contd.)

4. Major components of deferred tax assets and liabilities are:

Deferred Tax Liability

- (a) Depreciation
(b) Store Launch Expenses carried forward

Less: Deferred Tax Assets

Other Provisions

Net Deferred Tax Liability

2005-2006 Rupees in lakhs	2004-2005 Rupees in lakhs
685.61	728.79
—	11.93
<u>685.61</u>	<u>740.72</u>
52.67	31.21
<u>632.94</u>	<u>709.51</u>

5. (i) Schedule 1 Item 4 (p) General Expenses include :

- (a) Auditors' Remuneration -
Audit Fees
Fees for Taxation matters
Other Services
Reimbursement of out-of-pocket expenses
(b) Provision for doubtful debts/advances (net)

- (ii) Debenture Issue Expenses include :

Auditors' Remuneration - Other Services

2005-2006 Rupees in lakhs	2004-2005 Rupees in lakhs
4.21	4.13
4.24	3.74
8.41	3.85
0.10	0.26
7.63	0.66
3.10	-

6. Loss on foreign exchange fluctuation (net) debited to the profit and loss account amounted to Rs. 3.17 lakhs (2004-2005 : Credited to the Profit and Loss Account : Rs. 2.20 lakhs).

7. (a) The Company has identified the suppliers who are covered under the "Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act, 1993". The liability under the said Act on account of interest is not ascertained as on 31st March, 2006. However, no claims have been received for interest from suppliers with reference to the above Act.

- (b) The names of small scale industries to whom the Company owes a sum which is outstanding for more than 30 days, as per the terms of the contracts, at the balance sheet date are as under:

- (i) M/s. Mariam.
(ii) M/s. Bhagavathi Garments.
(iii) M/s. Anupam Textiles
(iv) M/s. Chamaria Knit wear Industry
(v) M/s. Gemini Enterprises
(vi) M/s. Godani Plast
(vii) M/s. Index Corporation
(viii) M/s. Krishna Weaving Factory
(ix) M/s. Raj Fragrance
(x) M/s. Interplast

The above information and that given in schedule 'J' item 2, "Liabilities" regarding small scale undertakings has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

8. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

Notes on the Balance Sheet and Profit and Loss Account (Contd.)

9. Out of the Rights Issue proceeds of Rs. 118.10 crores, Rs. 56.14 crores have been spent towards objects of the issue and the balance unutilised amount is invested mainly in Mutual Funds.

10. In Accordance with the amendments to Clause 32 of Listing Agreement, Advances in the nature of Loan are as under

a) Loans and Advances in the nature of Loans

Name of Company/Firm		Balance as at 31.03.2006 Rs. lakhs	Maximum Amount Outstanding during the year Rs. lakhs
Satnam Developers and Finance Private Limited	Subsidiary	302.50	1,177.50
Fiora Link Road Properties Private Limited	Subsidiary	6.50	6.50
Nahar Theatres Private Limited	Subsidiary	777.50	777.50
Landmark -Partnership Firm	Subsidiary	1,766.46	1,766.46

b) None of the loanees have made investment in the shares of the Company.

Notes: 1) There is no repayment schedule in respect of loan to Landmark.

2) Loan to Landmark and Fiora Link Road Properties Private Limited are free of interest.

11. LICENSED/INSTALLED ANNUAL CAPACITIES AND PRODUCTION :

Class of Goods	Unit of Measure	Licensed Capacity		Installed Capacity		Actual Production	
		As at 31.3.2006	As at 31.3.2005	As at 31.3.2006	As at 31.3.2005	31.3.2006	31.3.2005
Apparels/ Household items etc.	Nos. in lakhs	N.A	N.A	Nil	Nil	* 1.66	* 1.82

* Production represents goods manufactured by third parties.

12. SALES, PURCHASES, OPENING AND CLOSING STOCKS (1.4.2005 to 31.3.2006)

Class of Goods	Unit of Measure	SALES		PURCHASES		OPENING STOCKS		CLOSING STOCKS	
		Quantity	Rupees in lakhs	Quantity	Rupees in lakhs	Quantity	Rupees in lakhs	Quantity	Rupees in lakhs
Apparels/ Household items etc.	Units in lakhs	168.88 (99.21)	33,809.22 (22,717.25)	179.34 (117.06)	18,821.55 (12,749.57)	30.45 (16.60)	3,624.42 (2,152.24)	39.42 (30.45)	5,184.24 (3,624.42)
Others			83.71 (76.12)		53.96 (44.15)				
Total			33,892.93 (22,793.37)		18,875.51 (12,793.72)		3,624.42 (2,152.24)		5,184.24 (3,624.42)

Notes :

(i) Closing stock is after adjusting samples , free gifts, damaged goods and shortages.

(ii) Figures in brackets are in respect of previous year.

13. RAW MATERIALS CONSUMED :

	Unit of Measure	2005-2006		2004-2005	
		Quantity	Rupees in lakhs	Quantity	Rupees in lakhs
Fabrics	Lakh Metres	2.229	234.25	2.375	225.84
TOTAL			234.25		225.84

Notes on the Balance Sheet and Profit and Loss Account (Contd.)
14. VALUE OF IMPORTED AND INDIGENOUS MATERIALS CONSUMED :

	2005-2006		2004-2005	
	Rupees in lakhs	% of Total Consumption	Rupees in lakhs	% of Total Consumption
(a) RAW MATERIALS :				
(i) Imported	—	—	12.36	5
(ii) Indigenous	234.25	100	213.48	95
TOTAL	234.25	100	225.84	100
(b) PACKING MATERIALS, CONSUMABLE STORES AND SPARES : Indigenous	230.01	100	156.44	100
TOTAL	230.01	100	156.44	100

15. VALUE OF IMPORTS ON C.I.F. BASIS :

	2005-2006 Rupees in lakhs	2004-2005 Rupees in lakhs
(a) Finished Products (including in - transit)	127.20	92.50
(b) Capital Goods	235.71	165.37
TOTAL	362.91	257.87

16. EXPENDITURE IN FOREIGN CURRENCY :

	2005-2006 Rupees in lakhs	2004-2005 Rupees in lakhs
(a) Travelling Expenses	18.59	36.64
(b) Consultancy Fees (Net of Tax deducted at source)	147.27	86.95
(c) Payments on other accounts	0.45	1.88
TOTAL	166.31	125.47

17. EARNINGS IN FOREIGN CURRENCY :

	2005-2006 Rupees in lakhs	2004-2005 Rupees in lakhs
(a) Sales of goods / services *	1,048.71	787.18
(b) Others	—	21.47
TOTAL	1,048.71	808.65

* Represents sale of goods / services which are collected in Foreign Currency through International Credit Cards, as certified by the collecting bankers.

Notes on the Balance Sheet and Profit and Loss Account (Contd.)

18 SEGMENTAL REPORTING :

		2005-2006			
		Retailing	Current Investment	Unallocated	Total Company
		Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
A	SEGMENT REVENUE				
	1. External Revenue	34,543.94 (23,326.72)	274.22 (298.45)	940.84 (984.53)	35,759.00 (24,609.70)
	2. Intersegment Revenue	— (—)	— (—)	— (—)	— (—)
	TOTAL SEGMENT REVENUE	34,543.94 (23,326.72)	274.22 (298.45)	940.84 (984.53)	35,759.00 (24,609.70)
B	RESULTS				
	1. Segment Results	2,491.41 (1,423.04)	274.22 (298.45)	844.75 (734.54)	3,610.38 (2,456.03)
	2. Interest Expense	— (—)	— (—)	106.21 (0.03)	106.21 (0.03)
	3. Exceptional Items	— (—)	— (—)	75.00 (—)	75.00 (—)
	4. Provision for Taxation	— (—)	— (—)	991.34 (531.16)	991.34 (531.16)
	5. Short /(Excess) tax provision for prior years (Net)	— (—)	— (—)	— (18.92)	— (18.92)
	6. Net Profit	2,491.41 (1,423.04)	274.22 (298.45)	(327.80) (184.43)	2,437.83 (1,905.92)
C	SEGMENT ASSETS	17,925.69 (15,484.27)	3,053.79 (7,202.20)	23,632.89 (5,567.98)	44,612.37 (28,254.45)
D	SEGMENT LIABILITIES	7,268.49 (4,217.87)	— (—)	10,383.89 (2,323.24)	17,652.38 (6,541.11)
E	CAPITAL EXPENDITURE	1,819.24 (1,618.35)	— (—)	— (—)	1,819.24 (1,618.35)
F	DEPRECIATION	795.08 (447.01)	— (—)	4.97 (7.17)	800.05 (454.18)
G	AMORTISATION OF STORE LAUNCH EXPENSES	35.43 (101.37)	— (—)	— (—)	35.43 (101.37)
H	NON CASH EXPENSES Provision for Contingencies	— (—)	— (—)	75.00 (—)	75.00 (—)

Notes:

- (1) Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17), taking into account the Company's organisation structure as well as the differential risks and returns of these segments.
- (2) Segment Revenue, Results, Assets and Liabilities figures include the respective amounts identifiable to each of the segments. Other unallocable expenditure includes expenses incurred at corporate level, which relate to the Company as a whole. Unallocated assets mainly relates to Long Term Investments including Investments in Subsidiaries.
- (3) Figures in brackets are in respect of previous year.

Notes on the Balance Sheet and Profit and Loss Account (Contd.)
19. RELATED PARTY TRANSACTIONS :

Related Parties are as certified by the Management.

19.1 Parties where control exists

Trent Brands Limited - Subsidiary Company

(100% Equity Share Capital is held by Trent Limited as at 31st March, 2006)

Fiora Services Limited - Subsidiary Company

(25.67% Equity Share Capital is held by Trent Limited as at 31st March, 2006)

(64.20% Equity Share Capital is held by Trent Brands Limited as at 31st March, 2006)

Satnam Developers and Finance Private Limited - Subsidiary Company

(100% Equity Share Capital is held by Trent Limited as at 31st March, 2006)

Nahar Theatres Private Limited - Subsidiary Company (w.e.f. 20th September, 2005)

(100% Equity Share Capital is held by Trent Limited as at 31st March, 2006)

Fiora Link Road Properties Private Limited - Subsidiary Company (w.e.f. 26th August, 2005)

(100% Equity Share Capital is held by Trent Limited as at 31st March, 2006)

Investment in Partnership Firm - Landmark (w.e.f. 31st August, 2005)

(78% in share of profit is held by Trent Limited as at 31st March, 2006)

19.2 Other Related Parties with whom transactions have taken place during the year:

Associates: Tata Sons Ltd.
(Holds more than 20% of the Share Capital of the Company)

19.3 Directors of the Company

Managing Director Mr. N.N. Tata

Mrs. S.N. Tata

Mr. N.A. Soonawala

Mr. B.S. Bhesania

Non Executive Directors Mr. A.D. Cooper

Mr. K.N. Suntook

Mr. F.K. Kavarana

Mr. Zubin Dubash - with effect from 27.10.2005

Details of remuneration to Directors is disclosed in Note No. 3 on Balance Sheet and Profit and Loss account.

	2005-2006 Rupees in lakhs	2004-2005 Rupees in lakhs
19.4 Sales to and Other recoveries from related parties		
a) Subsidiaries	43.49	6.82
b) Associates	21.50	47.71
19.5 Purchase/other services from related parties		
a) Subsidiaries	517.59	312.96
b) Associates	245.90	216.81
19.6 Purchase of Fixed Assets from related parties		
Associates	—	22.00

Notes on the Balance Sheet and Profit and Loss Account (Contd.)

	2005-2006 Rupees in lakhs	2004-2005 Rupees in lakhs
19.7 Interest/Dividend received from related parties		
a) Subsidiaries	250.10	204.18
b) Associates	34.81	—
19.8 Interest/Dividend paid to related parties		
a) Subsidiaries	9.60	8.80
b) Associates	173.13	158.70
c) Directors	1.52	1.44
19.9 Purchase of Preference Shares		
Associates	—	200.00
19.10 Loan Given		
Subsidiaries	3,457.96	270.00
19.11 Loan Repaid		
Subsidiaries	875.00	—
19.12 Security deposit given during the year		
a) Subsidiaries	162.50	—
b) Associates	30.00	—
19.13 Security deposit receivable as on 31.03.2006		
a) Subsidiaries	412.50	250.00
b) Associates	30.00	—
19.14 Equity Contribution in cash		
Subsidiaries	9.00	—
19.15 Amount received in respect of Rights Issue of Partly Convertible Debentures on Allotment		
a) Associates	2596.98	—
b) Directors	59.67	—
19.16 Debentures Outstanding as on 31.3.2006		
Directors	0.13	—
19.17 Outstanding balance as on 31.3.2006 Payable by Company		
a) Subsidiaries	12.88	25.61
b) Associates	42.44	42.14
19.18 Guarantee Given during the year		
Subsidiary	4,000.00	6,000.00
19.19 Guarantee Given as on 31.3.2006		
Subsidiary	10,000.00	6,000.00
19.20 ESOP granted during the year (No. of Options)		
Directors	5,000	—
19.21 Loan Outstanding as on 31.3.2006		
Subsidiaries	2,852.96	270.00

Notes on the Balance Sheet and Profit and Loss Account (Contd.)

	2005-2006	2004-2005
20 EARNINGS PER SHARE (EPS) :		
(a) Weighted Average Number of shares outstanding during the year		
i) For Basic Earnings Per Share	1,41,84,244	1,35,11,297 *
ii) For Diluted Earnings Per Share		
No. of shares for Basic EPS as per a(i)	1,41,84,244	1,35,11,297 *
Add: Weighted average outstanding warrants/options deemed to be issued for no consideration	2,94,678	—
No. of shares for Diluted Earnings Per Share	1,44,78,922	1,35,11,297 *
(b) Net Profit/(loss) after Tax available for Equity Share Holders (Rupees in lakhs)	2,437.83	1,905.92
(c) Earnings Per Share (Rs.) Face Value of Rs. 10/-		
Basic	17.19	14.11*
Diluted	16.84	14.11*

* Restated for adjustment on account of Rights Issue

21 Previous year's figures have been regrouped wherever necessary.

22 Balance Sheet Abstract and Company's General Business Profile as required in terms of Part IV of Schedule VI of the Companies Act, 1956 is attached herewith.

Signatures to Schedules '1' to '4' and 'A' to 'M' and Notes.

As per our report attached.

For N.M. RAIJI & CO.,
Chartered Accountants

M.N. THAKKAR
Partner

Mumbai, 30th June, 2006

Mrs. H.R. WADIA
Company Secretary

28th June, 2006

For and on behalf of the Board,

S. N. TATA

Chairman

**N.A. SOONAWALA
B.S. BHESANIA
A.D. COOPER
K.N. SUNTOOK
F. K. KAVARANA
ZUBIN DUBASH**

Directors

N. N. TATA

Managing Director

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details:	:	
Registration No.	:	8951
State Code	:	11
Balance Sheet Date	:	31.3.2006
II. Capital raised during the year (Amount in Rupees Thousands):		
Public Issue	:	Nil
Rights Issue	:	13100
Bonus Issue	:	Nil
Private Placement	:	Nil
III. Position of mobilisation and deployment of funds (Amount in Rupees Thousands):		
Total Liabilities	:	3416531
Total Assets	:	3416531
Sources of Funds:		
Paid-up Capital	:	144278
Reserves and Surplus	:	2551721
Secured Loans	:	655024
Unsecured Loans	:	2214
Application of Funds:		
Net Fixed Assets	:	719578
Investments	:	2329662
Net Current Assets	:	367291
Net Deferred Tax	:	(-)63294
Miscellaneous Expenditure	:	—
Accumulated Losses	:	Nil
IV. Performance of Company (Amount in Rupees Thousands):		
Turnover*	:	3575900
Total Expenditure	:	3232983
Profit before Tax	:	342917
Profit after Tax	:	243783
Earnings per share (in Rupees)		
Basic	:	17.19
Diluted	:	16.84
Dividend Rate (%)	:	65
V. Generic Names of three principal products/services of the Company:		
Item Code No. (ITC CODE)		Product Description
1. 62 07	:	Menswear
2. 62 08	:	Ladieswear
3. 62 09	:	Childrenswear

*Represents Income from Operations and other income

Cash Flow for the year ended 31st March, 2006

	1.4.2005 to 31.3.2006 Rupees in lakhs	1.4.2004 to 31.3.2005 Rupees in lakhs
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Taxes and Exceptional Items	3,504.17	2,456.00
Adjustments for :		
Depreciation	800.05	454.19
Interest (net)	(63.68)	(215.36)
Employee Stock Option	64.75	—
(Profit)/Loss on Fixed Assets sold/discarded (Net)	(86.64)	(9.14)
(Profit)/Loss on sale of Long Term Investments	(86.03)	(495.64)
Dividend from Long Term Investments	(385.63)	(292.71)
Share of profit from Landmark	(238.02)	—
Excess provision no longer required written back	(0.35)	—
	4.45	(558.66)
Operating Profit Before Working Capital Changes	3,508.62	1,897.34
Adjustments for :		
(Increase)/Decrease in Current Investments	4,148.41	32.96
(Increase)/Decrease in Inventories	(1,573.45)	(1,365.63)
(Increase)/Decrease in Trade and Other Receivables	(740.81)	436.70
Increase/(Decrease) in Trade and Other Payables	2,795.97	1,375.45
	4,630.12	479.48
Cash generated from operations	8,138.74	2,376.82
Direct Taxes Paid	(1,141.99)	(336.76)
Net Cash from Operating Activities	6,996.75	2,040.06
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,528.07)	(1,563.56)
Sale of Fixed Assets	158.90	37.75
Purchase of Long Term Investments	(19,105.47)	(3,425.00)
Sale of Long Term Investments	3,059.50	3,619.70
Loans Given	(714.32)	(220.72)
Share of Profit from Partnership - Landmark	238.02	—
Interest received	317.14	164.53
Dividend From Long Term Investments	387.41	290.93
Net cash (used in)/from Investing Activities	(17,186.89)	(1,096.37)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from Rights Issue of Partly Convertible Debentures (Net of issue expenses)	11,647.50	—
Unclaimed Share Application Money	2.05	—
Repayment of Long Term and Other borrowings	(3.84)	(2.01)
Interest Paid	(10.02)	(0.03)
Dividend Paid	(936.81)	(811.91)
Net cash used in Financing Activities	10,698.88	(813.95)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	508.74	129.74
CASH AND CASH EQUIVALENTS AS AT 01.04.2005	834.03	704.29
CASH AND CASH EQUIVALENTS AS AT 31.03.2006	1,342.77	834.03

Notes : i) All figures in brackets are outflows.

ii) Of the above cash and cash equivalent balance the amount of Rs.71.20 lakhs (2004-05: Rs.68.84 lakhs) is not available for use by the Company as it is under dispute.

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

As per our report attached.

For N.M. RAIJI & CO.,
Chartered Accountants

M.N. THAKKAR
Partner
Mumbai, 30th June, 2006

MRS. H.R. WADIA
Company Secretary
28th June, 2006

For and on behalf of the Board,
S. N. TATA Chairman

N.A. SOONAWALA
B.S. BHESANIA
A.D. COOPER
K.N. SUNTOOK
F. K. KAVARANA
ZUBIN DUBASH } Directors

N. N. TATA Managing Director

PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING TO SUBSIDIARY COMPANIES BELOW :

	Trent Brands Limited	Fiora Services Limited	Satnam Developers and Finance Private Limited	Nahar Theatres Private Limited	Fiora Link Road Properties Private Limited
1. The financial period of the Subsidiary Company ended on	31st March, 2006	31st March, 2006	31st March, 2006	31st March, 2006	31st March, 2006
2. Fully paid Shares of the Subsidiary Company held by the Company on the above date :					
(a) Number of Equity Shares	32,50,000	39,000	50,000	1,996	50,000
(b) Extent of holding	100 %	25.67%	100 %	100 %	100 %
3. The net aggregate of profit of the Subsidiary Company's financial year, so far as they concern the members of the Company were :					
(a) Dealt with in the accounts of the Company for the year ended 31st March, 2006 (Rs. in lakhs)	195.00	Nil	Nil	Nil	Nil
(b) Not dealt with in the accounts of the Company for the year ended 31st March, 2006 (Rs. in lakhs)	318.56	14.38	12.32	(44.74)	(0.16)
4. The net aggregate of profits of the Subsidiary Company for the previous financial years, so far they concern the members of the Company were :					
(a) Dealt with in the accounts of the Company for the year ended 31st March, 2006 (Rs. in lakhs)	Nil	Nil	Nil	Nil	Nil
(b) Not dealt with in the accounts of the Company for the year ended 31st March, 2006 (Rs. in lakhs)	889.29	106.52	1.80	218.06	Nil
5. Changes in the interest of the Company between the end of the Subsidiary's financial year and 31st March, 2006 : Number of Shares acquired	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
6. Material changes between the end of the Subsidiary's financial year and 31st March, 2006 (Rs. in lakhs) :					
(i) Fixed Assets (net additions)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
(ii) Investments made	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
(iii) Investments sold	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
(iv) Moneys lent by the Subsidiary Company	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
(v) Moneys borrowed by the Subsidiary Company other than for meeting current liabilities	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

MRS. H.R. WADIA
Company Secretary

Mumbai, 28th June, 2006

For and on behalf of the Board,

S. N. TATA Chairman

N.A. SOONAWALA
B.S. BHESANIA
A.D. COOPER
K.N. SUNTOOK
F. K. KAVARANA
ZUBIN DUBASH Directors

N. N. TATA Managing Director

Auditors' Report on the Consolidated Financial Statements to the Board of Directors of Trent Limited

1. We have audited the attached Consolidated Balance Sheet of **TRENT LIMITED** ("the Company") and its subsidiaries, collectively referred to as "the Group", as at 31st March, 2006 and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These Consolidated Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the subsidiary, M/s. Landmark (partnership firm), whose financial statements reflect the Group's share of total net assets of Rs. 2,599.07 lakhs as at 31st March, 2006 and the Group's share of total revenue of Rs. 5,701.12 lakhs and the net cash outflow amounting to Rs. 424.18 lakhs for the period from 1st September, 2005 to 31st March, 2006, as considered in the consolidated financial statements. These financial statements and other information of the subsidiary have been certified by the partners of the subsidiary and audited by a firm of Chartered Accountants, and our opinion, in so far as it relates to the amounts included in respect of the subsidiary is based solely on their audit report.
4. We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements and Accounting Standard (AS) 27 - Financial Reporting of Interest in Joint Ventures issued by The Institute of Chartered Accountants of India and on the basis of the separate audited/certified financial statements of the Company and its subsidiaries included in the Consolidated Financial Statements.
5. Based on the audit and on consideration of the reports of the other auditors on the separate financial and on the other financial information of the components; in our opinion and to the best of our information and according to the explanations given to us, the attached Consolidated Financial Statements read together with Notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2006;
 - (b) in the case of the Consolidated Profit and Loss Account, of the profit for the year ended on that date; and
 - (c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For **N.M.RAIJI & Co.,**
Chartered Accountants

M.N. THAKKAR
Partner
Membership No. 8873

Mumbai , 30th June, 2006

Consolidated Balance Sheet as at 31st March, 2006

	Schedule	Page	Rupees in lakhs	Rupees in lakhs	As at 31.03.2005 Rupees in lakhs
SOURCES OF FUNDS :					
1. SHAREHOLDERS' FUNDS :					
(a) Capital	A	54	1,442.78		1,311.78
(b) Reserves and Surplus	B	54 to 55	26,986.04		21,522.57
				28,428.82	22,834.35
2. MINORITY INTEREST				168.29	57.37
3. LOAN FUNDS :	C	55			
(a) Secured Loans			6,800.00		—
(b) Unsecured Loans			11,018.84		5,736.38
				17,818.84	5,736.38
4. Deferred Tax Liability (Net) (Note No. 4, Page 60)				634.54	713.00
5. TOTAL FUNDS EMPLOYED				47,050.49	29,341.10
APPLICATION OF FUNDS :					
6. FIXED ASSETS :	D	56			
(a) Gross Block			25,087.61		8,875.04
(b) Less : Depreciation			2,909.43		1,837.75
(c) Net Block			22,178.18		7,037.29
(d) Capital Work-in-Progress			542.95		363.21
				22,721.13	7,400.50
7. INVESTMENTS	E	57		16,199.12	15,125.14
8. CURRENT ASSETS, LOANS AND ADVANCES :					
(a) Inventories	F	57	7,909.33		3,762.84
(b) Sundry Debtors	G	57	263.54		162.34
(c) Cash and Bank Balances	H	57	1,691.38		884.54
(d) Loans and Advances	I	58	12,669.62		8,907.48
			22,533.87		13,717.20
9. Less: CURRENT LIABILITIES AND PROVISIONS :					
(a) Liabilities	J	58	11,773.15		5,864.99
(b) Provisions	K	59	2,635.87		1,078.25
			14,409.02		6,943.24
10. NET CURRENT ASSETS				8,124.85	6,773.96
11. MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	L	59		5.39	41.50
12. TOTAL ASSETS (NET)				47,050.49	29,341.10

(For Schedule 'M' and notes see pages 59 to 63)

As per our report attached.

For N. M. RAJI & CO.,
Chartered Accountants

M. N. THAKKAR
Partner

Mumbai, 30th June, 2006

MRS. H.R. WADIA
Company Secretary

28th June, 2006

For and on behalf of the Board,

S. N. TATA Chairman

N.A. SOONAWALA
B.S. BHESANIA
A.D. COOPER
K.N. SUNTOOK
F. K. KAVARANA
ZUBIN DUBASH } Directors

N. N. TATA Managing Director

Consolidated Profit and Loss Account for the year ended 31st March, 2006

	Schedule	Page	Rupees in lakhs	Rupees in lakhs	Previous Year Rupees in lakhs
INCOME :					
1. INCOME FROM OPERATIONS	2	53	40,346.94		23,454.60
2. OTHER INCOME	3	53	1,563.75		1,301.29
3. TOTAL INCOME				41,910.69	24,755.89
EXPENDITURE :					
4. MANUFACTURING AND OTHER EXPENSES	1	52	36,292.94		21,625.91
5. DEPRECIATION			995.63		469.16
			37,288.57		22,095.07
6. INTEREST					
(a) DEBENTURES			96.19		—
(b) OTHERS			343.64		113.21
			439.83		113.21
7. TOTAL EXPENDITURE				37,728.40	22,208.28
PROFIT BEFORE TAXES AND EXCEPTIONAL ITEMS					
8. EXCEPTIONAL ITEMS	4	53		4,182.29	2,547.61
9. PROVISION FOR TAXATION				75.00	—
CURRENT TAX			1,243.59		519.85
FRINGE BENEFIT TAX			61.52		—
DEFERRED TAX			(78.46)		39.03
				1,226.65	558.88
10. SHORT TAX PROVISION FOR PRIOR YEARS (NET)				2,880.64	1,988.73
				(0.10)	(18.59)
				2,880.54	1,970.14
11. LESS: MINORITY SHARE OF PROFIT / (LOSS)				80.84	5.65
12. LESS: PRE ACQUISITION PROFIT / (LOSS)				(13.29)	—
				2,812.99	1,964.49
13. BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR				2,221.82	2,203.12
PROFIT AVAILABLE FOR APPROPRIATION					
14. APPROPRIATIONS :					
(i) GENERAL RESERVE				250.00	1,021.00
(ii) DEBENTURE REDEMPTION RESERVE				1,300.00	—
(iii) INTERIM DIVIDEND				—	787.07
(iv) PROPOSED DIVIDEND				937.81	—
(v) TAX ON DIVIDEND				158.87	137.72
(vi) BALANCE CARRIED TO BALANCE SHEET				2,388.13	2,221.82
				5,034.81	4,167.61
15. Earnings Per Share (Rs.) (Note No. 12, page 63)					
Basic				19.83	14.54*
Diluted				19.43	14.54*

As per our report attached.

For N. M. RAIJI & CO.,
Chartered Accountants

M. N. THAKKAR
Partner

MRS. H.R. WADIA
Company Secretary

Mumbai, 30th June, 2006

28th June, 2006

For and on behalf of the Board,

S. N. TATA Chairman

N.A. SOONAWALA
B.S. BHESANIA
A.D. COOPER
K.N. SUNTOOK
F. K. KAVARANA
ZUBIN DUBASH } Directors

N. N. TATA Managing Director

Schedule forming part of the Consolidated Profit and Loss Account

**Schedule '1' (Item No. 4, page 51)
MANUFACTURING AND OTHER EXPENSES**

	Rupees in lakhs	Rupees in lakhs	Previous Year Rupees in lakhs
1. RAW MATERIALS CONSUMED		234.25	225.84
2. PURCHASE OF FINISHED PRODUCTS		23,465.44	12,793.72
3. PAYMENTS TO AND PROVISIONS FOR EMPLOYEES			
(a) Salaries, Wages, Bonus, etc. (refer Note 'c' of schedule B, page 55)	2,284.82		1,435.79
(b) Contribution to Provident, Superannuation and Gratuity Funds	141.55		101.11
(c) Workmen and Staff Welfare Expenses	133.60		87.32
		2,559.97	1,624.22
4. OPERATION AND OTHER EXPENSES			
(a) Processing Charges	185.66		199.11
(b) Packing Materials Consumed	289.00		156.43
(c) Power and Fuel	1,075.86		681.34
(d) Repairs to Building	576.00		312.50
(e) Repairs to Machinery	91.14		89.54
(f) Repairs Others	118.43		86.72
(g) Rent	701.24		466.38
(h) Rates and Taxes	375.40		382.84
(i) Insurance	64.37		44.09
(j) Advertisement and Sales Promotion	3,044.66		2,117.22
(k) Travelling Expenses	259.40		213.20
(l) Professional and Legal Charges	337.58		205.02
(m) Printing and Stationery	86.26		55.44
(n) Bank Charges	229.75		134.40
(o) Postage, Telegrams and Telephones	180.92		119.94
(p) General Expenses [Note 5(i), Page 60]	802.59		605.39
(q) Retail Business Fees	1,907.46		1,368.14
(r) Sales tax paid	1,672.76		894.59
(s) Directors' Fees	6.15		5.05
(t) Commission to non whole-time Directors	32.50		20.00
(u) Store Launch Expenses Amortised	54.52		101.37
(v) Excise Duty	—		16.42
		12,091.65	8,275.13
5. FREIGHT AND FORWARDING CHARGES		232.18	179.18
6. CHANGES IN FINISHED PRODUCTS			
Accretion to stocks deducted		2,290.55	1,472.18
		36,292.94	21,625.91

Schedules forming part of the Consolidated Profit and Loss Account

Schedule '2' (Item No. 1, page 51)
INCOME FROM OPERATIONS

	Rupees in lakhs	Rupees in lakhs	Previous Year Rupees in lakhs
(1) Sales		39,561.96	22,793.37
(2) Other Operating Income			
(a) Display and Sponsorship Income	50.48		65.50
(b) Commission on sales	251.40		164.86
(c) Discounts and Fees	64.24		49.57
(d) Others	132.70		76.50
		498.82	356.43
(3) Income from Current Investments - Non trade			
(a) Dividend on Current Investments	172.35		230.00
(b) Profit on sale of Current Investments (Net)	113.78		73.86
(c) Profit on valuation of Current Investments (Net)	0.03		0.94
		286.16	304.80
		40,346.94	23,454.60

Schedule '3' (Item No.2, page 51)
OTHER INCOME

	Rupees in lakhs	Rupees in lakhs	Previous Year Rupees in lakhs
(1) Rent received		83.24	49.33
(2) Miscellaneous Income		69.08	66.35
(3) Liquidated Damages		—	25.00
(4) Interest on Loans and Advances - Gross [Tax deducted at source: Rs 42.97 lakhs (2004-2005: Rs 26.09 lakhs)]		425.44	322.99
(5) Interest on Deposits with Banks - Gross [Tax deducted at source: Rs 4.60 lakhs (2004-2005: Rs 1.77 lakhs)]		17.05	5.66
(6) Interest on Long Term Investments -Gross		2.98	2.97
(7) Dividend on Long Term Investments -Gross			
(a) Trade	3.00		3.00
(b) Others - Gross	336.78		329.83
		339.78	332.83
(8) Profit on Sale of Long Term Investments (Net)		529.85	479.10
(9) Profit on Fixed Assets sold/discarded (Net)		86.64	9.14
(10) Excess provision no longer required written back		9.69	7.92
		1,563.75	1,301.29

Schedule '4 ' (Item No. 8, page 51)
EXCEPTIONAL ITEMS

	Rupees in lakhs	Previous Year Rupees in lakhs
Provision for Contingencies (Note 2(d), Page No 60)	75.00	—
	75.00	—

Schedules forming part of the Consolidated Balance Sheet

Schedule 'A' (Item No. 1(a), page 50)

CAPITAL

	Rupees in lakhs	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
AUTHORISED :			
1,50,00,000 Equity Shares of Rs.10/- each	1,500.00		1,500.00
1,00,00,000 Unclassified Shares of Rs.10/- each	1,000.00		1,000.00
		<u>2,500.00</u>	<u>2500.00</u>
ISSUED, SUBSCRIBED AND PAID UP :			
1,44,27,811 Equity Shares of Rs. 10/- each fully paid-up		1,442.78	1,311.78
[2004-2005 : 1,31,17,764 Equity Shares of Rs. 10/- each fully paid-up]		<u>1,442.78</u>	<u>1,311.78</u>

Notes : Of the above -

- (a) 1,08,81,021 Equity Shares were allotted as fully paid Bonus Shares by capitalisation of Share Premium and Reserves.
- (b) 1,12,616 Equity Shares were allotted as fully paid pursuant to Schemes of Amalgamation without payment being received in cash.
- (c) During the year, 13,10,047 equity shares were allotted as fully paid up on conversion of partly convertible Debentures.
- (d) During the year, the Company has issued 13,10,047 warrants to the shareholders along with partly Convertible Debentures. The Warrant holder is entitled to apply for one equity share of Rs.10/- each at a premium of Rs. 640/- each within 30 days after the expiry of 54 months from 7th July 2005, being the date of allotment.
- (e) During the year, the Company has granted 45,850 stock options under the Employee Stock Option Scheme. Stock Option outstanding as on 31st March 2006, are 44,900.

Schedule 'B' (Item No. 1(b), page 50)

RESERVES AND SURPLUS

	Rupees in lakhs	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
(1) SECURITIES PREMIUM ACCOUNT			
(a) Add: Premium on issue of Equity Shares	5,109.18		—
(b) Less: Premium on redemption of Non-Convertible Debentures	1,283.85		—
(c) Less: Write off of Debenture issue expenses	142.92		—
		<u>3,682.41</u>	<u>—</u>
(2) DEBENTURE REDEMPTION RESERVE			
Transferred from Profit and Loss Account		1,300.00	—
(3) EMPLOYEE STOCK OPTIONS			
a) Employee Stock Options Outstanding			
Additions	396.72		—
Lapsed	8.22		—
Outstanding	<u>388.50</u>		<u>—</u>
b) Less: Deferred Employee Compensation			
Additions	396.72		—
Amortised/Lapsed	72.97		—
Balance	<u>323.75</u>		<u>—</u>
Net Employee Stock Options		<u>64.75</u>	<u>—</u>
(4) GENERAL RESERVE :			
(a) Balance as per last account	17,577.49		16,556.49
(b) Add : Transferred from Profit and Loss Account	250.00		1,021.00
		<u>17,827.49</u>	<u>17,577.49</u>
(5) AMALGAMATION RESERVE :			
Arising out of Amalgamation		1,492.95	1,492.95
(6) CAPITAL RESERVE ON ACQUISITION OF SUBSIDIARY		230.31	230.31
(7) PROFIT AND LOSS ACCOUNT		2,388.13	2,221.82
		<u>26,986.04</u>	<u>21,522.57</u>

Schedules forming part of the Consolidated Balance Sheet

Schedule 'B' (Item No. 1(b), page 50) (contd.)

Notes : Of the above -

- (a) Premium on issue of Equity Shares represents issue of 13,10,047 Equity Shares during the year on conversion of Partly Convertible Debentures at a premium of Rs. 390/- per share.
- (b) The Expenditure incurred on Rights Issue and the provision for Premium on Redemption of Debentures have been debited to Securities Premium Account.
- (c) In respect of Options granted under the Company's Employee Stock Options Scheme 2005 (ESOS), in accordance with guidelines issued by SEBI, the accounting value of options is accounted as deferred employee compensation, which is amortised on a straight line basis over the vesting period. Consequently salaries, wages, bonus etc includes Rs. 64.75 lakhs (2004-05 Rs. Nil), being the amortisation of deferred employee compensation after adjusting for reversals on account of options lapsed.

Schedule 'C' (Item No. 3, page 50)

LOAN FUNDS

	Rupees in lakhs	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
1) SECURED LOANS :			
Non Convertible Debentures	6,550.24		—
Others	249.76		—
		6,800.00	—
2) UNSECURED LOANS :			
a) Sales Tax loan from Government of Maharashtra	22.14		25.88
b) Others	8,304.20		3,750.00
		8,326.34	3,775.88
c) Share of Joint Venture - [Note 11 (c), Page 63]		2,692.50	1,960.50
		17,818.84	5,736.38

Note:-

- (a) During the year, the Company issued 13,10,047 partly Convertible Debentures of Rs. 900/- each. Of the above Convertible Debenture of the face value of Rs. 400/- has been converted into one Equity Share of Rs. 10/- each at a premium of Rs. 390/- per share on the date of allotment. The Non Convertible Debenture of face value of Rs. 500/- are redeemable at a premium of Rs. 98/- each on 7th July, 2010.
- (b) The Non Convertible Debentures are secured by way of charge on assets of the Company costing atleast 1.33 times of the value of the Debentures in favour of the Debenture Trustees.
- (c) Premium payable on redemption of Debentures amounting to Rs. 1,283.85 lakhs has been fully provided and debited to Securities Premium Account .
- (d) Of the above secured loans, amount repayable within a year Rs. 150.88 lakhs (2004-05 : Rs. Nil).
- (e) Of the above unsecured loans, amount repayable within a year Rs. 6005.34 lakhs (2004-05 : Rs. 3.74 lakhs).

Schedule forming part of the Consolidated Balance Sheet
Schedule 'D' (Item No. 6, page 50)
FIXED ASSETS

ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION			NET BLOCK	
	As at 1.4.2005	Additions/ Adjustments	Deductions/ Adjustments	As at 31.3.2006	As at 1.4.2005	On Deductions/ Adjustments	For the year	As at 31.3.2006	As at 31.3.2006
	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs
Goodwill	— (—)	6.00 (—)	— (—)	6.00 (—)	— (—)	— (—)	— (—)	— (—)	6.00 (—)
Goodwill on Consolidation	901.69 (—)	11,484.98 (901.69)	— (—)	12,386.67 (901.69)	— (—)	— (—)	— (—)	— (—)	12,386.67 (901.69)
Freehold Land	427.92 (427.92)	— (—)	— (—)	427.92 (427.92)	— (—)	— (—)	— (—)	— (—)	427.92 (427.92)
Leasehold Land	— (—)	8.13 (—)	— (—)	8.13 (—)	— (—)	— (—)	— (—)	— (—)	8.13 (—)
Buildings	2,542.28 (2,461.01)	2,388.80 (87.40)	78.46 (6.13)	4,852.62 (2,542.28)	582.18 (491.75)	-54.23 (3.51)	203.76 (93.94)	840.17 (582.18)	4,012.45 (1,960.10)
Plant and Machinery	2,045.73 (1,531.23)	777.57 (533.00)	15.58 (18.50)	2,807.72 (2,045.73)	393.80 (313.08)	-42.91 (6.60)	266.28 (87.32)	702.99 (393.80)	2,104.73 (1,651.93)
Furniture, Fixtures, Office and Other Equipment	2,859.00 (2,084.81)	1,588.45 (779.82)	5.53 (5.63)	4,441.92 (2,859.00)	836.20 (561.70)	3.21 (3.06)	511.31 (277.56)	1,344.30 (836.20)	3,097.62 (2,022.80)
Vehicles	96.20 (97.61)	75.97 (21.07)	37.76 (22.48)	134.41 (96.20)	23.83 (25.69)	17.88 (10.97)	11.70 (9.11)	17.65 (23.83)	116.76 (72.37)
Intangible Assets	2.22 (1.25)	20.00 (0.97)	— (—)	22.22 (2.22)	1.74 (0.52)	— (—)	2.58 (1.22)	4.32 (1.74)	17.90 (0.48)
Total	8,875.04 (6,603.83)	16,349.90 (2,323.95)	137.33 (52.74)	25,087.61 (8,875.04)	1,837.75 (1,392.74)	-76.05 (24.14)	995.63 (469.16)	2,909.43 (1,837.75)	22,178.18 (7,037.29)
Capital Work-in-Progress									542.95 (363.21)
Total									22,721.13 (7,400.50)

Notes :

- (1) Figures in brackets are in respect of previous year.
- (2) Included in Buildings is an amount of Rs. 1,050 (2004-2005: Rs.1,550) representing value of Shares in Co-operative Housing Societies/Condominium .
- (3) No Depreciation has been provided on Leasehold Land
- (4) Additions / Adjustments" to Gross Block includes the Written Down Value of the Fixed Assets of M/s. Landmark as on 31.8.2005 calculated as per the provisions of the Income Tax Act, 1961 .

Schedules forming part of the Consolidated Balance Sheet
Schedule 'E' (Item No.7 , page 50)
INVESTMENTS

- (1) Investments
 (2) Share of Joint Venture -[Note 11 (c), Page 63]

As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
13,575.99	13,167.02
2,623.13	1,958.12
16,199.12	15,125.14

Schedule 'F' (Item No.8(a), page 50)
INVENTORIES
Stocks

- (1) Raw Materials
 (2) Packing Materials
 (3) Finished Products
 (4) Stocks-in-Transit

As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
104.43	58.62
25.54	36.02
7,757.28	3,624.42
22.08	43.78
7,909.33	3,762.84

Schedule 'G' (Item No.8 (b), page 50)
SUNDRY DEBTORS

- (1) Debts outstanding for a period exceeding six months
 (2) Other Debts

- (3) Less : Provision for Doubtful Debts

Considered Good - Unsecured
 Considered Doubtful - Unsecured

As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
112.08	105.23
163.93	69.57
276.01	174.80
12.47	12.46
263.54	162.34
263.54	162.34
12.47	12.46
276.01	174.80

Schedule 'H' (Item No.8(c), page 50)
CASH AND BANK BALANCES

- (1) Cash on hand (including cheques on hand Rs. 9.03 lakhs)
 (2004-2005: Rs. 6.97 lakhs)
 (2) Balances with Scheduled Banks
 (a) Current Accounts
 (b) Fixed Deposit Accounts
 (c) Unpaid Dividend Accounts

- (3) Share of Joint Venture -[Note 11 (c), Page 63]

As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
163.57	72.94
1,066.61	538.98
325.57	150.12
68.41	107.76
1,460.59	796.86
1,624.16	869.80
67.22	14.74
1,691.38	884.54

Schedules forming part of the Consolidated Balance Sheet

Schedule 'I' (Item No. 8(d), page 50)

LOANS AND ADVANCES

	Rupees in lakhs	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
(1) Security Deposits			
Deposits for Premises-Others	3,228.60		2,280.44
Other Deposits	177.88		137.09
		3,406.48	2,417.53
(2) Loans			
Other Loans		5,530.50	5,908.86
(3) Other Loans and Advances recoverable in cash or in kind or for value to be received		3,513.54	302.30
(4) Balances with Customs/Port Trust etc.		40.31	40.27
(5) Other Receivables		53.91	188.45
(6) Bills of Exchange		114.20	114.20
(7) Advances on Capital Account		163.81	83.92
		12,822.75	9,055.53
(8) Less : Provision for Doubtful Advances		155.83	148.20
		12,666.92	8,907.33
Considered Good - Secured		50.00	1,918.64
Considered Good - Unsecured		12,616.92	6,988.69
Considered Doubtful - Unsecured		155.83	148.20
		12,822.75	9,055.53
(9) Share of Joint Venture -[Note 11 (c), Page 63]		2.70	0.15
		12,669.62	8,907.48

Schedule 'J' (Item No. 9 (a), page 50)

LIABILITIES

	Rupees in lakhs	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
(1) Acceptances		1,749.44	600.57
(2) Sundry Creditors (Note 7, Page 61)			
Small Scale Industrial Undertakings	82.54		107.68
Others	8,876.87		3,928.60
		8,959.41	4,036.28
(3) Security Deposits Received		135.52	136.52
(4) Provision for Taxes -net of Advance Tax		857.91	971.38
(5) Investor Education and Protection Fund (Appropriate amount shall be transferred to "Investor Education and Protection Fund" if and when due - Note 8, Page 61)			
(a) Unpaid / Unclaimed Dividend	68.41		107.76
(b) Unpaid / Unclaimed Matured Deposits	0.30		0.40
(c) Unpaid application Money received by the Company for allotment of Rights Issue and due for refund	2.05		—
		70.76	108.16
		11,773.04	5,852.91
(6) Share of Joint Venture -[Note 11 (c), Page 63]		0.11	12.08
		11,773.15	5,864.99

Schedules forming part of the Consolidated Balance Sheet

Schedule 'K' (Item No.9 (b), page 50)

PROVISIONS

	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
(1) Interim Dividend	—	787.07
(2) Proposed Dividend	937.81	—
(3) Tax on Dividend	131.53	110.38
(4) Contingencies (Note 2(d) , Page 60)	205.00	130.00
(5) Retirement Benefits	77.69	50.80
(6) Redemption Premium of Debentures	1,283.84	—
	2,635.87	1,078.25

Schedule 'L' (Item No.11, page 50)

**MISCELLANEOUS EXPENDITURE
(to the extent not written off or adjusted)**

	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
(1) Store Launch Expenses	—	35.43
(2) Voluntary Retirement Expenses	—	6.00
(3) Others	5.32	—
	5.32	41.43
(3) Share of Joint Venture -[Note 11 (c), Page 63]	0.07	0.07
	5.39	41.50

Schedules forming part of the Consolidated Balance Sheet and Profit and Loss Account

Schedule 'M'

CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES

1.0 Basis of preparation of accounts

1.1 The consolidated financial statements have been prepared in accordance with the Accounting Standard 21 (AS -21) "Consolidated Financial Statements" and Accounting Standard-27 (AS-27) "Financial Reporting of Interest in Joint Ventures" issued by the Institute of Chartered Accountants of India. The consolidated financial statements are prepared by consolidating its accounts with its subsidiaries, Trent Brands Limited, Fiora Services Limited, Satnam Developers and Finance Private Limited, Nahar Theatres Private Limited, Fiora Link Road Properties Private Limited, Landmark -Partnership Firm and Joint Venture - Satnam Realtors Private Limited, wherein Satnam Developers and Finance Private Limited (100% subsidiary) holds 50% interest .

Nahar Theatres Private Limited became a Subsidiary on and from 20th September, 2005 , Fiora Link Road Properties Private Limited on and from 26th August, 2005 and Landmark - a partnership firm became a Subsidiary on and from 31st August, 2005.

The financial statements of these entities are prepared according to uniform accounting policies, except in case of Landmark - a partnership firm, where depreciation has been provided as per Income Tax Act. The impact of the above on consolidated profit cannot be ascertained.

1.2 Other Significant Accounting Policies are set out in the Notes to Accounts under the schedule "Significant Accounting Policies" of Trent Limited, Trent Brands Limited, Fiora Services Limited, Satnam Developers and Finance Private Limited, Nahar Theatres Private Limited, Fiora Link Road Properties Limited and Landmark - Partnership Firm.

Notes On the Consolidated Balance Sheet and Profit and Loss Account

- 1 (a) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 632.27 lakhs (2004-2005: Rs.118.33 lakhs).
Share of Joint Venture Rs. 451.85 Lakhs (2004-2005: Rs. 958.58 lakhs) (refer note no. 11(c) page 63)
(b) Uncalled Liability on partly paid shares: Rs. 12.37 lakhs (2004-2005: Rs. Nil)

2 Contingent Liabilities :

- (a) Sales tax, Excise and Customs demands against which the Company has filed appeals: Rs. 146.81 lakhs 2004-2005: Rs. 144.04 lakhs) - net of tax Rs. 97.39 lakhs(2004-2005: Rs. 91.33 lakhs).
(b) Claims made against the Company not acknowledged as debts: Rs. 749.93 lakhs (2004-2005: Rs.525.74 lakhs)
(c) Income-tax demands against which the Company has filed appeals: Rs. 687.98 lakhs (2004-2005: Rs.519.68 lakhs).
(d) As a matter of abundant caution, a general provision for contingencies of Rs. 205.00 lakhs (2004-2005: Rs. 130.00 lakhs) has been made against items (a), (b) and (c) above, which are disputed by the Company.

3 Managerial Remuneration :

Managerial remuneration for Managing Director and Non- Whole time Directors

	2005-06 Rupees in lakhs	2004-05 Rupees in lakhs
(a) Salaries (including Company's contribution to Provident Fund and Superannuation Fund)	40.66	33.66
(b) Commission	87.50	60.00
(c) Perquisites	17.01	14.40
(d) Directors' sitting fees	6.15	5.05
	151.32	113.11

Note: The above figures do not include contribution to Gratuity Fund as separate figure not available for the Managing Director , the amortised cost of 5000 Employee Stock Options granted to the Managing Director and retirement benefits of Rs. 11.74 lakhs (2004-2005 : Rs. 11.03 lakhs) paid to a former Managing Director.

4 Major components of Deferred Tax Assets and Liabilities are:

	2005-2006 Rupees in lakhs	2004-2005 Rupees in lakhs
Deferred Tax Liability		
(a) Depreciation	689.89	728.79
(b) Store Launch Expenses carried forward	—	16.44
	689.89	745.23
Deferred Tax Assets		
(a) Unabsorbed capital loss carried forward	—	1.02
(b) Other Provisions	55.35	31.21
	55.35	32.23
Net Deferred Tax Liability	634.54	713.00

5 (i) Schedule 1 Item 4 (p) General Expenses include :

	2005-2006 Rupees in lakhs	2004-2005 Rupees in lakhs
(a) Auditors' Remuneration - Audit Fees	6.74	4.80
Fees for Taxation matters	4.55	3.91
Other Services	26.23	3.96
Reimbursement of out-of-pocket expenses	0.10	0.26
(b) Provision for doubtful debts/advances	7.63	0.66
(c) Bad debts written off	0.36	—
(ii) Debenture Issue Expenses include : Auditors' Remuneration - Other Services	3.10	—

Notes On the Consolidated Balance Sheet and Profit and Loss Account (Contd.)

- 6** Loss on foreign exchange fluctuation (net) debited to the profit and loss account amounted to Rs. 3.17 lakhs (2004-2005 : Credited to the Profit and Loss Account : Rs. 2.20 lakhs).
- 7** The Company has identified the suppliers who are covered under the "Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act, 1993". The liability under the said Act on account of interest is not ascertained as at 31st March, 2006. However , no claims have been received for interest from suppliers with reference to the above Act.
- 8** There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

9 SEGMENTAL REPORTING :

		2005-2006			
		Retailing	Current Investment	Unallo-cated	Total Company
		Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
A	SEGMENT REVENUE				
	1 External Revenue	40,057.54 (23,326.72)	290.09 (304.80)	1,563.06 (1,124.37)	41,910.69 (24,755.89)
	2 Intersegment Revenue	— (—)	— (—)	— (—)	— (—)
	TOTAL SEGMENT REVENUE	40,057.54 (23,326.72)	290.09 (304.80)	1,563.06 (1,124.37)	41,910.69 (24,755.89)
B	RESULTS				
	1 Segment Results	2,824.65 (1,482.88)	290.09 (304.80)	1,507.38 (873.14)	4,622.12 (2,660.82)
	2 Interest Expense	— (—)	— (—)	439.83 (113.21)	439.83 (113.21)
	3 Exceptional Items	— (—)	— (—)	75.00 (—)	75.00 (—)
	4 Provision for Taxation	— (—)	— (—)	1,226.65 (558.88)	1,226.65 (558.88)
	5 Short tax provision for prior years (Net)	— (—)	— (—)	0.10 (18.59)	0.10 (18.59)
	6 Net Profit	2,824.65 (1,482.88)	290.09 (304.80)	(234.20) (182.46)	2,880.54 (1,970.14)
C	SEGMENT ASSETS	33,149.02 (15,524.57)	3,548.18 (7,588.67)	24,762.31 (13,171.10)	61,459.51 (36,284.34)
D	SEGMENT LIABILITIES	10,591.29 (4,235.65)	— (—)	22,439.40 (9,214.34)	33,030.69 (13,449.99)
E	CAPITAL EXPENDITURE	16,529.58 (1,640.20)	— (—)	0.05 (901.69)	16,529.63 (2,541.89)
F	DEPRECIATION	990.66 (461.99)	— (—)	4.97 (7.17)	995.63 (469.16)
G	AMORTISATION OF STORE LAUNCH EXPENSES	54.52 (101.37)	— (—)	— (—)	54.52 (101.37)
H	NON CASH EXPENSES				
	Provision for Contingencies	— (—)	— (—)	75.00 (—)	75.00 (—)

Notes:

- Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17), taking into account the Company's organisation structure as well as the differential risks and returns of these segments.
- Segment Revenue, Results, Assets and Liabilities figures include the respective amounts identifiable to each of the segments. Other unallocable expenditure includes expenses incurred at corporate level, which relate to the Company as a whole. Unallocated assets mainly relates to Long Term Investments.
- Figures in brackets are in respect of previous year.

Notes on the Consolidated Balance Sheet and Profit and Loss Account (Contd.)

10 RELATED PARTY TRANSACTIONS :

Related parties are as certified by the Management.

10.1 Related Parties with whom transactions have taken place during the year:

Associates:	Tata Sons Ltd. (Holds more than 20% of the Share Capital of the Company)
Joint Venture	Satnam Realtors Private Limited

10.2 Directors of the Company

Managing Director	Mr. N.N. Tata
Non Executive Directors	Mrs. S.N. Tata
	Mr. N.A. Soonawala
	Mr. B.S. Bhesania
	Mr. A.D. Cooper
	Mr. K.N. Suntook
	Mr. F.K. Kavarana
	Mr. Zubin Dubash - with effect from 27.10.2005

Details of remuneration to Directors is disclosed in Note No. 3 on Balance Sheet and Profit and Loss account.

	2005-2006 Rupees in lakhs	2004-2005 Rupees in lakhs
10.3 Sales to and Other recoveries from related parties		
Associates	21.50	47.71
10.4 Purchase/other services from related parties		
Associates	245.90	216.81
10.5 Purchase of Fixed Assets from related parties		
Associates	—	22.00
10.6 Interest/Dividend received from related parties		
Associates	34.81	—
Joint Venture	329.04	124.57
10.7 Interest/Dividend paid to related parties		
Associates	173.13	158.70
Joint Venture	0.30	—
Directors	1.52	1.44
10.8 Purchase of Preference Shares		
Associates	—	200.00
10.9 Loan Taken		
Joint Venture	40.00	—
10.10 Loan Repaid		
Joint Venture	40.00	—
10.11 Loan Given		
Joint Venture	1,464.00	3,921.00
10.12 Security Deposit Given		
Associates	30.00	—
10.13 Security Deposit Receivable as on 31.03.2006		
Associates	30.00	—
10.14 Amount received in respect of Rights Issue of Partly Convertible Debentures on Allotment		
Associates	2,596.98	—
Directors	59.67	—
10.15 Debentures Outstanding as on 31.3.2006		
Directors	0.13	—
10.16 Outstanding balance as on 31.03.2006 Receivable by Company		
Joint Venture	5,385.00	3,921.00
10.17 Outstanding balance as on 31.03.2006 Payable by Company		
Associates	42.44	42.14
Joint Venture	3.89	—
10.18 ESOP granted during the year (No. of Options)		
Directors	5,000	—

Notes on the Consolidated Balance Sheet and Profit and Loss Account (Contd.)

11 The Subsidiaries and interest in Joint Venture considered in the consolidated Financial Statements are:

(a) Particulars of Subsidiaries	Country of Origin	Proportionate ownership interest
Trent Brands Limited	India	100.00 %
Fiora Services Limited	India	
Held by Trent Limited		25.67 %
Held by Trent Brands Limited (Subsidiary)		64.20 %
Satnam Developers and Finance Private Limited	India	100.00 %
Nahar Theatres Private Limited	India	100.00 %
Fiora Link Road Properties Private Limited	India	100.00 %
(b) Investment in Partnership Firm - Landmark		
Held by Trent Limited	India	78.00 %
Held by Subsidiaries of Trent Limited	India	0.95 %
(c) Interest in Joint Venture		
Satnam Realtors Private Limited		
Held by Satnam Developers and Finance Private Limited (Subsidiary)	India	50.00 %

	As at 31.3.2006 Rupees in lakhs	As at 31.3.2005 Rupees in lakhs
I Assets		
1. Investments	2623.13	1958.12
2. Current Assets, Loans and Advances		
a) Cash and Bank	67.22	14.74
b) Loans and Advances	2.70	0.15
3. Miscellaneous Expenditure (to the extent not written off)	0.07	0.07
II Liabilities		
1. Unsecured Loans	2692.50	1960.50
2. Current Liabilities	0.11	12.08
III Capital Commitments	451.85	958.58

12 EARNINGS PER SHARE (EPS) :

	2005-2006	2004-2005
(a) Weighted Average Number of shares outstanding during the year		
i) For Basic Earnings Per Share	1,41,84,244	1,35,11,297*
ii) For Diluted Earnings Per Share		
No. of shares for Basic EPS as per a(i)	1,41,84,244	1,35,11,297*
Add: Weighted average outstanding warrants/options deemed to be issued for no consideration	2,94,678	—
No. of shares for Diluted Earnings Per Share	1,44,78,922	1,35,11,297*
(b) Net Profit/(loss) after Tax and Minority Interest available for Equity Share Holders (Rupees in lakhs)	2,812.99	1,964.49
(c) Earnings Per Share (Rs.) Face Value of Rs. 10/-		
Basic	19.83	14.54*
Diluted	19.43	14.54*

* Restated for adjustment on account of Rights Issue
13 Previous year's figures have been regrouped wherever necessary.
 Signatures to Schedules '1' to '4' and 'A' to 'M' and Notes.

As per our report attached.

For N. M. RAIJI & CO.,
Chartered Accountants

M. N. THAKKAR
Partner

MRS. H.R. WADIA
Company Secretary

Mumbai, 30th June, 2006

28th June, 2006

For and on behalf of the Board,

S. N. TATA Chairman

N.A. SOONAWALA
B.S. BHESANIA
A.D. COOPER
K.N. SUNTOOK
F. K. KAVARANA
ZUBIN DUBASH } Directors

N. N. TATA Managing Director

Consolidated Cash Flow for the year ended 31st March, 2006

	Rupees in lakhs	1.4.2005 to 31.3.2006 Rupees in lakhs	1.4.2004 to 31.3.2005 Rupees in lakhs
A CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before Taxes and Exceptional Items		4,182.29	2,547.61
Adjustments for :			
Depreciation	995.63		469.16
Interest (net)	(5.65)		(218.42)
Employee Stock Option	64.75		—
(Profit)/Loss on Fixed Assets sold/discarded (Net)	(86.64)		(9.14)
(Profit)/Loss on sale of Long Term Investments	(529.85)		(479.10)
Dividend from Long Term Investments	(339.78)		(332.83)
Liability no longer required written back	(9.69)		—
		<u>88.77</u>	<u>(570.33)</u>
Operating Profit Before Working Capital Changes		4,271.06	1,977.28
Adjustments for :			
(Increase)/Decrease in Current Investments	4,218.94		(78.40)
(Increase)/Decrease in Inventories	(2,304.18)		(1,365.63)
(Increase)/Decrease in Trade and Other Receivables	490.08		341.74
Increase/(Decrease) in Trade and Other Payables	2,814.51		1,382.81
		<u>5,219.35</u>	<u>280.52</u>
Cash generated from operations		9,490.41	2,257.80
Direct Taxes Paid		(1,600.67)	(354.82)
Net Cash from Operating Activities		<u>7,889.74</u>	<u>1,902.98</u>
B CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets	(2,268.39)		(1,585.41)
Sale of Fixed Assets	158.90		37.75
Purchase of Long Term Investments	(26,439.62)		(7,044.66)
Sale of Long Term Investments	11,114.47		5,373.10
Loans Given	(4,331.15)		(3,871.72)
Share of Profit from Partnership	0.08		—
Interest received	415.30		280.77
Dividend From Long Term Investments	341.56		331.05
Net cash (used in)/from Investing Activities		<u>(21,008.85)</u>	<u>(6,479.12)</u>
C CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Rights Issue of Partly Convertible Debentures (Net of issue expenses)	11,647.50		—
Unclaimed Share application money	2.05		—
Proceeds from Borrowings	5,242.00		5,689.84
Repayment of Borrowings	(2,009.93)		—
Interest Paid	(513.44)		(175.50)
Dividend Paid	(964.15)		(837.39)
Contribution from Minority towards capital in partnership	83.70		—
Profit share of Minority in Partnership	(73.34)		—
Net cash used in Financing Activities		<u>13,414.39</u>	<u>4,676.95</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		<u>295.28</u>	<u>100.81</u>
CASH AND CASH EQUIVALENTS AS AT 01.04.2005		884.54	783.66
CASH AND CASH EQUIVALENTS ON CONSOLIDATION ADJUSTMENT		511.56	0.07
CASH AND CASH EQUIVALENTS AS AT 31.03.2006		<u>1,691.38</u>	<u>884.54</u>

Notes: i) All figures in brackets are outflows.

ii) Of the above cash and cash equivalent balance, the amount of Rs.71.20 lakhs (2004-05: Rs.68.84 lakhs) is not available for use by the Company as it is under dispute.

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

As per our report attached.

For N. M. RAJI & CO.,
Chartered Accountants

M. N. THAKKAR
Partner

Mumbai, 30th June, 2006

MRS. H. R. WADIA
Company Secretary

28th June, 2006

For and on behalf of the Board,

S. N. TATA

Chairman

**N.A. SOONAWALA
B.S. BHESANIA
A.D. COOPER
K.N. SUNTOOK
F. K. KAVARANA
ZUBIN DUBASH**

Directors

N. N. TATA

Managing Director

Summarised Financial Statement of Subsidiaries

	Trent Brands Limited		Fiora Services Limited		Satnam Developers and Finance Private Limited		Nahar Theatres Private Limited	Fiora Link Road Properties Private Limited
	As at 31st March, 2006 Rupees in lakhs	As at 31st March, 2005 Rupees in lakhs	As at 31st March, 2006 Rupees in lakhs	As at 31st March, 2005 Rupees in lakhs	As at 31st March, 2006 Rupees in lakhs	As at 31st March, 2005 Rupees in lakhs	As at 31st March, 2006 Rupees in lakhs	As at 31st March, 2006 Rupees in lakhs
Capital	325.00	325.00	151.91	151.91	5.00	1.00	20.96	5.00
Reserves and Surplus	1207.85	889.29	470.98	414.95	14.13	1.81	173.33	—
Total Assets	1,532.85	1,214.29	624.48	570.33	8,541.63	4,022.81	971.79	11.50
Total Liabilities	1,532.85	1,214.29	624.48	570.33	8,541.63	4,022.81	971.79	11.50
	For the year ended		For the year ended		For the year ended		For the year ended	For the period ended
	31st March, 2006	31st March, 2005	31st March, 2006	31st March, 2005	31st March, 2006	31st March, 2005	31st March, 2006	24th August, 2005 to 31st March, 2006
	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs				
Turnover *	582.01	226.20	431.99	329.18	329.21	126.51	97.53	0.16
Profit before Tax	565.91	202.57	83.48	80.20	19.32	3.84	(33.53)	(0.16)
Provision for Taxation	25.00	1.78	27.51	24.34	7.00	1.60	11.20	—
Excess/ (Short) tax provision for prior years (Net)	—	0.33	(0.10)	—	—	—	—	—
Net Profit/(Loss)	540.91	201.12	56.03	55.86	12.32	2.24	(44.74)	(0.16)
Interim Dividend Percentage	60	60	Nil	Nil	Nil	Nil	Nil	Nil
Amount	195.00	195.00	Nil	Nil	Nil	Nil	Nil	Nil

* represents income from operation and other income

Fifty-Fourth Annual Report 2005-2006

Details of Investment – Subsidiary
TRENT BRANDS LIMITED

	Balance as at 1.4.2005		Purchased during the year		Sold during the year		Balance as at 31.3.2006	
	No.of Shares/Units	Rs. Lakhs	No.of Shares/Units	Rs. Lakhs	No.of Shares/Units	Rs. Lakhs	No.of Shares/Units	Rs. Lakhs
Long Term Investments : (at Cost less provision for diminution in value) Face Value of Rs 10 each,Unquoted and fully paid-up unless otherwise stated								
(a) In Subsidiary Company :								
Fiora Services Limited (Equity shares of Rs. 100/- each)	97,530	203.42	—	—	—	—	97,530	203.42
Total Investments in Subsidiary Company		203.42						203.42
(b) In Partnership Firm								
Landmark - Capital Account *				4.00				4.00
Landmark - Right In Partnership				99.25				99.25
Total Investment in Partnership Firm								103.25
(c) In Other Shares								
3I Infotech Limited(Quoted)	—	—	32,000	40.38	32,000	40.38	—	—
Alok Industries Limited(Quoted)	—	—	65,000	47.77	—	—	65,000	47.77
Amara Raja Batteries Limited(Quoted)	—	—	26,447	38.46	17,447	25.37	9,000	13.09
Andhra Pradesh Paper Mills Limited(Quoted)	—	—	33,500	38.85	—	—	33,500	38.85
Andhra Sugars Limited(Quoted)	—	—	15,000	25.50	—	—	15,000	25.50
Ansal Properties and Infrastructure Limited.(Quoted)	—	—	20,000	40.40	20,000	40.40	—	—
Arvind Mills Limited(Quoted)	—	—	35,000	48.84	35,000	48.84	—	—
Arvind Products Limited(Quoted)	—	—	2,20,000	40.99	84,519	15.75	1,35,481	25.24
Balrampur Chini Mills Limited(Quoted) (Equity shares of Rs. 1/- each)	—	—	30,000	49.88	—	—	30,000	49.88
Bajaj Hindustan Limited(Quoted) (Equity shares of Rs. 1/- each)	—	—	10,000	21.11	10,000	21.11	—	—
Bharat Electronics Limited(Quoted)	5,850	30.30	—	—	—	—	5,850	30.30
BHEL (Quoted)	600	2.10	—	—	600	2.10	—	—
BPCL(Quoted)	4,000	15.08	—	—	—	—	4,000	15.08
Century Textiles and Industries Limited(Quoted)	—	—	23,000	71.43	16,500	50.68	6,500	20.75
Chambal Fertilisers and Chemicals Limited(Quoted)	2,15,000	49.89	—	—	25,000	5.80	1,90,000	44.09
Cipla Limited(Quoted) (Equity shares of Rs. 2/- each)	18,200	49.83	—	—	15,000	41.07	3,200	8.76
Clutch Auto Limited(Quoted)	—	—	28,000	30.27	28,000	30.27	—	—
CMC Limited(Quoted)	700	3.09	—	—	700	3.09	—	—
Control Print (India) Limited(Quoted)	—	—	64,500	59.73	19,500	17.19	45,000	42.53
Cosmo Films Limited(Quoted)	—	—	60,000	49.14	60,000	49.14	—	—
D S Kulkarni Develpoers Limited(Quoted)	—	—	23,000	24.75	23,000	24.75	—	—
Deepak Fertilizers and Petrochemicals Corpn Limited (Quoted)	—	—	50,000	43.54	—	—	50,000	43.54
Dishman Pharmaceuticals and Chemicals Limited (Quoted) (Equity shares of Rs. 2/- each)	—	—	24,500	47.67	—	—	24,500	47.67
EMCO Limited(Quoted)	—	—	3,500	19.50	1,000	5.57	2,500	13.93
Excel Crop Care Limited(Quoted) (Equity shares of Rs. 5/- each)	—	—	27,500	61.59	—	—	27,500	61.59
FCI Oen Connectors Limited(Quoted)	—	—	13,034	54.42	13,034	54.42	—	—
Finolex Industries Limited(Quoted)	—	—	55,000	40.14	55,000	40.14	—	—
Gammon India Limited(Quoted) (Equity shares of Rs. 2/- each)	—	—	8,000	33.47	4,000	16.73	4,000	16.73
GAIL (India) Limited(Quoted)	11,000	19.50	—	—	4,000	7.09	7,000	12.41
Graphite India Limited(Quoted)	13,950	16.89	—	—	—	—	13,950	16.89
Grasim Industries Limited(Quoted)	750	4.83	—	—	750	4.83	—	—
Great Eastern Shipping Co.Limited(Quoted)	—	—	12,000	26.00	—	—	12,000	26.00
Greenply Industries Limited(Quoted) (Equity shares of Rs. 5/- each)	—	—	58,000	50.66	20,000	17.47	38,000	33.19
Gujarat Ambuja Cement Limited(Quoted) (Equity shares of Rs. 2/- each)	—	—	25,000	23.82	—	—	25,000	23.82
HEG Limited(Quoted)	—	—	25,000	42.12	—	—	25,000	42.12
Hexaware Technologies Limited(Quoted) (Equity shares of Rs. 2/- each)	—	—	40,000	44.23	40,000	44.23	—	—
Hindalco Industries Limited(Quoted) (Equity shares of Rs. 1/- each)	—	—	10,000	14.64	—	—	10,000	14.64
Hindalco Industries Limited (Quoted) (Equity shares of Rs. 1/- each - Partly Paid 0.25 per share)	—	—	2,862	0.69	—	—	2,862	0.69
Hindustan Lever Limited(Quoted) (Equity shares of Rs. 1/- each)	—	—	64,000	114.10	42,000	74.48	22,000	39.63
ICICI Bank Limited(Quoted)	—	—	25,000	133.05	10,000	48.53	15,000	84.52
IDBI Limited(Quoted)	—	—	25,000	30.51	25,000	30.51	—	—
IDFC Limited(Quoted)	—	—	47,000	33.12	—	—	47,000	33.12
Indian Oil Corporation Limited(Quoted)	11,200	50.10	—	—	2,000	8.95	9,200	41.15
Indian Pertochemicals Corporation Limited(Quoted)	11,500	21.42	—	—	4,000	7.45	7,500	13.97

**Details of Investment – Subsidiary
TRENT BRANDS LIMITED**

	Balance as at 1.4.2005		Purchased during the year		Sold during the year		Balance as at 31.3.2006	
	No.of Shares/Units	Rs. Lakhs	No.of Shares/Units	Rs. Lakhs	No.of Shares/Units	Rs. Lakhs	No.of Shares/Units	Rs. Lakhs
Indian Seamless Steels and Alloys Limited(Quoted)	—	—	84,000	38.20	84,000	38.20	—	—
Indo Count Industries Limited(Quoted)	—	—	1,15,071	40.22	—	—	1,15,071	40.22
Infosys Technologies Limited(Quoted) (Equity shares of Rs. 5/- each)	1,000	19.60	—	—	1,000	19.60	—	—
ITC Limited(Quoted) (Equity shares of Rs. 1/- each)	—	—	40,000	51.56	12,000	15.47	28,000	36.09
J K Paper Limited(Quoted)	—	—	65,000	46.61	—	—	65,000	46.61
Jupiter Bioscience Limited(Quoted)	—	—	27,000	34.19	27,000	34.19	—	—
Kamat Hotels (India) Limited(Quoted)	—	—	37,845	50.68	10,402	13.89	27,443	36.79
Larsen and Toubro Limited(Quoted) (Equity shares of Rs. 2/- each)	—	—	2,000	30.77	2,000	30.77	—	—
Lupin Limited(Quoted)	—	—	4,000	31.61	1,000	7.90	3,000	23.70
M.T.N.L.(Quoted)	31,050	49.62	—	—	—	—	31,050	49.62
Maharashtra Scooters Limited(Quoted)	14,650	19.68	—	—	14,650	19.68	—	—
Maral Overseas Limited(Quoted)	—	—	80,000	45.79	80,000	45.79	—	—
McNally Bharat Engineering Co.Limited(Quoted)	—	—	33,000	36.96	—	—	33,000	36.96
Nagarjuna Construction Co.Limited(Quoted) (Equity shares of Rs. 2/- each)	—	—	7,500	27.64	—	—	7,500	27.64
NTPC Limited(Quoted)	65,100	48.99	—	—	30,000	22.58	35,100	26.42
Oil and Natural Gas Corporation Limited(Quoted)	7,600	44.68	1,000	10.40	4,000	25.62	4,600	29.46
Omax Autos Limited(Quoted)	—	—	25,000	37.24	—	—	25,000	37.24
Opto Circuits (India) Limited(Quoted)	—	—	10,000	18.69	10,000	18.69	—	—
Panacea Biotec Limited(Quoted) (Equity shares of Rs. 1/- each)	—	—	10,000	26.89	—	—	10,000	26.89
Pioneer Embroideries Limited(Quoted)	—	—	38,000	39.39	38,000	39.39	—	—
Punjab National Bank Limited(Quoted)	—	—	7,500	31.11	4,000	16.59	3,500	14.52
Rain Calcing Limited(Quoted)	—	—	30,000	10.15	30,000	10.15	—	—
Rashtriya Chemicals and Fertilizers Limited(Quoted)	—	—	75,000	32.14	—	—	75,000	32.14
Reliance Capital Ventures Limited(Quoted) (Issued 3,000 Shares in lieu of 3,000 Shares held in RIL as per Scheme of Arrangement)	—	—	3,000	0.31	—	—	3,000	0.31
Reliance Communication Ventures Limited(Quoted) (Issued 3,000 Shares of Rs 5/- each in lieu of 3,000 Shares held in RIL as per Scheme of Arrangement)	—	—	13,000	38.74	—	—	13,000	38.74
Reliance Energy Ventures Limited(Quoted) (Issued 3,000 Shares in lieu of 3,000 Shares held in RIL as per Scheme of Arrangement)	—	—	3,000	1.74	—	—	3,000	1.74
Reliance Industries Limited(Quoted)	—	—	8,000	50.39	5,000	38.03	3,000	12.36
Reliance Natural Resources Limited(Quoted) (Issued 3,000 Shares of Rs 5/- each in lieu of 3,000 Shares held in RIL as per Scheme of Arrangement)	—	—	3,000	0.17	—	—	3,000	0.17
Sanghvi Movers Limited(Quoted)	—	—	8,000	59.02	—	—	8,000	59.02
Satnam Overseas Limited(Quoted)	—	—	71,000	63.45	20,000	18.41	51,000	45.04
Satyam Computer Services Limited(Quoted) (Equity shares of Rs. 2/- each)	—	—	4,000	32.87	—	—	4,000	32.87
Sharon Bio-Medicine Limited(Quoted)	—	—	54,960	50.29	—	—	54,960	50.29
Shree Renuka Sugars Limited(Quoted)	—	—	5,000	47.45	5,000	47.45	—	—
Shreyas Shipping and Logistics Limited(Quoted)	—	—	22,525	46.12	—	—	22,525	46.12
Shringar Cinemas Limited(Quoted)	—	—	25,000	15.53	—	—	25,000	15.53
Siro Plast Limited(Quoted)	—	—	65,000	47.66	100	0.07	64,900	47.59
Simbhaoli Sugar Mills Limited(Quoted)	—	—	34,000	51.52	—	—	34,000	51.52
Southern Iron and Steel Co. Limited(Quoted)	—	—	1,70,000	47.07	—	—	1,70,000	47.07
Srei Infrastructure Finance Limited(Quoted)	—	—	72,500	45.22	—	—	72,500	45.22
State Bank of India Limited(Quoted)	17,850	86.45	—	—	5,850	28.33	12,000	58.12
Steel Authority of India Limited.(Quoted)	—	—	50,000	30.90	—	—	50,000	30.90
Sterlite Industries (India) Limited(Quoted) (Equity shares of Rs. 5/- each)	—	—	7,000	58.98	7,000	58.98	—	—
Tamilnadu News Prints and Papers Limited(Quoted)	—	—	45,000	42.68	—	—	45,000	42.68
Tata Chemicals Limited(Quoted)	2,000	1.83	—	—	—	—	2,000	1.83
Tata Investment Corporation Limited(Quoted)	8,250	18.59	4,125	0.00	—	—	12,375	18.59
Tata Iron and Steel Company Limited(Quoted)	15,700	49.21	7,000	24.17	—	—	22,700	73.38
Tata Teleservices Limited(Quoted)	80,000	15.87	—	—	—	—	80,000	15.87
TVS Srichakra Limited(Quoted)	—	—	40,736	31.35	15,000	11.55	25,736	19.81
Ultra Tech Cememt Limited(Quoted)	—	—	10,000	40.37	10,000	40.37	—	—
Union Bank Of India(Quoted)	—	—	20,000	25.17	—	—	20,000	25.17
Varun Shipping Co.Limited(Quoted)	—	—	1,06,000	52.60	81,000	34.05	25,000	18.55
Viceroy Hotel Limited(Quoted)	—	—	5,000	3.13	5,000	3.13	—	—
Webel SL Energy System Limited(Quoted)	—	—	24,000	49.26	—	—	24,000	49.26
West Coast Paper Mills Limited(Quoted)	—	—	10,565	28.45	10,565	28.45	—	—
Williamson Tea Assam Limited(Quoted)	—	—	10,000	16.83	10,000	16.83	—	—
Xpro India Limited(Quoted)	—	—	75,000	47.63	75,000	47.63	—	—
Zuari Industries Limited(Quoted)	—	—	44,000	40.60	44,000	40.60	—	—
Total Investment in Other Co.-Long Term		617.55						2,224.50

Details of Investment – Subsidiary
TRENT BRANDS LIMITED

	Balance as at 1.4.2005		Purchased during the year		Sold during the year		Balance as at 31.3.2006	
	No.of Shares/Units	Rs. Lakhs	No.of Shares/Units	Rs. Lakhs	No.of Shares/Units	Rs. Lakhs	No.of Shares/Units	Rs. Lakhs
(d) In Mutual Funds								
Birla Floating Rate Fund Short Term Plan-Dividend	32,88,887	341.07	48,269	5.01	33,37,156	346.08	—	—
DSP Merrill Lynch Balanced Fund-Dividend	16,76,446	200.00	—	—	16,76,446	200.00	—	—
DSP Merrill Lynch Liquidity Fund-Growth	—	—	18,51,979	307.19	11,85,223	196.59	6,66,756	110.60
DSP Merrill Lynch Short Term Fund-Growth	—	—	25,91,726	304.39	25,91,726	304.39	—	—
FT India Monthly Income Plan A Dividend	8,85,058	100.00	—	—	8,85,058	100.00	—	—
HDFC Cash Mgmt Fund-Savings Plan-Dividend	—	—	48,77,443	518.68	48,77,443	518.68	—	—
HDFC Cash Mgmt Fund-Savings Plus Plan-Dividend	—	—	36,65,877	367.21	36,65,877	367.21	—	—
HDFC Equity Fund-Dividend	2,87,661	61.02	39,003	14.38	—	—	3,26,664	75.40
HDFC Prudence Fund-Dividend	16,97,675	301.01	—	—	16,97,675	301.01	—	—
HDFC Top 200 Fund-Dividend	2,96,563	61.42	41,955	13.35	—	—	3,38,517	74.76
HSBC Equity Fund-Dividend	6,63,391	131.16	1,82,238	43.57	—	—	8,45,629	174.73
HSBC MIP-Savings Plan-Dividend	31,22,581	312.46	45,116	4.61	31,67,697	317.07	—	—
Tata Floating Rate Fund Short Term Plan-Dividend	20,59,401	206.56	50,71,464	510.79	71,30,865	717.35	—	—
Tata Liquid SHIP-Mthly Dividend (Units of Rs. 1000/- each)	—	—	77,614	880.89	70,394	798.89	7,220	82.00
Tata MIP Plus Fund-Dividend	10,21,962	102.23	10,320	1.05	10,32,282	103.28	—	—
Templeton Floating Rate Fund Short Term Plan-Div	20,49,535	205.03	37,698	3.78	20,87,233	208.81	—	—
Total investment in Mutual Fund		2,021.96						517.49
Total Investments		2,842.93						3,048.66
Aggregate book value of Investments								
Unquoted		2,225.38						824.16
Quoted [Market value Rs.2,713.56 Lakhs (2004-2005: Rs.736.04 Lakhs)]		617.55						2,224.50
Total		2,842.93						3,048.66

* Partners	Share
Trent Limited	78.00%
Hemalatha Ramaiah	21.00%
Trent Brands Limited	0.80%
Fiora Services Limited	0.05%
Fiora Link Road Properties Private Limited.	0.05%
Satnam Developers and Finance Private Limited.	0.05%
Satnam Realtors Private Limited.	0.05%

The Partnership Firm Landmark has been converted in to Company Landmark Ltd under part IX of the Companies Act 1956 to carry on the business of Landmark Partnership Firm with effect from 01-04-2006.

**Details of Investment – Subsidiary
FIORA SERVICES LIMITED**

	Balance as at 1.4.2005		Purchased during the year		Sold during the year		Balance as at 31.3.2006	
	No.of. Shares/Units	Rs. Lakhs	No.of. Shares/Units	Rs. Lakhs	No.of. Shares/Units	Rs. Lakhs	No.of. Shares/Units	Rs. Lakhs
Long Term Investments :								
(at Cost less provision for diminution in value)								
Face Value of Rs 10 each,Unquoted and fully paid-up unless otherwise stated								
(a) In Shares:								
Trent Limited (Quoted)	1,59,943	131.85	—	—	—	—	1,59,943	131.85
Total Investment in Shares		131.85						131.85
(b) In Partnership Firm								
Landmark - Capital Account *				0.25		—		0.25
Landmark - Right In Partnership				6.20		—		6.20
Total Investment in Partnership Firm								6.45
Total Long Term Investments		131.85						138.30
Current Investments								
(at lower of cost and fair value)								
Birla Floating Rate Fund-Short Term Plan-Growth	11,61,473	125.00		—		—	11,61,473	125.00
HSBC Floating Rate Fund-Short Term-IP-Growth	14,88,893	150.00		—		—	14,88,893	150.00
Tata Floating Rate Fund Short Term-Income-Bonus	11,08,288	111.47	5,02,136	50.64		—	16,10,424	162.11
Total of Current Investments		386.47						437.11
Total Investment		518.32						575.41
Aggregate book value of Investments								
Unquoted		386.47						443.56
Quoted [Market value Rs.1,449.08 lakhs (2004-05 Rs.853.86 lakhs)]		131.85						131.85
Total		518.32						575.41

* Partners	Share
Trent Limited	78.00%
Hemalatha Ramaiah	21.00%
Trent Brands Limited	0.80%
Fiora Services Limited	0.05%
Fiora Link Road Properties Private Limited.	0.05%
Satnam Developers and Finance Private Limited.	0.05%
Satnam Realtors Private Limited.	0.05%

The Partnership Firm Landmark has been converted in to Company Landmark Ltd under part IX of the Companies Act 1956 to carry on the business of Landmark Partnership Firm with effect from 01-04-2006.

Details of Investment – Subsidiary

SATNAM DEVELOPERS AND FINANCE PRIVATE LIMITED.

	Balance as at 1.4.2005		Purchased during the year		Sold during the year		Balance as at 31.3.2006	
	No.of. Shares/Units	Rs. Lakhs	No.of. Shares/Units	Rs. Lakhs	No.of. Shares/Units	Rs. Lakhs	No.of. Shares/Units	Rs. Lakhs
Long Term Investments:								
Long Term Investments:								
[at cost less provision for diminution in value]								
Other Investments :								
Investment in Partnership firm								
Land Mark - capital a/c *	—	—		0.25	—	—	—	0.25
Land Mark - Right in partnership				6.20				6.20
Total Other Investments								6.45
Trade Investments:								
Satnam Realtors Private Limited	5,000	0.50	—	—	—	—	5,000	0.50
[unquoted]								
[Equity shares of Rs.10/- each]								
Total Trade Investments		0.50						0.50
Total Investments		0.50						6.95
Aggregate book value of Investments								
Unquoted		0.50						6.95
Quoted		—						—
Total		0.50						6.95

* Partners	Share
Trent Limited	78.00%
Hemalatha Ramaiah	21.00%
Trent Brands Limited	0.80%
Fiora Services Limited	0.05%
Fiora Link Road Properties Private Limited.	0.05%
Satnam Developers and Finance Private Limited.	0.05%
Satnam Realtors Private Limited.	0.05%

The Partnership Firm Landmark has been converted in to Company Landmark Ltd under part IX of the Companies Act 1956 to carry on the business of Landmark Partnership Firm with effect from 01-04-2006.

**Details of Investment – Subsidiary
NAHAR THEATRES PRIVATE LIMITED**

	Balance as at 1.4.2005		Purchased during the year		Sold during the year		Balance as at 31.3.2006	
	No.of Shares/Units	Rs. Lakhs	No.of Shares/Units	Rs. Lakhs	No.of Shares/Units	Rs. Lakhs	No.of Shares/Units	Rs. Lakhs
Long Term Investments:								
(at Cost less provision for diminution in value)								
Face Value of Rs 10/- each, Unquoted and fully paid-up unless otherwise stated								
Other Investments:								
In Mutual Funds:								
Templeton Floating Rate Income Fund Short Term Plan - Dividend Reinvestment			4,65,851	46.69	4,65,851	46.69	—	—
Templeton India Growth Fund - Growth	16,639	5.00			16,639	5.00	—	—
Franklin India Blue Chip Fund - Growth	9,332	5.00			9,332	5.00	—	—
FT India Life Stage Fund of Funds - The 50S Plus Floating Rate Plan	1,18,511	12.24			1,18,511	12.24	—	—
Franklin India Prima Plus - Dividend Reinvestment	52,043	11.72			52,043	11.72	—	—
Franklin India Flexi Cap Fund - Dividend Reinvestment	1,00,000	10.00			1,00,000	10.00	—	—
HDFC Capital Builder Fund - Dividend	1,16,020	22.33			1,16,020	22.33	—	—
HDFC Balance Fund - Dividend	27,725	6.11			27,725	6.11	—	—
HDFC - Prudence Fund - Dividend	1,10,561	24.89	54,375	11.00	1,64,936	35.89	—	—
HDFC Floating Rate Income Fund - Short Term Plan -Growth	2,26,152	25.00	24,42,908	272.44	26,69,061	297.44	—	—
HDFC Floating Rate Income Fund - Long Term Plan -Growth	8,85,051	96.00			8,85,051	96.00	—	—
HDFC Core and Satellite Fund - Growth	89,774	11.00	87,944	11.00	177,718	22.00	—	—
HDFC Top 200 Fund - Dividend	53,937	11.90			53,937	11.90	—	—
HDFC Premier Multi - Cap Fund - Growth	3,90,672	39.95			3,90,672	39.95	—	—
HDFC Equity Fund - Growth	13,276	7.26			13,276	7.26	—	—
HDFC Floating Rate Income Fund - Long Term Plan - Dividend Reinvestment	34,08,774	341.74	5,716	0.57	34,14,490	342.31	—	—
HDFC Floating Rate Income Fund - Short Term Plan - Dividend Reinvestment	4,89,200	49.10	49,39,924	496.38	54,29,124	545.48	—	—
Total Investments		679.22						—
Aggregate book value of Investments								
Unquoted		679.22						—
Quoted		—						—
Total		679.22						—

Details of Investment – Subsidiary

FIORA LINK ROAD PROPERTIES PRIVATE LIMITED

	Balance as at 1.4.2005		Purchased during the year		Sold during the year		Balance as at 31.3.2006	
	No.of. Shares/Units	Rs. Lakhs	No.of. Shares/Units	Rs. Lakhs	No.of. Shares/Units	Rs. Lakhs	No.of. Shares/Units	Rs. Lakhs
Long Term Investments: [at cost less provision for dimunition in value]								
Other Investments :								
Investment in Partnership firm								
Land Mark - capital a/c *		—		0.25		—		0.25
Land Mark - Right in partnership				6.20				6.20
Total Other Investments		—				—		6.45
Aggregate book value of Investments								
Unquoted		—						6.45
Quoted		—						—
Total		—						6.45

* Partners	Share
Trent Limited	78.00%
Hemalatha Ramaiah	21.00%
Trent Brands Limited	0.80%
Fiora Services Limited	0.05%
Fiora Link Road Properties Private Limited.	0.05%
Satnam Developers and Finance Private Limited.	0.05%
Satnam Realtors Private Limited.	0.05%

The Partnership Firm Landmark has been converted in to Company Landmark Ltd under part IX of the Companies Act 1956 to carry on the business of Landmark Partnership Firm with effect from 01-04-2006.